



# Budget

## 2019-20

**Portfolio Budget Statements 2019-20**  
**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**

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 2019-20 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, reading 'Peter Dutton'.

The Hon Peter Dutton MP  
Minister for Home Affairs

## 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| nfp     | not for publication                         |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 in the Department of Home Affairs on (02) 6264 1111.

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

**USER GUIDE  
To THE  
PORTFOLIO BUDGET STATEMENTS**



## USER GUIDE

The purpose of the *2019–20 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.

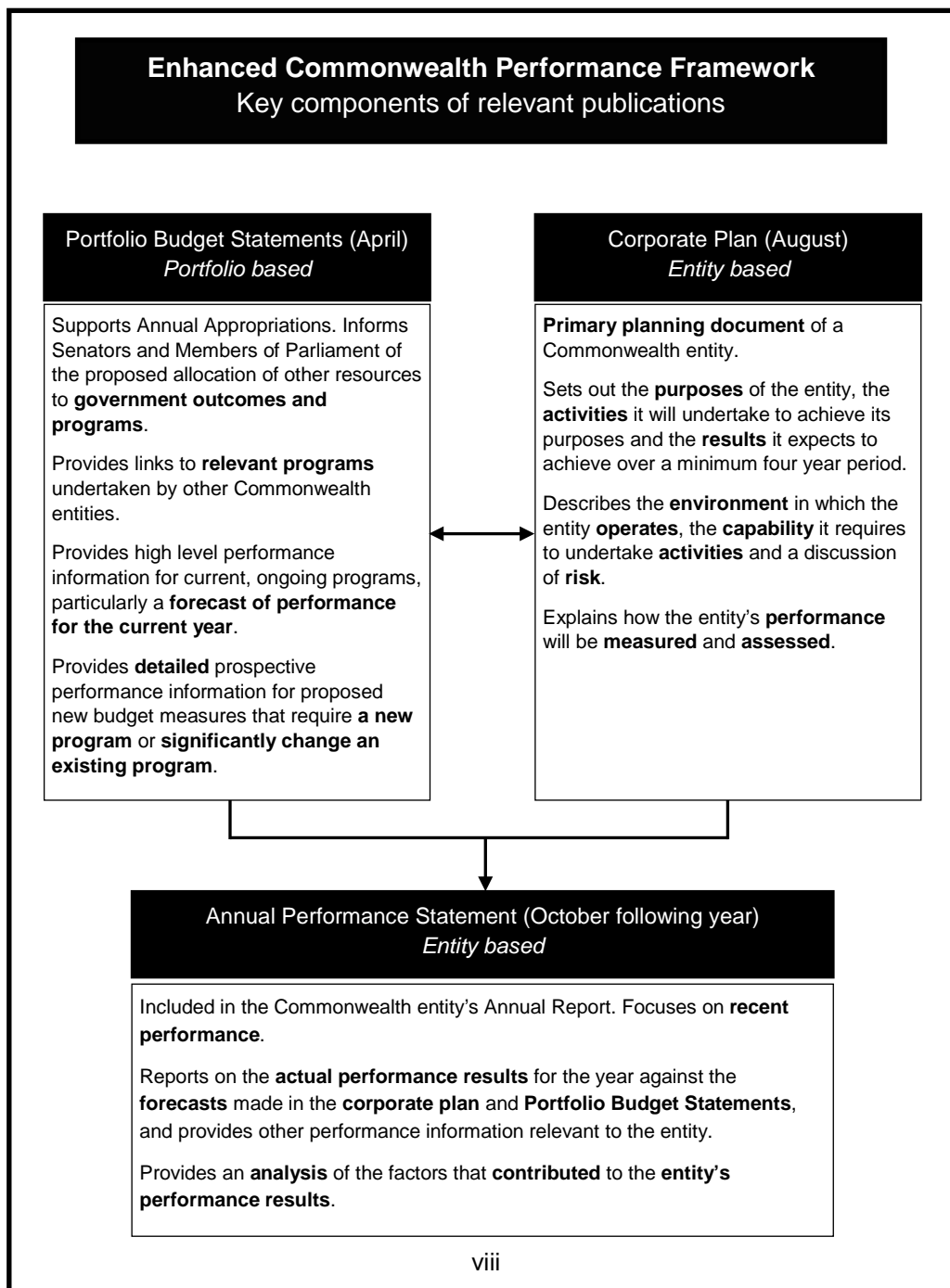
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2019–20 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2019–20 for the parliamentary departments). In this sense, the PB Statements are Budget-related 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

## Ministers and portfolio responsibilities

The Home Affairs portfolio (the portfolio) has three Ministers:

- the Hon Peter Dutton MP, Minister for Home Affairs;
- Senator the Hon Linda Reynolds CSC, Minister for Emergency Management and North Queensland Recovery; and
- the Hon David Coleman MP, Minister for Immigration, Citizenship and Multicultural Affairs.

### Department of Home Affairs and operational agencies

The portfolio constitutes 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);
- the Australian Security Intelligence Organisation (ASIO); and
- the Australian Transaction Reports and Analysis Centre (AUSTRAC).

The portfolio has a critical role in the Government's agenda to achieve a prosperous, secure and united Australia. The portfolio provides strategy and policy leadership, and program responsibilities, relating to national security, transport security, federal law enforcement, criminal justice, cyber security, border, immigration and citizenship, multicultural affairs, emergency management and trade related functions and delivers security and social cohesion to enable economic prosperity and cultural dynamism. Strong security keeps us safe and provides an environment that promotes travel, trade and investment, supports our cohesive society, and keeps us open to the world.

### *Portfolio Overview*

Further, 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 works with partners to protect the safety, security and national interests of Australia and achieves its objectives through the strategic alignment of priorities and responsibilities against the many threats to Australia's national security. The portfolio will also play a strong role in facilitating Australia's prosperity. The portfolio has policy and programmatic responsibility for:

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

|   |  |
|---|--|
| <p><b>Minister for Home Affairs</b><br/>The Hon Peter Dutton MP</p> <p><b>Minister for Emergency Management and North Queensland Recovery</b><br/>Senator the Hon Linda Reynolds CSC</p> <p><b>Minister for Immigration, Citizenship and Multicultural Affairs</b><br/>The Hon David Coleman MP</p> |  |
| <p><b>Department of Home Affairs</b><br/><b>Secretary:</b> Mr Michael Pezzullo</p> <p><b>Australian Border Force</b><br/><b>Commissioner:</b> Mr Michael Outram APM</p>   |  |
| <b>Outcome 1</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.   |
| <b>Outcome 2</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.  |
| <b>Outcome 3</b>  | Advance Australia's economic interests through the facilitation of the trade of goods to and from Australia and the collection of border revenue.  |
| <p><b>Australian Criminal Intelligence Commission</b><br/><b>Chief Executive Officer:</b> Mr Michael Phelan APM</p>   |  |
| <b>Outcome 1</b>  | 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><b>Australian Federal Police</b><br/><b>Commissioner:</b> Mr Andrew Colvin APM OAM</p>   |  |
| <b>Outcome 1</b>  | Reduced criminal and security threats to Australia's collective economic and societal interests through co-operative policing services.  |
| <b>Outcome 2</b>  | A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government.  |
| <p><b>Australian Institute of Criminology</b><br/><b>Director:</b> Mr Michael Phelan APM</p>  |  |
| <b>Outcome 1</b>  | 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.  |
| <p><b>Australian Security Intelligence Organisation</b><br/><b>Director-General of Security:</b> Mr Duncan Lewis AO DSC CSC</p>   |  |
| <b>Outcome 1</b>  | To protect Australia, its people and its interests from threats to security through intelligence collection, assessment and advice to Government.  |
| <p><b>Australian Transaction Reports and Analysis Centre</b><br/><b>Chief Executive Officer:</b> Ms Nicole Rose PSM</p>   |  |
| <b>Outcome 1</b>  | The protection of the financial system from criminal abuse through actionable financial intelligence and collaboration with domestic and international partners.   |





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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 centrally coordinated strategy and policy leadership in relation to domestic and national security arrangements, law enforcement, counter-terrorism, social cohesion, the protection of our sovereignty and the integrity of our border, and the resilience of our national infrastructure. The Department of Home Affairs also delivers services including strengthening the cohesiveness of Australian society through our migration program. In addition, the Department manages and assists temporary and permanent migrants and those people participating in humanitarian and refugee programs, and confers citizenship.

#### **Prosperous**

We enjoy the benefits of an open economy and society through travel and trade, international mobility, cultural exchange and experience and the sharing of insights and ideas. To preserve these benefits for all Australians and contribute to the nation's economic prosperity, the portfolio will continue to focus on introducing new processes and technologies for visa, immigration and citizenship programs, to deliver seamless border clearance for legitimate activity.

Through facilitation of trade and travel and our managed migration program, the portfolio enables economic growth and provides tangible social benefits to communities across Australia. For example, the Global Talent Initiative promotes Australia in key overseas locations to attract the talented and skilled individuals needed to grow our economy. To benefit Australian business by allowing faster border clearance of cargo and reducing the administrative burden for imports, membership of the Australian Trusted Trader program will continue to be a high priority. By improving and broadening digital access to our online services, the portfolio is streamlining border entry for the majority of travellers through a new visa application and processing system.

#### **Secure**

Australia faces a complex and evolving threat environment. Informed by intelligence, the portfolio identifies the opportunities and mitigates the risks that come with globalisation, so Australia can benefit from growing connections to the rest of the world.

The portfolio is countering the growth in cybercrime by strengthening our legislative framework, governance arrangements and whole-of-nation policy settings. The

co-location of Home Affairs' cyber staff with operational and technical colleagues in the Australian Cyber Security Centre allows greater collaboration to build Australia's resilience to cybercrime, particularly through the development of a new National Plan to Combat Cybercrime.

The Australian Centre for Countering Child Exploitation ensures a nationally consistent, holistic response to countering the exploitation of children. This initiative brings together specialist expertise and builds on relationships with non-government organisations, industry, academic bodies and law enforcement partners within Australia and overseas to disrupt criminal networks and protect children from exploitation.

Acts of foreign interference harm our institutions and our social cohesion. The portfolio, through the Office of the National Counter Foreign Interference Coordinator, will continue to work with state, territory and Commonwealth partners, the National Intelligence Community, industry, business, academia, Australian community and like-minded countries to counter foreign interference efforts.

The portfolio plays a critical role in ensuring Australia's critical infrastructure is safe from the national security risks of sabotage, espionage and coercion. It works collaboratively, at a domestic and international level, to enhance and strengthen counter-terrorism, aviation and maritime security settings. Building capacity in, and interoperability with, key regional partners, and strengthening their legal frameworks to counter terrorism and violent extremism, is critical to securing Australia. For example, the portfolio remains committed to the partnership with the United States in assisting Indonesia and the Philippines to enhance their capacity to combat terrorism.

The portfolio will reinforce and continue to focus on the Government's strong border protection strategies to address the risk of future Illegal Maritime ventures, including reinforcing border surveillance and patrols, reopening the Christmas Island detention centre and strengthening offshore regional processing arrangements. Further, the *Regional Cooperation Arrangements* measure will continue to support regional partners to manage asylum seeker populations in their countries.

The portfolio, through the Commonwealth Transnational, Serious and Organised Crime Coordinator, will lead implementation of the National Strategy to Fight Transnational, Serious and Organised Crime, which provides a framework for government, industry and the community to work together to disrupt and prevent this serious threat to our national security, and reduce the harm it causes in our community. As part of the *Whole-of-Government Drug Strategy* measure, the portfolio will strengthen law enforcement efforts to combat transnational, serious and organised crime, including outlaw motorcycle gangs, and the trafficking of illicit firearms and drugs. Further, the Safer Communities Fund will continue to provide grant funding to local government and community organisations to address crime and anti-social behaviour by funding crime prevention initiatives and to protect our schools, pre-schools, community organisations



and places of religious worship that are facing security risks associated with racial or religious intolerance.

The portfolio is also leading national reforms to reduce the impact and financial burden of disasters on the community and economy through the National Resilience Taskforce. Emergency Management Australia will continue to work closely with areas across the portfolio, and with the states and territories, to deliver policies, programs and services to enhance Australia's capabilities for all-hazards crisis and emergency response, and recovery operations.

### **United**

Australia is a successful multicultural society, uniting over 300 different cultures and varied experiences, beliefs and traditions. Our core common values and commitment to freedom, equality and the rule of law underwrites and enshrines Australia's cultural diversity. The portfolio upholds our democratic institutions and rule of law, and manages our immigration and citizenship programs to ensure we continue to realise the benefits of migration and our multicultural society while maintaining tolerance and social cohesion.

The portfolio plays a key role in fostering a successful, cohesive, multicultural society through its management of Australia's citizenship, migration, humanitarian and multicultural programs. Budget initiatives will strengthen social cohesion by increasing the Government's engagement with communities across Australia, building community support for positive narratives that contribute to community harmony. The key initiatives include the Fostering Integration Grants Program to support migrants integrating into Australian social, economic and civic life; the Community Languages Multicultural Grants Program to help young Australians learn another language and connect people to new cultures; and the Enhanced Community Engagement Program to help young people counter online hate.

## **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 and performance by Outcome X' 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 2019–20 as at Budget April 2019**

|  | 2018–19 (a)<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Estimate<br>\$'000 |
|--|--|-------------------------------|
| <b>Departmental</b>                                    |  |                               |
| Annual appropriations—ordinary annual services (b)     |  |                               |
| Prior year appropriations available (c)                | 254,375                                      | 168,540                       |
| Departmental appropriation (d)                         | 2,433,334                                    | 2,637,821                     |
| s75 transfer from Attorney-General's Department (e)    | 4,638  | —                             |
| s74 external revenue (f)                               | 248,837                                      | 252,046                       |
| Departmental capital budget (g)                        | 137,575                                      | 121,176                       |
| Annual appropriations—other services—non-operating (h) |  |                               |
| Prior year appropriations available (c)                | 155,102                                      | 82,862                        |
| Equity injection                                       | 93,081                                       | 107,082                       |
| <b>Total departmental annual appropriations</b>        | <b>3,326,942</b>                             | <b>3,369,527</b>              |
| <b>Total departmental resourcing</b>                   | <b>3,326,942</b>                             | <b>3,369,527</b>              |
| <b>Administered</b>                                    |  |                               |
| Annual appropriations—ordinary annual services (b)     |  |                               |
| Prior year appropriations available (c)                | 513,220                                      | 420,380                       |
| Outcome 1  | 1,584,895                                    | 1,287,917                     |
| Outcome 2  | 48,127                                       | 55,050                        |
| Outcome 3  | —  | —                             |
| Administered capital budget (i)                        | 20,567                                       | 21,008                        |
| Annual appropriations—other services—non-operating (h) |  |                               |
| Prior year appropriations available (c)                | 127,634                                      | 6,390                         |
| Administered assets and liabilities                    | 206  | —                             |
| <b>Total administered annual appropriations</b>        | <b>2,294,649</b>                             | <b>1,790,745</b>              |
| <b>Total administered special appropriations</b>       | <b>784,687</b>                               | <b>521,074</b>                |

**Table 1.1: Department of Home Affairs resource statement—Budget estimates for 2019–20 as at Budget April 2019 (continued)**

|  | 2018–19 (a)<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Estimate<br>\$'000 |
|--|--|-------------------------------|
| <b>Special accounts (j)</b>                                |  |                               |
| Opening balance  | –  | 7,077                         |
| Non-appropriation receipts                                 | 15,365                                       | 15,217                        |
| Adjustments  | 7,112  | –                             |
| <b>Total special account available</b>                     | <b>22,477</b>                                | <b>22,294</b>                 |
| <b>Total administered resourcing</b>                       | <b>3,101,813</b>                             | <b>2,334,113</b>              |
| <b>Total resourcing for the Department of Home Affairs</b> | <b>6,428,755</b>                             | <b>5,703,640</b>              |
|  | 2018–19                                      | 2019–20                       |
| <b>Average staffing level (number)</b>                     | <b>14,120</b>                                | <b>14,545</b>                 |

**Third-party payments from and on behalf of other entities**

|   | 2018–19 (a)<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Estimate<br>\$'000 |
|---|--|-------------------------------|
| Payments made on behalf of another entity<br>(as disclosed in the other entity's resource statement)  | 266,997                                      | 298,210                       |
| Payments made by other entities on behalf<br>of the Department (disclosed above)  | 322,439                                      | 144,371                       |
| Payments made to other entities for the provision of services<br>(disclosed in s74 external revenue in the other entity's<br>resource statement ) | 8,809  | 10,277                        |
| Receipts received from other entities for the provision of services<br>(disclosed above in s74 external revenue section above)                    | 52,461                                       | 52,449                        |

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

The table is prepared on a resourcing (that is, appropriations available) basis.

- (a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–19, as they had not been enacted at the time of publication.
- (b) Appropriation Bill (No. 1) 2019–20.
- (c) Excludes the amounts subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).
- (d) Excludes departmental capital budget (DCB).
- (e) Appropriations received under section 75 of the PGPA Act determinations. In 2018–19, \$4.6 million was transferred from the Attorney-General's Department (\$0.7 million and \$0.5 million relating to 2016–17 and 2017–18, respectively).
- (f) Estimated external revenue receipts under section 74 of the PGPA Act, excluding resources received free of charge.
- (g) 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'.
- (h) Appropriation Bill (No. 2) 2019–20.
- (i) 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'.
- (j) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to *Budget Paper No. 4 – Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

### **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: Entity 2019–20 Budget measures**

**Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO)**

|  | Program | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Revenue measures</b>  |         |                   |                   |                   |                   |                   |
| Australia-Hong Kong Free Trade Agreement                           | 3.1     |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | (10,000)          | (10,000)          | (10,000)          | (10,000)          |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | <b>(10,000)</b>   | <b>(10,000)</b>   | <b>(10,000)</b>   | <b>(10,000)</b>   |
| Better Distribution of Medical Practitioners                       | 3.1     |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | –                 | –                 | –                 | (1,000)           |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | –                 | –                 | –                 | <b>(1,000)</b>    |
| Extension of Temporary Graduate visa period for regional graduates | 2.3,3.1 |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | –                 | –                 | 1,500             | 2,500             |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | –                 | –                 | <b>1,500</b>      | <b>2,500</b>      |
| Increasing Work and Holiday Visa Cap for Indonesia                 | 2.3,3.1 |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | 600               | 1,500             | 1,900             | 2,200             |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | <b>600</b>        | <b>1,500</b>      | <b>1,900</b>      | <b>2,200</b>      |
| Indonesia-Australia Comprehensive Economic Partnership Agreement   | 3.1     |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | –                 | –                 | –                 | –                 |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | –                 | –                 | –                 | –                 |
| Migration Program—reducing the planning level                      | 2.2,2.3 |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | –                 | –                 | –                 | –                 |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | –                 | –                 | –                 | –                 |
| New Regional Visas—Population Package                              | 2.3     |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | –                 | –                 | (500)             | 700               |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | –                 | –                 | <b>(500)</b>      | <b>700</b>        |
| Visa Application Charge—uplift (a)                                 | 2.3     |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | –                 | –                 | –                 | –                 |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | –                 | –                 | –                 | –                 |
| Visa Application Charge—exemption for INAS Games                   | 2.3     |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | (300)             | –                 | –                 | –                 |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | <b>(300)</b>      | –                 | –                 | –                 |
| Visa Application Charge—exemption for T20 World Cup                | 2.3     |                   |                   |                   |                   |                   |
| Administered revenues  |         | –                 | (500)             | (800)             | –                 | –                 |
| Departmental revenues  |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | <b>(500)</b>      | <b>(800)</b>      | –                 | –                 |
| <b>Total revenue measures</b>                                      |         |                   |                   |                   |                   |                   |
| Administered   |         | –                 | (10,200)          | (9,300)           | (7,100)           | (5,600)           |
| Departmental   |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | <b>(10,200)</b>   | <b>(9,300)</b>    | <b>(7,100)</b>    | <b>(5,600)</b>    |

Department of Home Affairs Budget Statements

**Part 1: Measures announced since the 2018–19 MYEFO (Continued)**

|  | Program  | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|----------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Expense measures</b>  |          |                   |                   |                   |                   |                   |
| Border Security Assistance for Fiji (b)                                      | 1.1      |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |          | –                 | –                 | –                 | –                 | –                 |
| Confiscated Assets Account   | 1.7      |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |          | –                 | –                 | –                 | –                 | –                 |
| Continued Funding for GovPass—Trusted Digital Identity                       | 1.7      |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |          | –                 | –                 | –                 | –                 | –                 |
| Counter-Terrorism Financing Conference 2019                                  | 1.9      |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | –                 | 1,797             | –                 | –                 | –                 |
| <b>Total</b>   |          | –                 | 1,797             | –                 | –                 | –                 |
| Establish the Emergency Response Fund  | 1.7,1.10 |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |          | –                 | –                 | –                 | –                 | –                 |
| Extension of Temporary Graduate visa period for regional graduates           | 2.3      |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | –                 | 548               | –                 | –                 | –                 |
| <b>Total</b>   |          | –                 | 548               | –                 | –                 | –                 |
| Immigration Reform (c)   | 2.1,2.3  |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | (17,779)          | (12,817)          | (9,161)           | (12,127)          | (12,781)          |
| <b>Total</b>   |          | (17,779)          | (12,817)          | (9,161)           | (12,127)          | (12,781)          |
| Increasing Analytical Capabilities   | 1.7      |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | –                 | 781               | 788               | 793               | 802               |
| <b>Total</b>   |          | –                 | 781               | 788               | 793               | 802               |
| Increasing Work and Holiday Visa Cap for Indonesia                           | 2.3      |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | –                 | 28                | 63                | 70                | 77                |
| <b>Total</b>   |          | –                 | 28                | 63                | 70                | 77                |
| Migration Program—Improving economic outcomes for Secondary Skilled Migrants | 2.3      |                   |                   |                   |                   |                   |
| Administered expenses  |          | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |          | –                 | 88                | –                 | –                 | –                 |
| <b>Total</b>   |          | –                 | 88                | –                 | –                 | –                 |

Department of Home Affairs Budget Statements

**Part 1: Measures announced since the 2018–19 MYEFO (Continued)**

|  | Program      | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Natural Disaster Resilience Funding (d)                          | 1.7          |                   |                   |                   |                   |                   |
| Administered expenses  |              | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |              | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |              | –                 | –                 | –                 | –                 | –                 |
| National Disaster Risk Information Capability Pilot              | 1.7          |                   |                   |                   |                   |                   |
| Administered expenses  |              | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |              | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |              | –                 | –                 | –                 | –                 | –                 |
| New Regional Visas—Population Package                            | 1.2,2.3      |                   |                   |                   |                   |                   |
| Administered expenses  |              | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |              | 544               | 5,727             | 2,457             | 2,081             | 2,520             |
| <b>Total</b>   |              | <b>544</b>        | <b>5,727</b>      | <b>2,457</b>      | <b>2,081</b>      | <b>2,520</b>      |
| Regional Cooperation Arrangement                                 | 1.5          |                   |                   |                   |                   |                   |
| Administered expenses  |              | –                 | 39,467            | –                 | –                 | –                 |
| Departmental expenses  |              | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |              | –                 | <b>39,467</b>     | –                 | –                 | –                 |
| Regional Processing Arrangements—Christmas Island (e)            | 1.1,1.3, 1.4 |                   |                   |                   |                   |                   |
| Administered expenses  |              | 104,735           | (7,934)           | –                 | –                 | –                 |
| Departmental expenses  |              | 36,163            | 4,834             | –                 | –                 | –                 |
| <b>Total</b>   |              | <b>140,898</b>    | <b>(3,100)</b>    | –                 | –                 | –                 |
| Regional Processing Arrangements—Independent Health Advice Panel | 1.1,1.3, 1.4 |                   |                   |                   |                   |                   |
| Administered expenses  |              | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |              | 8,000             | –                 | –                 | –                 | –                 |
| <b>Total</b>   |              | <b>8,000</b>      | –                 | –                 | –                 | –                 |
| Safer Communities Fund   | 1.7          |                   |                   |                   |                   |                   |
| Administered expenses  |              | –                 | 23,100            | 9,000             | 9,000             | 12,000            |
| Departmental expenses  |              | –                 | 3,253             | 562               | 627               | 639               |
| <b>Total</b>   |              | –                 | <b>26,353</b>     | <b>9,562</b>      | <b>9,627</b>      | <b>12,639</b>     |
| Social Cohesion Package—community engagement initiatives (f)     | 1.7,2.1      |                   |                   |                   |                   |                   |
| Administered expenses  |              | –                 | 12,300            | 5,000             | –                 | –                 |
| Departmental expenses  |              | –                 | 3,130             | 801               | 232               | –                 |
| <b>Total</b>   |              | –                 | <b>15,430</b>     | <b>5,801</b>      | <b>232</b>        | –                 |
| Whole of Government Drug Strategy                                | 1.1          |                   |                   |                   |                   |                   |
| Administered expenses  |              | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses  |              | –                 | 2,397             | 2,418             | 2,434             | 2,461             |
| <b>Total</b>   |              | –                 | <b>2,397</b>      | <b>2,418</b>      | <b>2,434</b>      | <b>2,461</b>      |
| <b>Total expense measures</b>                                    |              |                   |                   |                   |                   |                   |
| Administered   |              | 104,735           | 66,933            | 14,000            | 9,000             | 12,000            |
| Departmental   |              | 26,928            | 9,766             | (2,072)           | (5,890)           | (6,282)           |
| <b>Total</b>   |              | <b>131,663</b>    | <b>76,699</b>     | <b>11,928</b>     | <b>3,110</b>      | <b>5,718</b>      |



**Part 1: Measures announced since the 2018–19 MYEFO (Continued)**

|  | Program | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Capital measures</b>  |         |                   |                   |                   |                   |                   |
| Border Security Assistance for Fiji (b)                                      | 1.1     |                   |                   |                   |                   |                   |
| Administered capital   |         | –                 | –                 | –                 | –                 | –                 |
| Departmental capital   |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | –                 | –                 | –                 | –                 |
| Continued Funding for GovPass—Trusted Digital Identity                       | 1.7     |                   |                   |                   |                   |                   |
| Administered capital   |         | –                 | –                 | –                 | –                 | –                 |
| Departmental capital   |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | –                 | –                 | –                 | –                 |
| Extension of Temporary Graduate visa period for regional graduates           | 2.3     |                   |                   |                   |                   |                   |
| Administered capital   |         | –                 | –                 | –                 | –                 | –                 |
| Departmental capital   |         | –                 | 2,499             | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | 2,499             | –                 | –                 | –                 |
| Immigration Reform (c)   | 2.3     |                   |                   |                   |                   |                   |
| Administered capital   |         | –                 | –                 | –                 | –                 | –                 |
| Departmental capital   |         | (5,644)           | (713)             | –                 | –                 | –                 |
| <b>Total</b>   |         | (5,644)           | (713)             | –                 | –                 | –                 |
| Migration Program—improving economic outcomes for Secondary Skilled Migrants | 2.3     |                   |                   |                   |                   |                   |
| Administered capital   |         | –                 | –                 | –                 | –                 | –                 |
| Departmental capital   |         | –                 | 183               | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | 183               | –                 | –                 | –                 |
| New Regional Visas—Population Package  | 1.2,2.3 |                   |                   |                   |                   |                   |
| Administered capital   |         | –                 | –                 | –                 | –                 | –                 |
| Departmental capital   |         | 751               | 4,953             | 788               | –                 | –                 |
| <b>Total</b>   |         | 751               | 4,953             | 788               | –                 | –                 |
| Regional Processing Arrangements—Christmas Island                            | 1.3     |                   |                   |                   |                   |                   |
| Administered capital   |         | 4,886             | –                 | –                 | –                 | –                 |
| Departmental capital   |         | 4,727             | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | 9,613             | –                 | –                 | –                 | –                 |
| <b>Total capital measures</b>  |         |                   |                   |                   |                   |                   |
| Administered   |         | 4,886             | –                 | –                 | –                 | –                 |
| Departmental   |         | (166)             | 6,922             | 788               | –                 | –                 |
| <b>Total</b>   |         | 4,720             | 6,922             | 788               | –                 | –                 |

Prepared on a Government Finance Statistics (fiscal) basis.

- (a) Visa Application Charge of \$275 million over three years from 2019–20 was published under the *Visa application charge—Increase* measure in the 2018–19 PAES.
- (b) Funding of \$6.2 million over four (4) years from 2018–19 was announced after the 2018–19 MYEFO and was published in the 2018–19 PAES under the measure *Border Security Assistance for Fiji*.
- (c) The Government decided not to proceed with specific aspects of the *Immigration Reform* measure and the *Attracting Skilled Migrants to Regional Areas* measure, which were published in the 2018–19 PAES.
- (d) The Department will be receiving \$5.2 million each year over five years from 2019–20. This funding will be offset by provisions in the contingency reserve.
- (e) Funding of \$7.7 million in 2018–19 and \$26.8 million in 2019–20 was published in the 2018–19 PAES under the measure *Regional Processing Arrangements*.
- (f) Funding of \$5.2 million in 2018–19 was published in the 2018–19 PAES under the measures *Annual DIGI Engage Event*, *Enhanced Voice Accelerator* and *Expansion of Fostering Integration Grants Scheme*.

## 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* (PCPA Act). It is anticipated that the performance criteria described in the 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 Department of Home Affairs can be found at <https://www.homeaffairs.gov.au/reports-and-publications/reports/corporate-plans-and-reports>.

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

## 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

Program 1.2: Attorney-General's Department Operating Expenses – National Security and Criminal Justice

#### **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.

|   |
|---|
| <p><b>Australian Fisheries Management Authority</b></p> <p>Program 1.1: Australian Fisheries Management Authority</p> <p><b>Contribution to Outcome 1 made by linked program</b></p> <p>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.</p> |
| <p><b>Australian Maritime Safety Authority</b></p> <p>Program 1.1: Seafarer and ship safety, environment protection and search and rescue</p> <p><b>Contribution to Outcome 1 made by linked program</b></p> <p>The Australian Maritime Safety Authority is responsible for improving the standard of foreign-flagged ships and Australian-flagged ships (regulated under the <i>Navigation Act 2012</i>). The implementation and enforcement of improved standards supports the work the Department of Home Affairs undertakes in processing vessels crossing the border.</p>  |
| <p><b>Australian Security Intelligence Organisation</b></p> <p>Program 1.1: Security Intelligence</p> <p><b>Contribution to Outcome 1 made by linked program</b></p> <p>The Australian Security Intelligence Organisation collects, investigates and assesses intelligence on potential threats to Australia, its people and its interests 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.</p>  |
| <p><b>Australian Transaction Reports and Analysis Centre</b></p> <p>Program 1.1: AUSTRAC</p> <p><b>Contribution to Outcome 1 made by linked program</b></p> <p>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.</p>   |

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|--|
| <p><b>Civil Aviation Safety Authority</b></p> <p>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</p> <p><b>Contribution to Outcome 1 made by linked program</b></p> <p>The Civil Aviation Safety Authority is responsible for overseeing the safety standards of aircraft operating in Australian airspace (regulated under the <i>Civil Aviation Act 1988</i> 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.</p>  |
| <p><b>Department of Agriculture and Water Resources</b></p> <p>Program 2.1: Biosecurity and Export Services</p> <p>Program 2.2: Plant and Animal Health</p> <p><b>Contribution to Outcome 1 made by linked programs</b></p> <p>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.</p>   |
| <p><b>Department of Defence</b></p> <p>Program 1.3: Defence Contribution to National Support Tasks in Australia</p> <p>Program 2.1: Strategic Policy and Intelligence</p> <p><b>Contribution to Outcome 1 made by linked program</b></p> <p>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.</p> |

**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 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.

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|---|
| <p><b>Department of Industry, Innovation and Science</b></p> <p>Program 2: Growing Business Investment and Improving Business Capability</p> <p><b>Contribution to Outcome 1 made by linked program</b></p> <p>The Department of Home Affairs is finalising the implementation of reforms to Visitor and Work and Holiday Makers visas under the White Paper on Developing Northern Australia. The Department of Industry, Innovation and Science oversees implementation of the White Paper.</p> |
| <p><b>Department of the Prime Minister and Cabinet</b></p> <p>Program 1.1: Prime Minister and Cabinet</p> <p><b>Contribution to Outcome 1 made by linked program</b></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><b>Department of the Treasury</b></p> <p>Program 1.9: National Partnership Payments to the States</p> <p><b>Contribution to Outcome 1 made by linked program</b></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**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.1: Border Enforcement</b>                            |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 983,394                                  | 1,032,141                   | 917,625                                  | 907,077                                  | 914,722                                  |
| s74 external revenue (a)  | 10,424                                   | 9,341                       | 8,687                                    | 7,021                                    | 7,021                                    |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 110,106                                  | 112,391                     | 106,571                                  | 94,978                                   | 83,954                                   |
| <b>Departmental total</b>   | <b>1,103,924</b>                         | <b>1,153,873</b>            | <b>1,032,883</b>                         | <b>1,009,076</b>                         | <b>1,005,697</b>                         |
| <b>Total expenses for Program 1.1</b>                             | <b>1,103,924</b>                         | <b>1,153,873</b>            | <b>1,032,883</b>                         | <b>1,009,076</b>                         | <b>1,005,697</b>                         |
| <b>Program 1.2: Border Management</b>                             |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | 8  | 8                           | 8  | 8  | 8  |
| <b>Administered total</b>   | <b>8</b>                                 | <b>8</b>                    | <b>8</b>                                 | <b>8</b>                                 | <b>8</b>                                 |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 241,195                                  | 254,520                     | 246,452                                  | 253,770                                  | 258,620                                  |
| s74 external revenue (a)  | 944                                      | 4,811                       | 2,616                                    | 1,375                                    | 1,375                                    |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 41,815                                   | 41,294                      | 40,097                                   | 37,188                                   | 34,335                                   |
| <b>Departmental total</b>   | <b>283,954</b>                           | <b>300,625</b>              | <b>289,165</b>                           | <b>292,333</b>                           | <b>294,330</b>                           |
| <b>Total expenses for Program 1.2</b>                             | <b>283,962</b>                           | <b>300,633</b>              | <b>289,173</b>                           | <b>292,341</b>                           | <b>294,338</b>                           |
| <b>Program 1.3: Onshore Compliance and Detention</b>              |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | 814,940                                  | 661,775                     | 622,680                                  | 607,268                                  | 613,394                                  |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 57,333                                   | 56,523                      | 54,278                                   | 52,102                                   | 49,976                                   |
| <b>Administered total</b>   | <b>872,273</b>                           | <b>718,298</b>              | <b>676,958</b>                           | <b>659,370</b>                           | <b>663,370</b>                           |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 408,401                                  | 372,577                     | 355,472                                  | 353,591                                  | 356,656                                  |
| s74 external revenue (a)  | 11,195                                   | 4,864                       | 3,433                                    | 3,429                                    | 3,429                                    |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 38,334                                   | 36,655                      | 37,060                                   | 37,353                                   | 37,729                                   |
| <b>Departmental total</b>   | <b>457,930</b>                           | <b>414,096</b>              | <b>395,965</b>                           | <b>394,373</b>                           | <b>397,814</b>                           |
| <b>Total expenses for Program 1.3</b>                             | <b>1,330,203</b>                         | <b>1,132,394</b>            | <b>1,072,923</b>                         | <b>1,053,743</b>                         | <b>1,061,184</b>                         |



**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.4: IMA Offshore Management</b>                       |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | 1,078,321                                | 452,661                     | 333,642                                  | 341,260                                  | 349,730                                  |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 42,661                                   | 41,114                      | 39,588                                   | 38,073                                   | 36,571                                   |
| <b>Administered total</b>   | <b>1,120,982</b>                         | <b>493,775</b>              | <b>373,230</b>                           | <b>379,333</b>                           | <b>386,301</b>                           |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 31,590                                   | 27,350                      | 27,456                                   | 27,725                                   | 27,946                                   |
| s74 external revenue (a)  | 819                                      | 672                         | 684                                      | 683                                      | 683                                      |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 4,129                                    | 3,849                       | 3,605                                    | 3,358                                    | 3,114                                    |
| <b>Departmental total</b>   | <b>36,538</b>                            | <b>31,871</b>               | <b>31,745</b>                            | <b>31,766</b>                            | <b>31,743</b>                            |
| <b>Total expenses for Program 1.4</b>                             | <b>1,157,520</b>                         | <b>525,646</b>              | <b>404,975</b>                           | <b>411,099</b>                           | <b>418,044</b>                           |
| <b>Program 1.5: Regional Cooperation</b>                          |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | 70,401                                   | 67,846                      | 29,090                                   | 29,759                                   | 30,503                                   |
| <b>Administered total</b>   | <b>70,401</b>                            | <b>67,846</b>               | <b>29,090</b>                            | <b>29,759</b>                            | <b>30,503</b>                            |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 14,734                                   | 14,564                      | 10,971                                   | 10,950                                   | 11,015                                   |
| s74 external revenue (a)  | 3,660                                    | 3,887                       | 3,888                                    | 3,888                                    | 3,888                                    |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 1,725                                    | 1,552                       | 1,422                                    | 1,289                                    | 1,156                                    |
| <b>Departmental total</b>   | <b>20,119</b>                            | <b>20,003</b>               | <b>16,281</b>                            | <b>16,127</b>                            | <b>16,059</b>                            |
| <b>Total expenses for Program 1.5</b>                             | <b>90,520</b>                            | <b>87,849</b>               | <b>45,371</b>                            | <b>45,886</b>                            | <b>46,562</b>                            |
| <b>Program 1.6: Transport Security</b>                            |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | 35,925                                   | 16,127                      | 1,096                                    | 1,049                                    | 1,068                                    |
| <b>Administered total</b>   | <b>35,925</b>                            | <b>16,127</b>               | <b>1,096</b>                             | <b>1,049</b>                             | <b>1,068</b>                             |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 48,570                                   | 48,273                      | 48,266                                   | 48,305                                   | 48,765                                   |
| s74 external revenue (a)  | 244                                      | 98                          | 98                                       | 98                                       | 98                                       |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 3,142                                    | 4,008                       | 4,864                                    | 5,719                                    | 7,019                                    |
| <b>Departmental total</b>   | <b>51,956</b>                            | <b>52,379</b>               | <b>53,228</b>                            | <b>54,122</b>                            | <b>55,882</b>                            |
| <b>Total expenses for Program 1.6</b>                             | <b>87,881</b>                            | <b>68,506</b>               | <b>54,324</b>                            | <b>55,171</b>                            | <b>56,950</b>                            |

**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.7: National Security and Criminal Justice</b>                  |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)                      | 66,698                                   | 74,085                      | 42,438                                   | 33,877                                   | 34,239                                   |
| Special appropriations  |  |                             |  |  |  |
| Special Appropriation—Australian<br>Victim of Terrorism Overseas<br>Payment | 1,825                                    | 1,020                       | —  | —  | —  |
| Special accounts  |  |                             |  |  |  |
| Special accounts— <i>Proceeds of Crime<br/>Act 2002</i>                     | 15,400                                   | 15,217                      | 9,267                                    | 9,000                                    | 12,000                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (b)           | 1,415                                    | 1,367                       | 1,329                                    | 1,269                                    | 779                                      |
| <b>Administered total</b>   | <b>85,338</b>                            | <b>91,689</b>               | <b>53,034</b>                            | <b>44,146</b>                            | <b>47,018</b>                            |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 69,235                                   | 66,423                      | 66,232                                   | 66,149                                   | 67,860                                   |
| s74 external revenue (a)  | 44,965                                   | 44,264                      | 34,019                                   | 28,216                                   | 28,082                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (b)           | 7,698                                    | 8,527                       | 9,254                                    | 9,927                                    | 69,128                                   |
| <b>Departmental total</b>   | <b>121,898</b>                           | <b>119,214</b>              | <b>109,505</b>                           | <b>104,292</b>                           | <b>165,070</b>                           |
| <b>Total expenses for Program 1.7</b>                                       | <b>207,236</b>                           | <b>210,903</b>              | <b>162,539</b>                           | <b>148,438</b>                           | <b>212,088</b>                           |
| <b>Program 1.8: Cyber Security</b>  |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 1,624                                    | 1,621                       | 1,629                                    | 1,635                                    | 1,646                                    |
| Expenses not requiring<br>appropriation in the Budget<br>year (b)           | 24                                       | 24                          | 24                                       | 24                                       | 24                                       |
| <b>Departmental total</b>   | <b>1,648</b>                             | <b>1,645</b>                | <b>1,653</b>                             | <b>1,659</b>                             | <b>1,670</b>                             |
| <b>Total expenses for Program 1.8</b>                                       | <b>1,648</b>                             | <b>1,645</b>                | <b>1,653</b>                             | <b>1,659</b>                             | <b>1,670</b>                             |
| <b>Program 1.9: Counter Terrorism</b>                                       |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)                      | 14,839                                   | 15,094                      | 15,138                                   | 15,479                                   | 15,713                                   |
| <b>Administered total</b>   | <b>14,839</b>                            | <b>15,094</b>               | <b>15,138</b>                            | <b>15,479</b>                            | <b>15,713</b>                            |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 3,017                                    | 4,809                       | 3,025                                    | 3,035                                    | 3,055                                    |
| Expenses not requiring<br>appropriation in the Budget<br>year (b)           | 128                                      | 128                         | 128                                      | 128                                      | 128                                      |
| <b>Departmental total</b>   | <b>3,145</b>                             | <b>4,937</b>                | <b>3,153</b>                             | <b>3,163</b>                             | <b>3,183</b>                             |
| <b>Total expenses for Program 1.9</b>                                       | <b>17,984</b>                            | <b>20,031</b>               | <b>18,291</b>                            | <b>18,642</b>                            | <b>18,896</b>                            |

**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>Program 1.10: Australian Government Disaster Financial Support Payments</b> |  |                             |  |  |  |
| Administered expenses  |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)                         | 1,800                                    | 321                         | –  | –  | –  |
| Special appropriations   |  |                             |  |  |  |
| Special Appropriation—Disaster<br>Recovery Allowance                           | 5,454                                    | 75                          | –  | –  | –  |
| Special Appropriation—Disaster<br>Recovery Payment                             | 177,408                                  | 19,979                      | –  | –  | –  |
| Expenses not requiring<br>appropriation in the Budget<br>year (b)              | 1,856                                    | –                           | –  | –  | –  |
| <b>Administered total</b>  | <b>186,518</b>                           | <b>20,375</b>               | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| <b>Total expenses for Program 1.10</b>   | <b>186,518</b>                           | <b>20,375</b>               | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| <b>Outcome 1 Totals by appropriation type</b>                                  |  |                             |  |  |  |
| Administered expenses  |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)                         | 2,082,932                                | 1,287,917                   | 1,044,092                                | 1,028,700                                | 1,044,655                                |
| Special appropriations   |  |                             |  |  |  |
| Special Appropriation—Australian<br>Victim of Terrorism Overseas<br>Payment    | 1,825                                    | 1,020                       | –  | –  | –  |
| Special Appropriation—Disaster<br>Recovery Allowance                           | 5,454                                    | 75                          | –  | –  | –  |
| Special Appropriation—Disaster<br>Recovery Payment                             | 177,408                                  | 19,979                      | –  | –  | –  |
| Special accounts   |  |                             |  |  |  |
| Special accounts— <i>Proceeds of Crime<br/>Act 2002</i>                        | 15,400                                   | 15,217                      | 9,267                                    | 9,000                                    | 12,000                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (b)              | 103,265                                  | 99,004                      | 95,195                                   | 91,444                                   | 87,326                                   |
| <b>Administered total</b>  | <b>2,386,284</b>                         | <b>1,423,212</b>            | <b>1,148,554</b>                         | <b>1,129,144</b>                         | <b>1,143,981</b>                         |
| Departmental expenses  |  |                             |  |  |  |
| Departmental appropriation   | 1,801,760                                | 1,822,278                   | 1,677,128                                | 1,672,237                                | 1,690,285                                |
| s74 external revenue (a)   | 72,251                                   | 67,937                      | 53,425                                   | 44,710                                   | 44,576                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (b)              | 207,101                                  | 208,428                     | 203,025                                  | 189,964                                  | 236,587                                  |
| <b>Departmental total</b>  | <b>2,081,112</b>                         | <b>2,098,643</b>            | <b>1,933,578</b>                         | <b>1,906,911</b>                         | <b>1,971,448</b>                         |
| <b>Total expenses for Outcome 1</b>  | <b>4,467,396</b>                         | <b>3,521,855</b>            | <b>3,082,132</b>                         | <b>3,036,055</b>                         | <b>3,115,429</b>                         |
|  |  |                             |  |  |  |
|  | 2018–19                                  | 2019–20                     |  |  |  |
| <b>Average staffing level (number)</b>   | <b>8,965</b>                             | <b>9,320</b>                |  |  |  |

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 2013. It excludes resources received free of charge.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation, amortisation, write-down, impairment of assets 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 2019–20 Budget measures have created new programs or materially changed existing programs.

|   |  |  |
|---|--|--|
| <b>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.</b>                                       |  |  |
| <b>Program 1.1 Border Enforcement</b>   |  |  |
| 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. |  |  |
| <b>Delivery</b>   | Mechanisms through which program 1.1 will be delivered include: <ul style="list-style-type: none"><li>• processing international air and sea passengers and crew;</li><li>• providing eligible travellers with the option for self-processing and clearance through automated border control at a range of Australian international airports and seaports;</li><li>• 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;</li><li>• processing vessels crossing the border;</li><li>• conducting land-based patrol and surveillance of the waterfront, remote areas and regional ports, including through the deployment of mobile teams;</li><li>• investigating and potentially prosecuting breaches of Australian border laws; and</li><li>• 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.</li></ul> |  |
| <b>Performance information</b>  |  |  |
| <b>Year</b>   | <b>Performance criteria</b>  | <b>Targets</b>   |
| 2018–19 (a)   | Effective surveillance and response contributes to achieving an increase in compliance in the Australian Maritime Domain.  | Identify non-compliant vessels, where law enforcement responses were required, through surveillance and intelligence— <i>Achieving</i>                           |
| 2019–20 (b)   | Border security and contemporary maritime surveillance activities reduce the number of people and goods crossing Australian Borders that pose a risk.  | 100 percent of identified non-compliant vessels operating in the Australian Maritime Domain, were subject to a prioritised, risk based law enforcement response. |
| 2020–21 and beyond  | As per 2019–20   | As per 2019–20   |
| <b>Purposes (b)</b>   | Advance a prosperous and secure Australia through effective customs, immigration and enforcement activities.   |  |
| <b>Material changes to Program 1.1 resulting from the following measure:</b> <i>Whole of Government Drug Strategy</i>   |  |  |

(a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.

(b) The performance criteria, targets and purposes will be refined and published in the 2019–20 Corporate Plan.

|  |   |  |
|--|---|--|
| <b>Program 1.2 Border Management</b><br>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. |   |  |
| <b>Delivery</b>  | Program 1.2 will be delivered by regulating and facilitating legitimate trade, migration and travel by: <ul style="list-style-type: none"><li>• development and delivery of portfolio strategy, legislation and policy; issuing broker, depot and warehouse licenses;</li><li>• working with partner agencies to influence and develop policy and regulatory models in relation to community protection and consumer safety;</li><li>• effective management of migration, traveller and cargo processes and information systems;</li><li>• provision of migration, travel and import and export data and statistics; and</li><li>• undertaking effective risk-based compliance activities to promote observance of Australian border laws as they relate to the movement of people and goods.</li></ul> |  |
| <b>Performance information</b>   |   |  |
| <b>Year</b>  | <b>Performance criteria</b>   | <b>Targets</b>   |
| 2018–19 (a)  | People and goods that pose a risk to the Australian community are detected and appropriately managed ahead of, at and after the border.   | Regular engagement with partner agencies and international liaison networks enhances national security<br>— <i>Achieving</i> |
| 2019–20 (b)  | Effective trade and travel policy and regulation settings contributes to Australia's economic prosperity.   | Increase in the number (in proportion to the volume) of travellers who use automated systems compared with previous year.    |
| 2020–21 and beyond   | <i>As per 2019–20</i>   | <i>As per 2019–20</i>  |
| <b>Purposes (b)</b>  | Support a prosperous and united Australia through effective coordination and delivery of migration, trade and travel policies and practices.  |  |
| <b>Material changes to Program 1.2 resulting from the following measures: Nil</b>  |   |  |

- (a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019–20 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  | Program 1.3 will be delivered by regulating and facilitating legitimate trade, migration and travel by: <ul style="list-style-type: none"><li>• promoting voluntary compliance by Australian employers with employer sanctions legislation through the provision of targeted education and engagement activities;</li><li>• providing services that facilitate status resolution, including voluntary return to the person's country of origin and, where appropriate, reintegration assistance packages;</li><li>• providing health and other support services for non-citizens awaiting status resolution where appropriate; and</li><li>• managing detention centres for the purposes of accommodating individuals that pose a risk to the community, while their status is being resolved.</li></ul> |   |
| Performance information   |  |   |
| Year  | Performance criteria   | Targets   |
| 2018–19 (a)   | Effective regulatory, status resolution, enforcement and detention activities promote program integrity, compliance and timely status outcomes at the lowest cost to government.   | Less than 10% of people engaged with the Status Resolution Program are managed in immigration detention— <i>Achieving</i><br><br>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>Achieving</i><br><br>100% of decisions to detain are reviewed within 48 hours— <i>Partially achieving</i> |
| 2019–20 (b)   | Effective management of entry and stay requirements promote program integrity and compliance.  | 100% of decisions to detain have an initial review initiated within two business days.  |
| 2020–21 and beyond  | <i>As per 2019–20</i>  | <i>As per 2019–20</i>   |
| Purposes (b)  | Support a prosperous and united Australia through effective coordination and delivery of migration, trade and travel policies and practices.   |   |
| Material changes to Program 1.3 resulting from the following measures: Nil  |  |   |

- (a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019–20 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"><li>• supporting partner countries to determine the refugee status of transferees;</li><li>• supporting partner countries to manage regional processing facilities and services, including health, welfare and settlement services (as required), to transferees under regional processing arrangements;</li><li>• capacity and capability development for partner countries through training and mentoring, to support their independent management of regional processing arrangements; and</li><li>• supporting partner countries to provide durable migration options to transferees through resettlement, voluntarily return, and removal (for those found not to be refugees).</li></ul> |  |
| Performance information  |  |  |
| Year   | Performance criteria   | Targets  |
| 2018–19 (a)  | Engage with international stakeholders to support and strengthen practical cooperation on refugee protection and international migration.  | Qualitative assessment demonstrates positive impact of engagement on international cooperation on refugee protection and international migration matters— <i>Achieving</i> |
| 2019–20 (b)  | Effective regional processing and settlement support deters irregular migration.   | Qualitative assessment demonstrates a positive impact in supporting regional processing countries identify durable migration pathways for transferees.                     |
| 2020–21 and beyond   | As per 2019–20   | As per 2019–20   |
| Purposes (b)   | Support a prosperous and united Australia through effective coordination and delivery of migration, trade and travel policies and practices.   |  |
| Material changes to Program 1.4 resulting from the following measures: Nil   |  |  |

- (a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019–20 Corporate Plan.

| Program 1.5 Regional Cooperation  |   |   |
|---|---|---|
| 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. |   |   |
| Delivery  | Mechanisms through which program 1.5 will be delivered include: <ul style="list-style-type: none"><li>• 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;</li><li>• supporting, through the International Organisation for Migration (IOM), the management of potential illegal immigrations in Indonesia under the Regional Cooperation Arrangement (RCA) program;</li><li>• working collaboratively with the international community to enhance the migration, identity, immigration intelligence and border management capabilities of partner governments; and</li><li>• enhancing international systems, information sharing and analytical capabilities to support better threat and risk assessments in the flow of people and goods.</li></ul> |   |
| Performance information   |   |   |
| Year  | Performance criteria  | Targets   |
| 2018–19 (a)   | 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.   | Qualitative assessment of a sample of activities, demonstrating impact(s) of cooperation and information-sharing activities on Australian border security— <i>Achieving</i> |
| 2019–20 (b)   | Strengthen relationships with partner governments to improve global migration outcomes.   | A sample of qualitative assessments demonstrates a positive impact of engagement with partner governments in improving migration.   |
| 2020–21 and beyond  | As per 2019–20  | As per 2019–20  |
| Purposes (b)  | Protect Australia and Australians from national security and criminal threats through effective national coordination, emergency management and policy development.<br><br>Support a prosperous and united Australia through effective coordination and delivery of migration, trade and travel policies and practices.<br><br>Advance a prosperous and secure Australia through effective customs, immigration and enforcement activities.   |   |
| Material changes to Program 1.5 resulting from the following measures: Nil  |   |   |

- (a) Performance criteria and targets for 2018-19 reflect the expected performance results. Actual results will be included in the 2018-2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019-20 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   | Mechanisms through which program 1.6 will be delivered include: <ul style="list-style-type: none"><li>• deliver 100 per cent of compliance activities within the National Compliance Plan (NCP) to ensure regulated industry participants comply with their obligations;</li><li>• deliver identity security reforms to strengthen key regulatory settings;</li><li>• improve transport security legislation to ensure it is proportionate to the risks being regulated;</li><li>• review regulatory settings to ensure that they effectively counter contemporary security risks; and</li><li>• work with international partners to influence global standards and improve the transport security capability of our regional partners.</li></ul> |   |
| Performance information  |   |   |
| Year   | Performance criteria  | Targets   |
| 2018–19 (a)  | Prevention of transport security incidents in aviation, maritime and offshore oil and gas sectors supports Australia’s economic and social prosperity.  | Regulatory amendments reflect changes in the risk environment— <i>Achieving</i>         |
| 2019–20 (b)  | Effective transport security regulation, policy coordination and advice prevents and protects Australia from security incidents effecting the movement of people and goods.   | Deliver 100 percent of compliance activities within the National Compliance Plan (NCP). |
| 2020–21 and beyond   | As per 2019–20  | As per 2019–20  |
| Purposes (b)   | Protect Australia and Australians from national security and criminal threats through effective national coordination, emergency management and policy development.   |   |
| Material changes to Program 1.6 resulting from the following measures: Nil   |   |   |

(a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.

(b) The performance criteria, targets and purposes will be refined and published in the 2019–20 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  | Mechanisms through which program 1.7 will be delivered include providing services to support an inclusive, safe and secure Australia.   |   |
| Performance information   |   |   |
| Year  | Performance criteria  | Targets   |
| 2018–19 (a)   | Delivery of national security and serious and organised crime policies, legislation and programs which enhance our capacity to detect and respond to potential threats to Australia and its partners.   | Policy and legislation outcomes, as well as international capability, enhance regional security capability and strengthen criminal laws— <i>Achieving</i>   |
| 2019–20 (b)   | Effective policy implementation and coordination deters foreign actors who wish to harm Australia’s sovereignty.<br><br>Effective policy development, coordination and industry regulation safeguards Australia’s critical infrastructure against sabotage, espionage and coercion.<br><br>Enhanced ability to monitor and disrupt transnational, serious and organised crime to protect and preserve Australia’s community and our partners. | Deliver 10 counter foreign interference education programs to key stakeholders.<br><br>100 percent of Foreign Investment Review Board cases referred are responded to within agreed timeframes.<br><br>100 percent of capability plans outlining compliance with telecommunication interception obligations are reviewed within statutory timeframes. |
| 2020–21 and beyond  | As per 2019–20  | As per 2019–20  |
| Purposes (b)  | Protect Australia and Australians from national security and criminal threats through effective national coordination, emergency management and policy development.   |   |
| Material changes to Program 1.7 resulting from the following measures: <i>Natural Disaster Resilience Funding</i>   |   |   |

- (a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019–20 Corporate Plan.

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|  |   |   |
|--|---|---|
| <b>Program 1.8 Cyber Security</b>  |   |   |
| 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. |   |   |
| <b>Delivery</b>  | Mechanisms through which program 1.8 will be delivered include providing services to continually transform Australia's cyber security landscape.                    |   |
| <b>Performance information</b>   |   |   |
| <b>Year</b>  | <b>Performance criteria</b>   | <b>Targets</b>  |
| 2018–19 (a)  | Timely, relevant and forward leaning cyber security policy advice, to protect and advance Australia's interests online.   | Active mitigation of risk by identifying and delivering policy initiatives and incident management procedures— <i>Achieving</i> |
| 2019–20 (b)  | Effective cyber security strategies, policies and advice protects and advances Australia's interest.  | Demonstrated progress against key initiatives within the Cyber Security Strategy.   |
| 2020–21 and beyond   | As per 2019–20  | As per 2019–20  |
| <b>Purposes (b)</b>  | Protect Australia and Australians from national security and criminal threats through effective national coordination, emergency management and policy development. |   |
| <b>Material changes to Program 1.8 resulting from the following measures: Nil</b>  |   |   |

- (a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019–20 Corporate Plan.

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|   |   |  |
|---|---|--|
| <b>Program 1.9 Counter Terrorism</b>  |   |  |
| 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. |   |  |
| <b>Delivery</b>   | Mechanisms through which program 1.9 will be delivered include 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. |  |
| <b>Performance information</b>  |   |  |
| <b>Year</b>   | <b>Performance criteria</b>   | <b>Targets</b>   |
| 2018–19 (a)   | Delivery of national counter-terrorism policies, legislation and programs enhances our capacity to detect and respond to potential threats to Australia and its partners.   | Evaluate and lead implementation of Australia's Counter-Terrorism Strategy— <i>Achieving</i>                                     |
| 2019–20 (b)   | Counter-terrorism priorities, legislation and programs enhances our capacity to detect and respond to potential terror threats.   | An annual program of exercises, procurement and training is delivered, and builds counter-terrorism capability across Australia. |
| 2020–21 and beyond  | As per 2019–20  | As per 2019–20   |
| <b>Purposes (b)</b>   | Protect Australia and Australians from national security and criminal threats through effective national coordination, emergency management and policy development.   |  |
| <b>Material changes to Program 1.9 resulting from the following measures:</b> Nil   |   |  |

- (a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019–20 Corporate Plan.

| 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  | Mechanisms through which program 1.10 will be delivered include: <ul style="list-style-type: none"><li>timely and targeted payments and support to individuals and families affected by major disasters throughout Australia;</li><li>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</li><li>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.</li></ul> |   |
| Performance information   |   |   |
| Year  | Performance criteria  | Targets   |
| 2018–19 (a)   | Provision of national leadership in emergency management reduces the impact of disasters on Australian communities.   | Disaster assistance requested of Emergency Management Australia is approved effectively and efficiently— <i>Achieving</i> |
| 2019–20 (b)   | Effective emergency management capability and programs enhances Australia's ability to reduce the impact of threats on Australian communities.  | Eligible disaster assistance requests are approved within 6 hours of an agreed request received.                          |
| 2020–21 and beyond  | As per 2019–20  | As per 2019–20  |
| Purposes (b)  | Protect Australia and Australians from national security and criminal threats through effective national coordination, emergency management and policy development.   |   |
| Material changes to Program 1.10 resulting from the following measures: Nil   |   |   |

- (a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019–20 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.

#### **Department of Education and Training**

Program 2.8: Building Skills and Capability

#### **Contribution to Outcome 2 made by linked program**

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.

#### **Department of Foreign Affairs and Trade**

Program 1.1: Foreign Affairs and Trade Operations

Program 2.2: Passport Services

#### **Contribution to Outcome 2 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 provide high-quality passport services, which support international traveller facilitation.

#### **Department of Health**

Program 2.1: Mental Health

#### **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><b>Department of Human Services</b></p> <p>Program 1.1: Services to the Community – Social Security and Welfare</p> <p><b>Contribution to Outcome 2 made by linked program</b></p> <p>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><b>Department of Jobs and Small Business</b></p> <p>Program 1.1: Employment Services</p> <p>Program 2.3: Small Business Support</p> <p><b>Contribution to Outcome 2 made by linked program</b></p> <p>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><b>Department of Social Services</b></p> <p>Program 2.1: Families and Communities</p> <p><b>Contribution to Outcome 2 made by linked program</b></p> <p>The Department of Social Services delivers settlement services to refugees, humanitarian entrants and other eligible migrants in their first five years of life in Australia. Services promote economic and social wellbeing 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**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 2.1: Multicultural Affairs and Citizenship</b>         |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | 9,727                                    | 12,722                      | 5,425                                    | 428                                      | 436                                      |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | –  | –                           | –  | –  | –  |
| <b>Administered total</b>   | <b>9,727</b>                             | <b>12,722</b>               | <b>5,425</b>                             | <b>428</b>                               | <b>436</b>                               |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 66,890                                   | 67,281                      | 68,195                                   | 65,085                                   | 65,643                                   |
| s74 external revenue (b)  | 2,185                                    | 1,878                       | 1,901                                    | 1,898                                    | 1,898                                    |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 8,177                                    | 8,371                       | 9,797                                    | 11,054                                   | 12,332                                   |
| <b>Departmental total</b>   | <b>77,252</b>                            | <b>77,530</b>               | <b>79,893</b>                            | <b>78,037</b>                            | <b>79,873</b>                            |
| <b>Total expenses for Program 2.1</b>                             | <b>86,979</b>                            | <b>90,252</b>               | <b>85,318</b>                            | <b>78,465</b>                            | <b>80,309</b>                            |
| <b>Program 2.2: Migration</b>                                     |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 203,652                                  | 181,660                     | 162,079                                  | 148,555                                  | 150,474                                  |
| s74 external revenue (b)  | 66,561                                   | 65,792                      | 66,861                                   | 67,857                                   | 67,857                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 31,388                                   | 30,944                      | 34,100                                   | 37,008                                   | 39,973                                   |
| <b>Departmental total</b>   | <b>301,601</b>                           | <b>278,396</b>              | <b>263,040</b>                           | <b>253,420</b>                           | <b>258,304</b>                           |
| <b>Total expenses for Program 2.2</b>                             | <b>301,601</b>                           | <b>278,396</b>              | <b>263,040</b>                           | <b>253,420</b>                           | <b>258,304</b>                           |
| <b>Program 2.3: Visas</b>   |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 397,426                                  | 357,267                     | 297,710                                  | 292,696                                  | 297,623                                  |
| s74 external revenue (b)  | 33,836                                   | 32,408                      | 32,786                                   | 32,770                                   | 32,770                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 49,235                                   | 49,088                      | 49,988                                   | 49,608                                   | 49,229                                   |
| <b>Departmental total</b>   | <b>480,497</b>                           | <b>438,763</b>              | <b>380,484</b>                           | <b>375,074</b>                           | <b>379,622</b>                           |
| <b>Total expenses for Program 2.3</b>                             | <b>480,497</b>                           | <b>438,763</b>              | <b>380,484</b>                           | <b>375,074</b>                           | <b>379,622</b>                           |



**Table 2.2.1: Budgeted expenses for Outcome 2 (continued)**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 2.4: Refugee and Humanitarian Assistance</b>           |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | 42,711                                   | 42,328                      | 41,932                                   | 41,771                                   | 42,473                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | –  | –                           | –  | –  | –  |
| <b>Administered total</b>   | <b>42,711</b>                            | <b>42,328</b>               | <b>41,932</b>                            | <b>41,771</b>                            | <b>42,473</b>                            |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 103,954                                  | 102,405                     | 86,185                                   | 86,173                                   | 86,973                                   |
| s74 external revenue (b)  | 10,809                                   | 9,826                       | 10,029                                   | 10,025                                   | 10,025                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 9,393                                    | 9,168                       | 9,681                                    | 10,121                                   | 10,583                                   |
| <b>Departmental total</b>   | <b>124,156</b>                           | <b>121,399</b>              | <b>105,895</b>                           | <b>106,319</b>                           | <b>107,581</b>                           |
| <b>Total expenses for Program 2.4</b>                             | <b>166,867</b>                           | <b>163,727</b>              | <b>147,827</b>                           | <b>148,090</b>                           | <b>150,054</b>                           |
| <b>Outcome 2 Totals by appropriation type</b>                     |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | 52,438                                   | 55,050                      | 47,357                                   | 42,199                                   | 42,909                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | –  | –                           | –  | –  | –  |
| <b>Administered total</b>   | <b>52,438</b>                            | <b>55,050</b>               | <b>47,357</b>                            | <b>42,199</b>                            | <b>42,909</b>                            |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 771,922                                  | 708,613                     | 614,169                                  | 592,509                                  | 600,713                                  |
| s74 external revenue (b)  | 113,391                                  | 109,904                     | 111,577                                  | 112,550                                  | 112,550                                  |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 98,193                                   | 97,571                      | 103,566                                  | 107,791                                  | 112,117                                  |
| <b>Departmental total</b>   | <b>983,506</b>                           | <b>916,088</b>              | <b>829,312</b>                           | <b>812,850</b>                           | <b>825,380</b>                           |
| <b>Total expenses for Outcome 2</b>                               | <b>1,035,944</b>                         | <b>971,138</b>              | <b>876,669</b>                           | <b>855,049</b>                           | <b>868,289</b>                           |
|   | 2018–19                                  | 2019–20                     |  |  |  |
| <b>Average staffing level (number)</b>                            | <b>4,570</b>                             | <b>4,640</b>                |  |  |  |

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, impairment assets and resources received free of charge.

(b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013. It excludes the resources received free of charge.

**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 2019–20 Budget measures have created new programs or materially changed existing programs.

|   |   |   |
|---|---|---|
| <b>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.</b> |   |   |
| <b>Program 2.1 Multicultural Affairs and Citizenship</b>  |   |   |
| To support a prosperous and inclusive society through the promotion, delivery and effective management of the Australian multicultural and citizenship programs.  |   |   |
| <b>Delivery</b>   | Mechanisms through which program 2.1 will be delivered include: <ul style="list-style-type: none"><li>• delivery of the immigration, multicultural and citizenship programs within the parameters set by the Government;</li><li>• supporting a strong and cohesive Australian society through the promotion of a unifying citizenship;</li><li>• strengthening the integrity and efficiency of immigration systems to attract quality applicants and meet the needs of the Australian community and economy; and</li><li>• promoting the value of multiculturalism and Australian citizenship.</li></ul> |   |
| <b>Performance information</b>  |   |   |
| <b>Year</b>   | <b>Performance criteria (a)</b>   | <b>Targets</b>  |
| 2018–19 (a)   | Immigration and citizenship programs support the Australian economy and strengthen social cohesion.   | 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>Achieving</i>  |
| 2019–20 (b)   | Community engagement and effective Multicultural and Citizenship programs support and enhance social cohesion.  | High social cohesion is reported from the results of national surveys by the Scanlon Foundation ‘Mapping Social Cohesion’ and the annual Lowy Institute Poll.<br><br>Maintaining or increasing the pass rate of the Australian Citizenship test demonstrates collective understanding of the value of Australian citizenship. |
| 2020–21 and beyond  | As per 2019–20  | As per 2019–20  |
| <b>Purposes (b)</b>   | Support a prosperous and united Australia through effective coordination and delivery of migration, trade and travel policies and practices.  |   |
| <b>Material changes to Program 2.1 resulting from the following measures: Nil</b>   |   |   |

(a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.

(b) The performance criteria, targets and purposes will be refined and published in the 2019–20 Corporate Plan.

|  |  |  |
|--|--|--|
| <b>Program 2.2 Migration</b><br>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. |  |  |
| <b>Delivery</b>  | Mechanisms through which program 2.2 will be delivered include: <ul style="list-style-type: none"><li>• delivering the migration program within planning levels set by the Government, and maintain program integrity and intention; and</li><li>• finalising visa applications within applicable standards and according to priority processing directions.</li></ul> |  |
| <b>Performance information</b>   |  |  |
| <b>Year</b>  | <b>Performance criteria</b>  | <b>Targets</b>   |
| 2018–19 (a)  | Immigration and citizenship programs support the Australian economy and strengthen social cohesion.  | Visa program reduces identified skill shortages compared with the previous year— <i>Achieving</i><br>Labour market outcomes of surveyed migrants 18 months after arrival/visa grant as reported in the Continuous Survey of Australian Migrants: <ul style="list-style-type: none"><li>• employed &gt;70%</li><li>• unemployed &lt;10%</li><li>• not in the labour force &lt;20%.</li></ul> <i>Achieving</i> |
| 2019–20 (b)  | Migration programs support an open, prosperous and united Australia.   | Labour market outcomes of surveyed migrants 18 months after arrival/visa grant as reported in the Continuous Survey of Australian Migrants: <ul style="list-style-type: none"><li>• employed &gt;70%</li><li>• unemployed &lt;10%</li><li>• not in the labour force &lt;20%.</li></ul>   |
| 2020–21 and beyond   | As per 2019–20   | As per 2019–20   |
| <b>Purposes (b)</b>  | Support a prosperous and united Australia through effective coordination and delivery of migration, trade and travel policies and practices.   |  |
| <b>Material changes to Program 2.2 resulting from the following measures: Nil</b>  |  |  |

(a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.

(b) The performance criteria, targets and purposes will be refined and published in the 2019–20 Corporate Plan.

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|  |   |   |
|--|---|---|
| <b>Program 2.3 Visas</b><br>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. |   |   |
| <b>Delivery</b>  | Mechanisms through which program 2.3 will be delivered include: <ul style="list-style-type: none"><li>• supporting Australia's economic development and needs through sustainable growth in temporary visa programs;</li><li>• ensuring temporary entry programs include controls to minimise health risks or costs to the Australian community;</li><li>• 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 application of public interest criterions, character provisions and cancellation powers;</li><li>• 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;</li><li>• promoting a high level of confidence in the accurate identification of people entering and departing Australia and those likely to threaten the national interest;</li><li>• pursuing system and capability improvements in order to effectively manage the growth in temporary entry caseloads; and</li><li>• finalising visa applications within applicable standards and according to priority processing directions.</li></ul> |   |
| <b>Performance information</b>   |   |   |
| <b>Year</b>  | <b>Performance criteria</b>   | <b>Targets</b>  |
| 2018–19 (a)  | Facilitation of legitimate travel, streamlined visa and citizenship processing and the provision of advice promotes seamless client access.<br><br>Effective regulatory, status resolution, enforcement and detention activities promote program integrity, compliance and timely status outcomes at the lowest cost to government.   | Analysis of website usage and client feedback demonstrates the user experience is improving— <i>Achieving</i><br>Increase in the number (in proportion to the volume) of travellers who are eligible to use Smart Gates at Australian airports— <i>Achieving</i><br>Less than 10% of people engaged with the Status Resolution Program are managed in immigration detention— <i>Achieving</i><br>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>Achieving</i><br>100% of decisions to detain are reviewed within 48 hours— <i>Partially Achieving</i> |
| 2019–20 (b)  | Visa programs support an open, prosperous and united Australia.   | Increase in the take-up rate for online visa lodgements compared with previous year.  |
| 2020–21 and beyond   | As per 2019–20  | As per 2019–20  |
| <b>Purposes (b)</b>  | Support a prosperous and united Australia through effective coordination and delivery of migration, trade and travel policies and practices.  |   |
| <b>Material changes to Program 2.3 resulting from the following measures:</b> <i>New Regional Visas — Population Package</i>   |   |   |

- (a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019–20 Corporate Plan.

| 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"><li>• contributing to the resettlement of refugees and those in humanitarian need through the delivery of the Humanitarian Program;</li><li>• resettling humanitarian entrants living in protracted or refugee-like situations who are in need of protection;</li><li>• 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</li><li>• continuing to develop policy, program design and procedures to improve the efficiency, effectiveness, accountability and integrity of the Humanitarian Programme.</li></ul> |  |
| Performance information  |   |  |
| Year   | Performance criteria  | Targets  |
| 2018–19 (a)  | Provision of orderly and planned humanitarian pathways contributes to the global management of refugees and displaced persons.  | The Humanitarian Program is delivered in accordance with priorities and informed by program parameters set by the Government— <i>Achieving</i> |
| 2019–20 (b)  | Refugee and Humanitarian programs reflect government priorities and international protection obligations whilst contributing to global resettlement.  | The humanitarian program is delivered within the planning ceiling and consistent with priorities set by the Government.                        |
| 2020–21 and beyond   | As per 2019–20  | As per 2019–20   |
| Purposes (b)   | Support a prosperous and united Australia through effective coordination and delivery of migration, trade and travel policies and practices.  |  |
| Material changes to Program 2.4 resulting from the following measures: Nil   |   |  |

(a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.

(b) The performance criteria, targets and purposes will be refined and published in the 2019–20 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, on behalf of the Australian Taxation Office, collects relevant taxes, including Goods and Services Tax, Wine Equalisation Tax and Luxury Car Tax, and administers the Tourist Refund Scheme.

#### **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 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**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 3.1 Border–Revenue Collection</b>                      |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | –  | –                           | –  | –  | –  |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 11,000                                   | 4,286                       | 4,286                                    | 4,286                                    | 4,286                                    |
| <b>Administered total</b>   | <b>11,000</b>                            | <b>4,286</b>                | <b>4,286</b>                             | <b>4,286</b>                             | <b>4,286</b>                             |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 12,554                                   | 7,756                       | 7,526                                    | 7,234                                    | 7,140                                    |
| s74 external revenue (b)  | 52,766                                   | 51,925                      | 52,289                                   | 52,587                                   | 52,587                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 6,994                                    | 6,617                       | 13,981                                   | 21,397                                   | 28,792                                   |
| <b>Departmental total</b>   | <b>72,314</b>                            | <b>66,298</b>               | <b>73,796</b>                            | <b>81,218</b>                            | <b>88,519</b>                            |
| <b>Total expenses for Program 3.1</b>                             | <b>83,314</b>                            | <b>70,584</b>               | <b>78,082</b>                            | <b>85,504</b>                            | <b>92,805</b>                            |
| <b>Program 3.2 Trade Facilitation and Industry Engagement</b>     |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 56,031                                   | 53,607                      | 50,704                                   | 50,641                                   | 50,955                                   |
| s74 external revenue (b)  | 498                                      | 288                         | 293                                      | 293                                      | 293                                      |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 4,294                                    | 3,386                       | 2,124                                    | 1,573                                    | 1,021                                    |
| <b>Departmental total</b>   | <b>60,823</b>                            | <b>57,281</b>               | <b>53,121</b>                            | <b>52,507</b>                            | <b>52,269</b>                            |
| <b>Total expenses for Program 3.2</b>                             | <b>60,823</b>                            | <b>57,281</b>               | <b>53,121</b>                            | <b>52,507</b>                            | <b>52,269</b>                            |
| <b>Outcome 3 Totals by appropriation type</b>                     |  |                             |  |  |  |
| Administered expenses   |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)            | –  | –                           | –  | –  | –  |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 11,000                                   | 4,286                       | 4,286                                    | 4,286                                    | 4,286                                    |
| <b>Administered total</b>   | <b>11,000</b>                            | <b>4,286</b>                | <b>4,286</b>                             | <b>4,286</b>                             | <b>4,286</b>                             |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 68,585                                   | 61,363                      | 58,230                                   | 57,875                                   | 58,095                                   |
| s74 external revenue (b)  | 53,264                                   | 52,213                      | 52,582                                   | 52,880                                   | 52,880                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (a) | 11,288                                   | 10,003                      | 16,105                                   | 22,970                                   | 29,813                                   |
| <b>Departmental total</b>   | <b>133,137</b>                           | <b>123,579</b>              | <b>126,917</b>                           | <b>133,725</b>                           | <b>140,788</b>                           |
| <b>Total expenses for Outcome 3</b>                               | <b>144,137</b>                           | <b>127,865</b>              | <b>131,203</b>                           | <b>138,011</b>                           | <b>145,074</b>                           |
| <b>Average staffing level (number)</b>                            |  |                             |  |  |  |
|   | <b>585</b>                               | <b>585</b>                  |  |  |  |

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, impairment of assets and resources received free of charge.

(b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013. It excludes resources received free of charge.



**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 2019–20 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"><li>• 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;</li><li>• providing assurance that revenue is protected by ensuring the correct application of refunds, concession and exemptions;</li><li>• undertaking effective risk-based investigations and compliance activities, to promote observance of Australian border laws as they relate to revenue reporting and payment obligations;</li><li>• collecting and administering the Passenger Movement Charge; and</li><li>• administering the Tourist Refund Scheme.</li></ul> |   |
| Performance information  |  |   |
| Year   | Performance criteria (a)   | Targets   |
| 2018–19 (a)  | Effective collection of revenue, detection of revenue evasion and compliance with border revenue laws and processes advances Australia’s economic interest.  | 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>Achieving</i> |
| 2019–20 (b)  | Border revenue laws and processes increases revenue collection and reduces revenue evasion.  | Total revenue collected from Customs Duty, Import Processing Charge and Passenger Movement Charge achieves PBS estimates.   |
| 2020–21 and beyond   | As per 2019–20   | As per 2019–20  |
| Purposes (b)   | Advance a prosperous and secure Australia through effective customs, immigration and enforcement activities.   |   |
| Material changes to Program 3.1 resulting from the following measures: Nil   |  |   |

(a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.

(b) The performance criteria, targets and purposes will be refined and published in the 2019–20 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"><li>• development and delivery of portfolio strategy, legislation and policy, to support the facilitation of legitimate movement;</li><li>• provision of tariff classification, valuation and rules of origin advice services to importers and exporters;</li><li>• delivering the Australian Trusted Trader Programme; and</li><li>• provision of expert advice, support and guidance material for industry to support import and export of legitimate goods.</li></ul> |   |
| Performance information   |  |   |
| Year  | Performance criteria   | Targets   |
| 2018–19 (a)   | Facilitation of legitimate trade and movement of goods, provision of advice and engagement with industry supports seamless trade.  | Increased level of compliant Import and Export Declarations (pre-clearance) compared with the previous year— <i>Achieving</i> |
| 2019–20 (b)   | Effective trade and travel policy and regulation settings contributes to Australia's economic prosperity.  | Number of businesses accredited as Australian Trusted Traders increases compared with the previous year.                      |
| 2020–21 and beyond  | As per 2019–20   | As per 2019–20  |
| Purposes (b)  | Support a prosperous and united Australia through effective coordination and delivery of migration, trade and travel policies and practices.   |   |
| Material changes to Program 3.2 resulting from the following measures: Nil  |  |   |

- (a) Performance criteria and targets for 2018–19 reflect the expected performance results. Actual results will be included in the 2018–2019 Annual Report.
- (b) The performance criteria, targets and purposes will be refined and published in the 2019–20 Corporate Plan.

## **Section 3: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 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 2019–20 PB Statements is provided below.

##### **Departmental**

##### **Budgeted departmental comprehensive income statement**

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

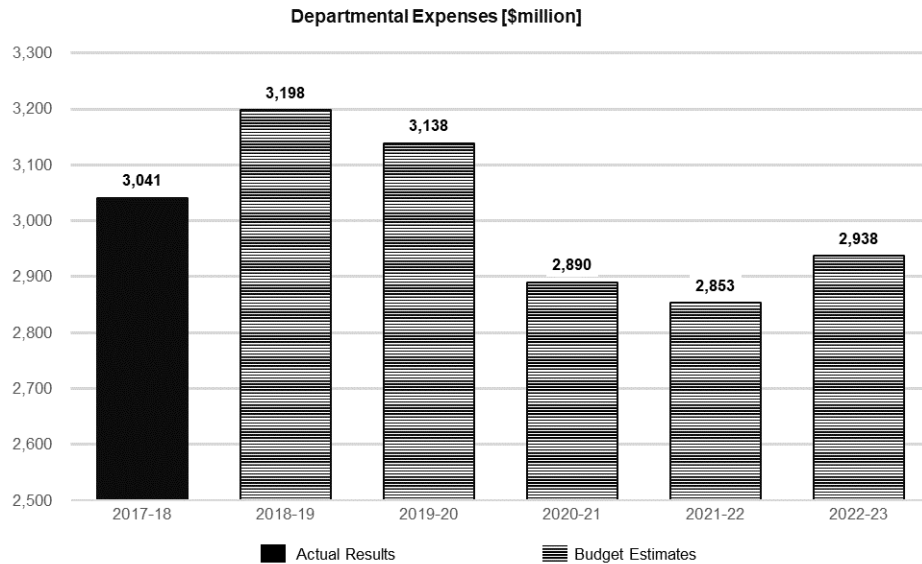
The Department is budgeting for a surplus of \$22.0 million in 2019–20, adjusted for depreciation and amortisation expense, to fund the establishment of international border clearance capabilities for emerging international airports and ports.

##### **Expenses**

In 2019–20, total departmental expenses are expected to decrease from \$3,197.8 million in 2018–19 to \$3,138.3 million, a decrease of \$59.5 million.

The major changes in the budgeted departmental expenses are attributable to the new measures and estimate variations included in Section 1, and a \$1.2 million decrease in depreciation and amortisation expense.

**Figure 1: Total departmental expenses as at 2019–20 Budget**



## Income

The total departmental revenue is expected to decrease from \$2,900.2 million in 2018–19 to \$2,854.0 million in 2019–20. The decrease of \$46.2 million is due to a decrease in revenue from government (appropriation revenue) of \$50.0 million, and an increase in Home Affairs' own-source income of \$3.8 million.

## Budgeted departmental balance sheet

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

In 2019–20, total departmental assets are expected to decrease from \$2,159.3 million in 2018–19 to \$2,121.3 million. The movement of \$38.0 million is due to a decrease in non-financial assets of \$38.0 million.

Departmental liabilities are expected to remain at \$810.8 million in 2018–19 and 2019–20.

## 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.

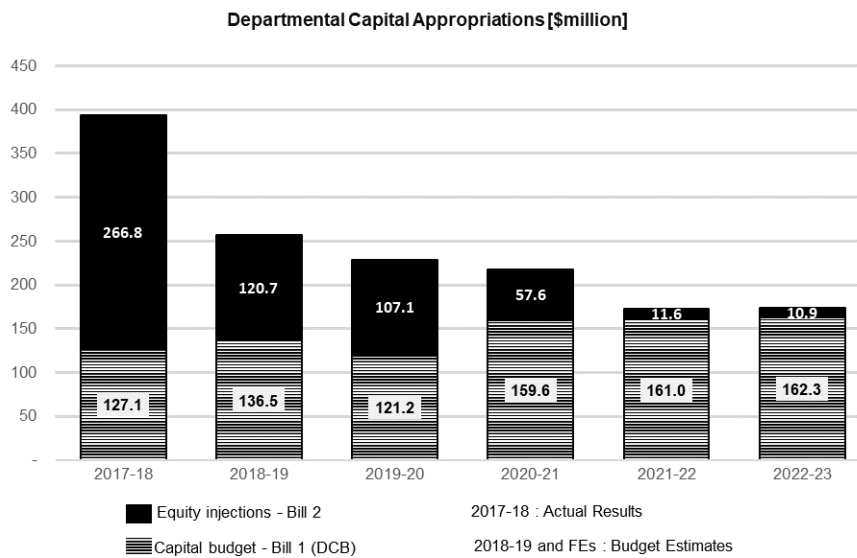
The budgeted cash flow reflects the impact of new measures, changes to own-source revenue and changes in expenses and capital investment, as reported in the income statement and balance sheet at Tables 3.1 and 3.2.

### Capital budget statement – departmental

This statement reports the forward plan for capital expenditure.

Total capital appropriations have decreased in 2019–20 by \$29.0 million as a result of capital measures and estimates variations included in Section 1.

**Figure 2: Total departmental capital appropriations as at 2019–20 Budget**



### Statement of asset movements

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

The decrease of \$38.0 million in the estimated net book balance from 1 July 2019 to 30 June 2020 is due to the net impact of asset purchases of \$268.2 million, offset by depreciation and amortisation expense of \$306.2 million.

## Administered

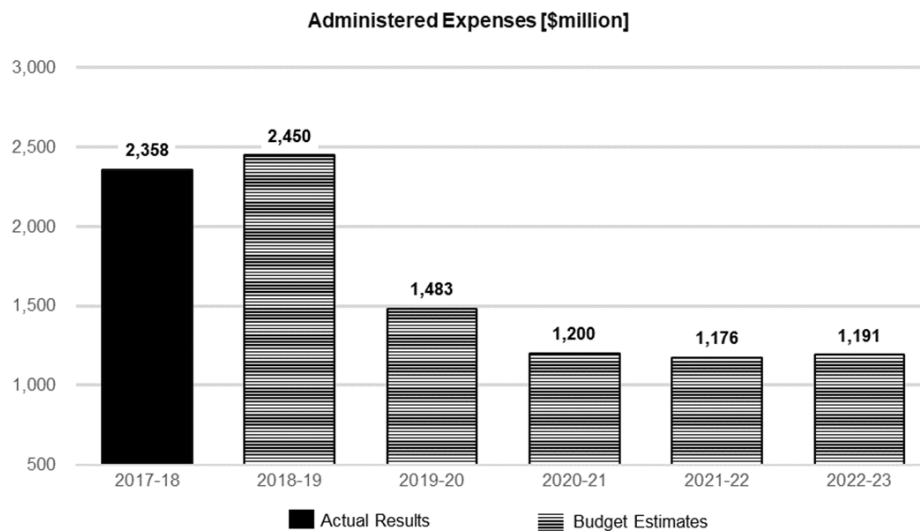
### Schedule of budgeted income and expenses administered on behalf of government

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

#### Expenses

In 2019–20, administered expenses are expected to decrease from \$2,449.7 million in 2018–19 to \$1,482.5 million, a decrease of \$967.2 million. The major change in the budgeted administered expenses are attributable to the new measures and estimate variations included in Section 1, and a \$5.1 million decrease in depreciation and amortisation expenses.

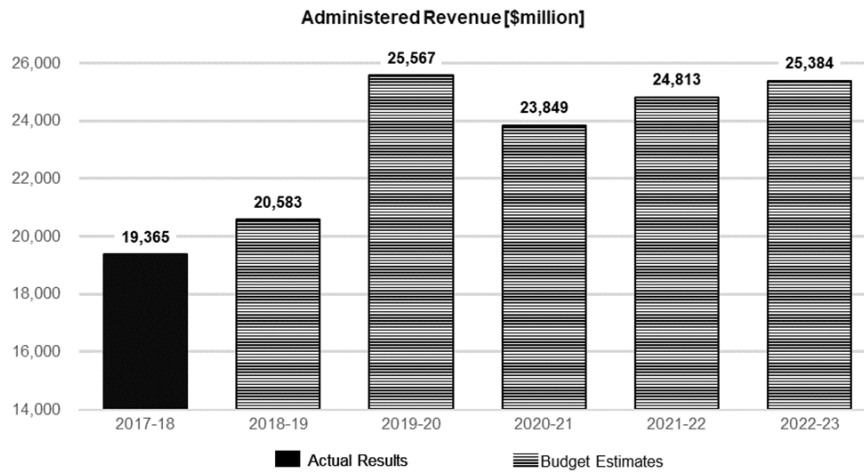
**Figure 3: Administered expenses as at 2019–20 Budget**



#### Revenue

In 2019–20, the Department will administer the collection of revenue on behalf of the government of an estimated \$25,567.1 million, which is an increase of \$4,984.3 million compared to the estimate of \$20,582.8 million in 2018–19.

**Figure 4: Administered revenue as at 2019–20 Budget**



In 2019–20, the Department is estimated to collect \$25,475.9 million in taxation revenue, which is an increase of \$4,982.6 million from \$20,493.3 million in 2018–19. The increase is primarily due to the increase of \$4,600.0 million in customs duty collections, largely attributable to the *Black Economy Package – combatting illicit tobacco* measure that was agreed as part of the 2018–19 Budget process. Other taxation revenue will also increase by \$382.6 million, primarily due to the increase of \$316.1 million in Visa Application Charge.

In 2019–20, the Department will administer the collection of non-taxation revenue on behalf of government of an estimated \$91.1 million, which is an increase of \$1.6 million from the \$89.5 million in 2018–19.

#### **Schedule of budgeted assets and liabilities administered on behalf of government**

This schedule reports assets and liabilities administered by the Department on behalf of the government.

In 2019–20, total administered assets are expected to decrease by \$131.3 million from \$1,781.0 million in 2018–19 to \$1,649.7 million. The movement is due to the decrease in non-financial assets, mainly driven by the depreciation of buildings and other property, plant and equipment, and the decrease in financial assets of \$45.6 million.

#### **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.

**Schedule for administered capital budget**

This statement reports the forward plan for capital expenditure.

Total capital appropriations have decreased in 2019–20 by \$6.5 million as a result of capital measures and estimate variations included in Section 1.

**Statement of administered asset movements**

This statement reports the budgeted movements by asset class of administered non-financial assets during the 2019–20 financial year.

The decrease of \$85.8 million in the estimated net book balance from 1 July 2019 to 30 June 2020 is due to a net impact of expected asset purchases of \$6.5 million, offset by depreciation and amortisation expense of \$92.3 million.



### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>EXPENSES</b>  |  |                             |  |  |  |
| Employee benefits  | 1,512,861                                | 1,532,999                   | 1,382,554                                | 1,370,331                                | 1,384,583                                |
| Suppliers  | 1,377,062                                | 1,298,673                   | 1,194,430                                | 1,172,305                                | 1,184,387                                |
| Depreciation and amortisation (a)  | 307,450                                  | 306,255                     | 312,506                                  | 310,535                                  | 368,327                                  |
| Finance costs  | –  | –                           | –  | –  | –  |
| Write-down and impairment of assets  | –  | –                           | –  | –  | –  |
| Other expenses   | 382                                      | 383                         | 317                                      | 315                                      | 319                                      |
| <b>Total expenses</b>  | <b>3,197,755</b>                         | <b>3,138,310</b>            | <b>2,889,807</b>                         | <b>2,853,486</b>                         | <b>2,937,616</b>                         |
| <b>LESS:</b>   |  |                             |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |  |                             |  |  |  |
| <b>Own-source revenue</b>  |  |                             |  |  |  |
| Sale of goods and rendering of services  | 159,197                                  | 174,812                     | 143,054                                  | 132,406                                  | 132,274                                  |
| Recovery of costs  | 66,921                                   | 55,184                      | 55,363                                   | 55,409                                   | 55,409                                   |
| Fees and fines   | 13,604                                   | 13,175                      | 13,372                                   | 13,372                                   | 13,372                                   |
| Rental income  | 3,974                                    | 3,732                       | 3,856                                    | 3,831                                    | 3,831                                    |
| Royalties  | 3,297                                    | 3,062                       | 3,062                                    | 3,062                                    | 3,062                                    |
| Other revenue  | 10,976                                   | 11,828                      | 12,275                                   | 12,250                                   | 12,248                                   |
| <b>Total own-source revenue</b>  | <b>257,969</b>                           | <b>261,793</b>              | <b>230,982</b>                           | <b>220,330</b>                           | <b>220,196</b>                           |
| <b>Gains</b>   |  |                             |  |  |  |
| Sale of assets   | –  | –                           | –  | –  | –  |
| Foreign exchange gains   | –  | –                           | –  | –  | –  |
| Other gains  | –  | –                           | –  | –  | –  |
| <b>Total gains</b>   | <b>–</b>                                 | <b>–</b>                    | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| <b>Total own-source income</b>   | <b>257,969</b>                           | <b>261,793</b>              | <b>230,982</b>                           | <b>220,330</b>                           | <b>220,196</b>                           |
| <b>Net (cost of)/contribution by services</b>                                      | <b>2,939,786</b>                         | <b>2,876,517</b>            | <b>2,658,825</b>                         | <b>2,633,156</b>                         | <b>2,717,420</b>                         |
| Revenue from government  | 2,642,267                                | 2,592,254                   | 2,349,527                                | 2,322,621                                | 2,349,093                                |
| <b>Surplus/(deficit) attributable to the Australian Government</b>                 | <b>(297,519)</b>                         | <b>(284,263)</b>            | <b>(309,298)</b>                         | <b>(310,535)</b>                         | <b>(368,327)</b>                         |
| <b>OTHER COMPREHENSIVE INCOME</b>  |  |                             |  |  |  |
| Changes in asset revaluation surplus   | –  | –                           | –  | –  | –  |
| <b>Total other comprehensive income</b>  | <b>–</b>                                 | <b>–</b>                    | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| <b>Total comprehensive income/(loss) attributable to the Australian Government</b> | <b>(297,519)</b>                         | <b>(284,263)</b>            | <b>(309,298)</b>                         | <b>(310,535)</b>                         | <b>(368,327)</b>                         |

**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**

|  | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations (a)</b> | <b>9,931</b>      | <b>21,992</b>     | <b>3,208</b>      | <b>–</b>          | <b>–</b>          |
| Less depreciation/amortisation expenses previously funded through revenue appropriations (b)   | 307,450           | 306,255           | 312,506           | 310,535           | 368,327           |
| <b>Total comprehensive income/(loss) —as per the statement of comprehensive income</b>   | <b>(297,519)</b>  | <b>(284,263)</b>  | <b>(309,298)</b>  | <b>(310,535)</b>  | <b>(368,327)</b>  |

Prepared on Australian Accounting Standards basis.

- (a) Funding provided for the establishment of international border clearance capabilities for emerging international airports and ports. Please refer to Table 3.5: Departmental capital budget statement.
- (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 3.5: Departmental capital budget statement.

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>ASSETS</b>                          |  |                             |  |  |  |
| <b>Financial assets</b>                |  |                             |  |  |  |
| Cash and cash equivalents              | 2,788                                    | 3,522                       | 3,522                                    | 3,522                                    | 3,522                                    |
| Trade and other receivables            | 543,435                                  | 542,701                     | 542,701                                  | 542,701                                  | 542,701                                  |
| Other financial assets                 | 6,389                                    | 6,389                       | 6,389                                    | 6,389                                    | 6,389                                    |
| <b>Total financial assets</b>          | <b>552,612</b>                           | <b>552,612</b>              | <b>552,612</b>                           | <b>552,612</b>                           | <b>552,612</b>                           |
| <b>Non-financial assets</b>            |  |                             |  |  |  |
| Land                                   | 20,220                                   | 20,220                      | 20,220                                   | 20,220                                   | 20,220                                   |
| Buildings                              | 192,435                                  | 173,964                     | 151,311                                  | 123,153                                  | 95,527                                   |
| Property, plant and equipment          | 680,600                                  | 636,619                     | 627,219                                  | 578,490                                  | 510,948                                  |
| Intangibles                            | 584,082                                  | 608,472                     | 548,414                                  | 487,354                                  | 387,420                                  |
| Inventories                            | 19,783                                   | 19,783                      | 19,783                                   | 19,783                                   | 19,783                                   |
| Other non-financial assets             | 109,597                                  | 109,597                     | 109,597                                  | 109,597                                  | 109,597                                  |
| <b>Total non-financial assets</b>      | <b>1,606,717</b>                         | <b>1,568,655</b>            | <b>1,476,544</b>                         | <b>1,338,597</b>                         | <b>1,143,495</b>                         |
| <b>Total assets</b>                    | <b>2,159,329</b>                         | <b>2,121,267</b>            | <b>2,029,156</b>                         | <b>1,891,209</b>                         | <b>1,696,107</b>                         |
| <b>LIABILITIES</b>                     |  |                             |  |  |  |
| <b>Payables</b>                        |  |                             |  |  |  |
| Suppliers                              | 288,862                                  | 288,862                     | 288,862                                  | 288,862                                  | 288,862                                  |
| Other payables                         | 21,708                                   | 21,708                      | 21,708                                   | 21,708                                   | 21,708                                   |
| <b>Total payables</b>                  | <b>310,570</b>                           | <b>310,570</b>              | <b>310,570</b>                           | <b>310,570</b>                           | <b>310,570</b>                           |
| <b>Provisions</b>                      |  |                             |  |  |  |
| Employee provisions                    | 451,968                                  | 451,968                     | 451,968                                  | 451,968                                  | 451,968                                  |
| Other provisions                       | 48,291                                   | 48,291                      | 48,291                                   | 48,291                                   | 48,291                                   |
| <b>Total provisions</b>                | <b>500,259</b>                           | <b>500,259</b>              | <b>500,259</b>                           | <b>500,259</b>                           | <b>500,259</b>                           |
| <b>Total liabilities</b>               | <b>810,829</b>                           | <b>810,829</b>              | <b>810,829</b>                           | <b>810,829</b>                           | <b>810,829</b>                           |
| <b>Net assets</b>                      | <b>1,348,500</b>                         | <b>1,310,438</b>            | <b>1,218,327</b>                         | <b>1,080,380</b>                         | <b>885,278</b>                           |
| <b>EQUITY (a)</b>                      |  |                             |  |  |  |
| <b>Parent entity interest</b>          |  |                             |  |  |  |
| Contributed equity                     | 3,178,050                                | 3,424,296                   | 3,641,528                                | 3,814,162                                | 3,987,387                                |
| Reserves                               | 274,879                                  | 274,879                     | 274,879                                  | 274,879                                  | 274,879                                  |
| Retained surplus (accumulated deficit) | (2,104,429)                              | (2,388,737)                 | (2,698,080)                              | (3,008,661)                              | (3,376,988)                              |
| <b>Total parent entity interest</b>    | <b>1,348,500</b>                         | <b>1,310,438</b>            | <b>1,218,327</b>                         | <b>1,080,380</b>                         | <b>885,278</b>                           |
| <b>Total equity</b>                    | <b>1,348,500</b>                         | <b>1,310,438</b>            | <b>1,218,327</b>                         | <b>1,080,380</b>                         | <b>885,278</b>                           |

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 2019–20)**

|  | Retained<br>earnings<br>\$'000 | Asset<br>revaluation<br>reserve<br>\$'000 | Contributed<br>equity/<br>capital<br>\$'000 | Total<br>equity<br>\$'000 |
|--|--------------------------------|---|---|---------------------------|
| <b>Opening balance as at 1 July 2019</b>                         |                                |   |   |                           |
| Balance carried forward from previous period                     | (2,104,429)                    | 274,879                                   | 3,178,050                                   | 1,348,500                 |
| <b>Adjusted opening balance</b>                                  | <b>(2,104,429)</b>             | <b>274,879</b>                            | <b>3,178,050</b>                            | <b>1,348,500</b>          |
| <b>Comprehensive income</b>                                      |                                |   |   |                           |
| Other comprehensive income                                       | —                              | —   | —   | —                         |
| Surplus/(deficit) for the period                                 | (284,263)                      | —   | —   | (284,263)                 |
| <b>Total comprehensive income</b>                                | <b>(284,263)</b>               | <b>—</b>                                  | <b>—</b>                                    | <b>(284,263)</b>          |
| of which:  |                                |   |   |                           |
| Attributable to the Australian Government                        | (284,263)                      | —   | —   | (284,263)                 |
| <b>Transactions with owners</b>                                  |                                |   |   |                           |
| <b>Distributions to owners</b>                                   |                                |   |   |                           |
| Returns of capital:  |                                |   |   |                           |
| Restructuring  | (45)                           | —   | —   | (45)                      |
| <b>Contributions by owners</b>                                   |                                |   |   |                           |
| Equity injection—appropriation                                   | —                              | —   | 125,070                                     | 125,070                   |
| Departmental capital budget (DCB)                                | —                              | —   | 121,176                                     | 121,176                   |
| <b>Sub-total transactions with owners</b>                        | <b>(45)</b>                    | <b>—</b>                                  | <b>246,246</b>                              | <b>246,201</b>            |
| <b>Estimated closing balance as at 30 June 2020</b>              | <b>(2,388,737)</b>             | <b>274,879</b>                            | <b>3,424,296</b>                            | <b>1,310,438</b>          |
| <b>Closing balance attributable to the Australian Government</b> | <b>(2,388,737)</b>             | <b>274,879</b>                            | <b>3,424,296</b>                            | <b>1,310,438</b>          |

Prepared on Australian Accounting Standards basis.

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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Appropriations  | 2,896,235                                | 2,845,034                   | 2,570,319                                | 2,532,761                                | 2,559,099                                |
| Sale of goods and rendering of services                             | 181,848                                  | 204,821                     | 177,654                                  | 168,232                                  | 165,513                                  |
| Net GST received  | 108,570                                  | 99,210                      | 92,716                                   | 91,770                                   | 93,203                                   |
| Other   | 85,666                                   | 73,502                      | 73,882                                   | 73,903                                   | 73,901                                   |
| <b>Total cash received</b>  | <b>3,272,319</b>                         | <b>3,222,567</b>            | <b>2,914,571</b>                         | <b>2,866,666</b>                         | <b>2,891,716</b>                         |
| <b>Cash used</b>  |  |                             |  |  |  |
| Employees   | 1,520,195                                | 1,540,478                   | 1,389,236                                | 1,376,948                                | 1,391,272                                |
| Suppliers   | 1,487,843                                | 1,406,934                   | 1,301,018                                | 1,279,263                                | 1,290,119                                |
| s74 external revenue transferred to the OPA                         | 248,837                                  | 252,046                     | 220,792                                  | 210,140                                  | 210,006                                  |
| Other   | 382                                      | 383                         | 317                                      | 315                                      | 319                                      |
| <b>Total cash used</b>  | <b>3,257,257</b>                         | <b>3,199,841</b>            | <b>2,911,363</b>                         | <b>2,866,666</b>                         | <b>2,891,716</b>                         |
| <b>Net cash from/(used by) operating activities</b>                 | <b>15,062</b>                            | <b>22,726</b>               | <b>3,208</b>                             | <b>–</b>                                 | <b>–</b>                                 |
| <b>INVESTING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Proceeds from sales of property, plant and equipment                | –  | –                           | –  | –  | –  |
| <b>Total cash received</b>  | <b>–</b>                                 | <b>–</b>                    | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| <b>Cash used</b>  |  |                             |  |  |  |
| Purchase of property, plant and equipment and intangibles           | 323,277                                  | 268,238                     | 220,440                                  | 172,634                                  | 173,225                                  |
| <b>Total cash used</b>  | <b>323,277</b>                           | <b>268,238</b>              | <b>220,440</b>                           | <b>172,634</b>                           | <b>173,225</b>                           |
| <b>Net cash from/(used by) investing activities</b>                 | <b>(323,277)</b>                         | <b>(268,238)</b>            | <b>(220,440)</b>                         | <b>(172,634)</b>                         | <b>(173,225)</b>                         |
| <b>FINANCING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Contributed equity  | 307,481                                  | 246,246                     | 217,232                                  | 172,634                                  | 173,225                                  |
| <b>Total cash received</b>  | <b>307,481</b>                           | <b>246,246</b>              | <b>217,232</b>                           | <b>172,634</b>                           | <b>173,225</b>                           |
| <b>Net cash from/(used by) financing activities</b>                 | <b>307,481</b>                           | <b>246,246</b>              | <b>217,232</b>                           | <b>172,634</b>                           | <b>173,225</b>                           |
| <b>Net increase/(decrease) in cash held</b>                         | <b>(734)</b>                             | <b>734</b>                  | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| Cash and cash equivalents at the beginning of the reporting period  | 3,522                                    | 2,788                       | 3,522                                    | 3,522                                    | 3,522                                    |
| <b>Cash and cash equivalents at the end of the reporting period</b> | <b>2,788</b>                             | <b>3,522</b>                | <b>3,522</b>                             | <b>3,522</b>                             | <b>3,522</b>                             |

Prepared on Australian Accounting Standards basis.

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>NEW CAPITAL APPROPRIATIONS</b>  |  |                             |  |  |  |
| Capital budget—Bill 1 (DCB)  | 136,548                                  | 121,176                     | 159,601                                  | 161,040                                  | 162,327                                  |
| Equity injections—Bill 2   | 120,676                                  | 107,082                     | 57,631                                   | 11,594                                   | 10,898                                   |
| <b>Total new capital appropriations</b>                                      | <b>257,224</b>                           | <b>228,258</b>              | <b>217,232</b>                           | <b>172,634</b>                           | <b>173,225</b>                           |
| <b>Provided for:</b>   |  |                             |  |  |  |
| Purchase of non-financial assets   | 257,224                                  | 228,258                     | 217,232                                  | 172,634                                  | 173,225                                  |
| <b>Total items</b>   | <b>257,224</b>                           | <b>228,258</b>              | <b>217,232</b>                           | <b>172,634</b>                           | <b>173,225</b>                           |
| <b>PURCHASE OF NON-FINANCIAL ASSETS</b>                                      |  |                             |  |  |  |
| Funded by capital appropriations (a)   | 176,798                                  | 125,070                     | 57,631                                   | 11,594                                   | 10,898                                   |
| Funded internally by departmental resources (b)                              | 9,931                                    | 21,992                      | 3,208                                    | —  | —  |
| Funded by capital appropriation—DCB (c)                                      | 136,548                                  | 121,176                     | 159,601                                  | 161,040                                  | 162,327                                  |
| <b>TOTAL AMOUNT SPENT</b>  | <b>323,277</b>                           | <b>268,238</b>              | <b>220,440</b>                           | <b>172,634</b>                           | <b>173,225</b>                           |
| <b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b> |  |                             |  |  |  |
| Total purchases  | 323,277                                  | 268,238                     | 220,440                                  | 172,634                                  | 173,225                                  |
| <b>TOTAL CASH REQUIRED TO ACQUIRE ASSETS</b>                                 | <b>323,277</b>                           | <b>268,238</b>              | <b>220,440</b>                           | <b>172,634</b>                           | <b>173,225</b>                           |

Prepared on Australian Accounting Standards basis.

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

(b) Funding provided for the establishment of international border clearance capabilities for emerging international airports and ports.

(c) 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 2019–20)**

|  | Asset category |                 |                                     |                                   | Total            |
|--|----------------|-----------------|-------------------------------------|-----------------------------------|------------------|
|  | Land           | Buildings       | Other property, plant and equipment | Computer software and intangibles |                  |
|  | \$'000         | \$'000          | \$'000                              | \$'000                            | \$'000           |
| <b>As at 1 July 2019</b>   |                |                 |                                     |                                   |                  |
| Gross book value   | 20,220         | 260,323         | 858,942                             | 1,483,820                         | 2,623,305        |
| Accumulated depreciation/ amortisation and impairment                | —              | (67,888)        | (178,342)                           | (899,738)                         | (1,145,968)      |
| <b>Opening net book balance</b>                                      | <b>20,220</b>  | <b>192,435</b>  | <b>680,600</b>                      | <b>584,082</b>                    | <b>1,477,337</b> |
| <b>Capital asset additions</b>                                       |                |                 |                                     |                                   |                  |
| <b>Estimated expenditure on new or replacement assets</b>            |                |                 |                                     |                                   |                  |
| By purchase—appropriation equity (a)                                 | —              | 30,101          | 61,603                              | 176,534                           | 268,238          |
| From acquisition of entities or operations (including restructuring) | —              | —               | (45)                                | —                                 | (45)             |
| <b>Total additions</b>   | <b>—</b>       | <b>30,101</b>   | <b>61,558</b>                       | <b>176,534</b>                    | <b>268,193</b>   |
| <b>Other movements</b>   |                |                 |                                     |                                   |                  |
| Depreciation/amortisation expense                                    | —              | (48,572)        | (105,539)                           | (152,144)                         | (306,255)        |
| <b>Total other movements</b>   | <b>—</b>       | <b>(48,572)</b> | <b>(105,539)</b>                    | <b>(152,144)</b>                  | <b>(306,255)</b> |
| <b>As at 30 June 2020</b>  |                |                 |                                     |                                   |                  |
| Gross book value   | 20,220         | 290,424         | 920,500                             | 1,660,354                         | 2,891,498        |
| Accumulated depreciation/ amortisation and impairment                | —              | (116,460)       | (283,881)                           | (1,051,882)                       | (1,452,223)      |
| <b>Closing net book balance</b>                                      | <b>20,220</b>  | <b>173,964</b>  | <b>636,619</b>                      | <b>608,472</b>                    | <b>1,439,275</b> |

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) 2019–2020*.

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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>EXPENSES</b>   |  |                             |  |  |  |
| Suppliers   | 1,960,626                                | 1,070,882                   | 862,299                                  | 858,268                                  | 872,310                                  |
| Grants  | 122,462                                  | 113,409                     | 53,780                                   | 40,013                                   | 43,330                                   |
| Personal benefits   | 247,853                                  | 192,062                     | 182,254                                  | 179,243                                  | 181,502                                  |
| Depreciation and amortisation   | 97,367                                   | 92,290                      | 88,481                                   | 84,730                                   | 80,612                                   |
| Finance costs   | 1,856                                    | —                           | —  | —  | —  |
| Write-down and impairment of assets   | 15,042                                   | 11,000                      | 11,000                                   | 11,000                                   | 11,000                                   |
| Other expenses  | 4,516                                    | 2,905                       | 2,383                                    | 2,375                                    | 2,422                                    |
| <b>Total expenses administered on behalf of government</b>                      | <b>2,449,722</b>                         | <b>1,482,548</b>            | <b>1,200,197</b>                         | <b>1,175,629</b>                         | <b>1,191,176</b>                         |
| <b>LESS:</b>  |  |                             |  |  |  |
| <b>OWN-SOURCE INCOME</b>  |  |                             |  |  |  |
| <b>Own-source revenue</b>   |  |                             |  |  |  |
| <b>Taxation revenue</b>   |  |                             |  |  |  |
| Customs duty  | 16,519,450                               | 21,119,450                  | 19,149,450                               | 19,869,450                               | 20,199,450                               |
| Other taxes   | 3,973,861                                | 4,356,473                   | 4,613,392                                | 4,858,260                                | 5,096,721                                |
| <b>Total taxation revenue</b>   | <b>20,493,311</b>                        | <b>25,475,923</b>           | <b>23,762,842</b>                        | <b>24,727,710</b>                        | <b>25,296,171</b>                        |
| <b>Non-taxation revenue</b>   |  |                             |  |  |  |
| Immigration fees  | 50,000                                   | 50,000                      | 50,000                                   | 50,000                                   | 50,000                                   |
| Fines, penalties and prosecutions   | 4,491                                    | 4,491                       | 4,491                                    | 4,491                                    | 4,491                                    |
| Interest  | 1,306                                    | 1,087                       | 846                                      | 600                                      | 369                                      |
| Other revenue   | 33,655                                   | 35,550                      | 31,075                                   | 30,630                                   | 32,883                                   |
| <b>Total non-taxation revenue</b>   | <b>89,452</b>                            | <b>91,128</b>               | <b>86,412</b>                            | <b>85,721</b>                            | <b>87,743</b>                            |
| <b>Total own-source revenue administered on behalf of government</b>            | <b>20,582,763</b>                        | <b>25,567,051</b>           | <b>23,849,254</b>                        | <b>24,813,431</b>                        | <b>25,383,914</b>                        |
| <b>Gains</b>  |  |                             |  |  |  |
| Sale of assets  | —  | 8,598                       | —  | —  | —  |
| Other gains   | —  | —                           | —  | —  | —  |
| <b>Total gains administered on behalf of government</b>                         | <b>—</b>                                 | <b>8,598</b>                | <b>—</b>                                 | <b>—</b>                                 | <b>—</b>                                 |
| <b>Total own-sourced income administered on behalf of government</b>            | <b>20,582,763</b>                        | <b>25,575,649</b>           | <b>23,849,254</b>                        | <b>24,813,431</b>                        | <b>25,383,914</b>                        |
| <b>Net (cost of)/contribution by services</b>                                   | <b>18,133,041</b>                        | <b>24,093,101</b>           | <b>22,649,057</b>                        | <b>23,637,802</b>                        | <b>24,192,738</b>                        |
| <b>Surplus/(deficit) before income tax</b>                                      | <b>18,133,041</b>                        | <b>24,093,101</b>           | <b>22,649,057</b>                        | <b>23,637,802</b>                        | <b>24,192,738</b>                        |
| <b>OTHER COMPREHENSIVE INCOME</b>   |  |                             |  |  |  |
| <b>Items not subject of subsequent reclassification to net cost of services</b> |  |                             |  |  |  |
| Changes in asset revaluation surplus  | —  | —                           | —  | —  | —  |
| <b>Total other comprehensive income</b>   | <b>—</b>                                 | <b>—</b>                    | <b>—</b>                                 | <b>—</b>                                 | <b>—</b>                                 |
| <b>Total comprehensive income/(loss)</b>  | <b>18,133,041</b>                        | <b>24,093,101</b>           | <b>22,649,057</b>                        | <b>23,637,802</b>                        | <b>24,192,738</b>                        |

Prepared on Australian Accounting Standards basis.



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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>ASSETS</b>   |  |                             |  |  |  |
| <b>Financial assets</b>                                       |  |                             |  |  |  |
| Cash and cash equivalents                                     | 54,099                                   | 54,099                      | 54,099                                   | 54,099                                   | 54,099                                   |
| Taxation receivables  | 528,698                                  | 500,698                     | 230,698                                  | 230,698                                  | 230,698                                  |
| Trade and other receivables                                   | 109,747                                  | 92,170                      | 74,337                                   | 57,459                                   | 40,584                                   |
| <b>Total financial assets</b>                                 | <b>692,544</b>                           | <b>646,967</b>              | <b>359,134</b>                           | <b>342,256</b>                           | <b>325,381</b>                           |
| <b>Non-financial assets</b>                                   |  |                             |  |  |  |
| Land  | 18,852                                   | 18,852                      | 18,852                                   | 18,852                                   | 18,852                                   |
| Buildings   | 784,422                                  | 724,650                     | 682,051                                  | 640,972                                  | 602,910                                  |
| Property, plant and equipment                                 | 246,862                                  | 220,881                     | 196,383                                  | 174,527                                  | 154,163                                  |
| Intangibles   | 437                                      | 437                         | 437                                      | 437                                      | 437                                      |
| Other non-financial assets                                    | 150                                      | 150                         | 150                                      | 150                                      | 150                                      |
| <b>Total non-financial assets</b>                             | <b>1,050,723</b>                         | <b>964,970</b>              | <b>897,873</b>                           | <b>834,938</b>                           | <b>776,512</b>                           |
| Assets held for sale  | 37,750                                   | 37,750                      | 37,750                                   | 37,750                                   | 37,750                                   |
| <b>Total assets administered on behalf of government</b>      | <b>1,781,017</b>                         | <b>1,649,687</b>            | <b>1,294,757</b>                         | <b>1,214,944</b>                         | <b>1,139,643</b>                         |
| <b>LIABILITIES</b>  |  |                             |  |  |  |
| <b>Payables</b>   |  |                             |  |  |  |
| Suppliers   | 311,647                                  | 311,647                     | 311,647                                  | 311,647                                  | 311,647                                  |
| Personal benefits   | 20,526                                   | 20,526                      | 20,526                                   | 20,526                                   | 20,526                                   |
| Grants  | 9,129                                    | 9,129                       | 9,129                                    | 9,129                                    | 9,129                                    |
| Other payables  | 18,327                                   | 18,327                      | 18,327                                   | 18,327                                   | 18,327                                   |
| <b>Total payables</b>   | <b>359,629</b>                           | <b>359,629</b>              | <b>359,629</b>                           | <b>359,629</b>                           | <b>359,629</b>                           |
| <b>Interest bearing liabilities</b>                           |  |                             |  |  |  |
| <b>Provisions</b>   |  |                             |  |  |  |
| Other provisions  | 32,056                                   | 32,056                      | 32,056                                   | 32,056                                   | 32,056                                   |
| <b>Total provisions</b>                                       | <b>32,056</b>                            | <b>32,056</b>               | <b>32,056</b>                            | <b>32,056</b>                            | <b>32,056</b>                            |
| <b>Total liabilities administered on behalf of government</b> | <b>391,685</b>                           | <b>391,685</b>              | <b>391,685</b>                           | <b>391,685</b>                           | <b>391,685</b>                           |
| <b>Net assets/(liabilities)</b>                               | <b>1,389,332</b>                         | <b>1,258,002</b>            | <b>903,072</b>                           | <b>823,259</b>                           | <b>747,958</b>                           |

Prepared on Australian Accounting Standards basis.

Department of Home Affairs Budget Statements

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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>                               |  |                             |  |  |  |
| <b>Cash received</b>                                      |  |                             |  |  |  |
| Taxes   | 20,489,025                               | 25,499,637                  | 24,028,556                               | 24,723,424                               | 25,291,885                               |
| Net GST received  | 167,096                                  | 89,636                      | 86,203                                   | 85,973                                   | 87,414                                   |
| Sales of goods and rendering of services                  | 65,204                                   | 74,773                      | 68,843                                   | 67,729                                   | 73,411                                   |
| Other   | 10,994                                   | 19,206                      | 20,554                                   | 20,126                                   | 19,188                                   |
| <b>Total cash received</b>                                | <b>20,732,319</b>                        | <b>25,683,252</b>           | <b>24,204,156</b>                        | <b>24,897,252</b>                        | <b>25,471,898</b>                        |
| <b>Cash used</b>  |  |                             |  |  |  |
| Grants  | 122,462                                  | 113,409                     | 53,780                                   | 40,013                                   | 43,330                                   |
| Personal benefits   | 247,853                                  | 192,062                     | 182,254                                  | 179,243                                  | 181,502                                  |
| Suppliers   | 2,127,724                                | 1,170,083                   | 958,201                                  | 953,089                                  | 971,294                                  |
| Other   | 4,516                                    | 2,905                       | 2,383                                    | 2,375                                    | 2,422                                    |
| <b>Total cash used</b>                                    | <b>2,502,555</b>                         | <b>1,478,459</b>            | <b>1,196,618</b>                         | <b>1,174,720</b>                         | <b>1,198,548</b>                         |
| <b>Net cash from/(used by) operating activities</b>       | <b>18,229,764</b>                        | <b>24,204,793</b>           | <b>23,007,538</b>                        | <b>23,722,532</b>                        | <b>24,273,350</b>                        |
| <b>INVESTING ACTIVITIES</b>                               |  |                             |  |  |  |
| <b>Cash received</b>                                      |  |                             |  |  |  |
| Proceeds from sale of property, plant and equipment       | –  | 23,069                      | –  | –  | –  |
| Repayments of advances and loans                          | 18,094                                   | 17,577                      | 17,833                                   | 16,878                                   | 16,875                                   |
| <b>Total cash received</b>                                | <b>18,094</b>                            | <b>40,646</b>               | <b>17,833</b>                            | <b>16,878</b>                            | <b>16,875</b>                            |
| <b>Cash used</b>  |  |                             |  |  |  |
| Purchase of property, plant and equipment and intangibles | 73,820                                   | 21,008                      | 21,384                                   | 21,795                                   | 22,186                                   |
| Advances and loans made                                   | 2,051                                    | –                           | –  | –  | –  |
| <b>Total cash used</b>                                    | <b>75,871</b>                            | <b>21,008</b>               | <b>21,384</b>                            | <b>21,795</b>                            | <b>22,186</b>                            |
| <b>Net cash from/(used by) investing activities</b>       | <b>(57,777)</b>                          | <b>19,638</b>               | <b>(3,551)</b>                           | <b>(4,917)</b>                           | <b>(5,311)</b>                           |
| <b>FINANCING ACTIVITIES</b>                               |  |                             |  |  |  |
| <b>Cash received</b>                                      |  |                             |  |  |  |
| Capital injections  | 75,871                                   | 21,008                      | 21,384                                   | 21,795                                   | 22,186                                   |
| <b>Total cash received</b>                                | <b>75,871</b>                            | <b>21,008</b>               | <b>21,384</b>                            | <b>21,795</b>                            | <b>22,186</b>                            |
| <b>Net cash from/(used by) financing activities</b>       | <b>75,871</b>                            | <b>21,008</b>               | <b>21,384</b>                            | <b>21,795</b>                            | <b>22,186</b>                            |
| <b>Net increase/(decrease) in cash held</b>               | <b>18,247,858</b>                        | <b>24,245,439</b>           | <b>23,025,371</b>                        | <b>23,739,410</b>                        | <b>24,290,225</b>                        |

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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| Cash and cash equivalents at beginning of reporting period  | 54,099                                   | 54,099                      | 54,099                                   | 54,099                                   | 54,099                                   |
| Cash from Official Public Account for:                      |  |                             |  |  |  |
| - Appropriations  | 2,924,099                                | 1,864,041                   | 1,604,949                                | 1,570,899                                | 1,587,564                                |
| <i>Total cash from Official Public Account</i>              | <i>2,924,099</i>                         | <i>1,864,041</i>            | <i>1,604,949</i>                         | <i>1,570,899</i>                         | <i>1,587,564</i>                         |
| Cash to Official Public Account for:                        |  |                             |  |  |  |
| - Appropriations  | 21,171,957                               | 26,109,480                  | 24,630,320                               | 25,310,309                               | 25,877,789                               |
| <i>Total cash to Official Public Account</i>                | <i>21,171,957</i>                        | <i>26,109,480</i>           | <i>24,630,320</i>                        | <i>25,310,309</i>                        | <i>25,877,789</i>                        |
| <b>Cash and cash equivalents at end of reporting period</b> | <b>54,099</b>                            | <b>54,099</b>               | <b>54,099</b>                            | <b>54,099</b>                            | <b>54,099</b>                            |

Prepared on Australian Accounting Standards basis.

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>NEW CAPITAL APPROPRIATIONS</b>  |  |                             |  |  |  |
| Capital budget—Bill 1 (ACB)  | 20,567                                   | 21,008                      | 21,384                                   | 21,795                                   | 22,186                                   |
| Administered assets and liabilities Bill 2<br>and Bill 4                             | 6,937                                    | —                           | —  | —  | —  |
| <b>Total new capital appropriations</b>  | <b>27,504</b>                            | <b>21,008</b>               | <b>21,384</b>                            | <b>21,795</b>                            | <b>22,186</b>                            |
| <b>Provided for:</b>   |  |                             |  |  |  |
| Purchase of non-financial assets   | 25,453                                   | 21,008                      | 21,384                                   | 21,795                                   | 22,186                                   |
| Other Items  | 2,051                                    | —                           | —  | —  | —  |
| <b>Total items</b>   | <b>27,504</b>                            | <b>21,008</b>               | <b>21,384</b>                            | <b>21,795</b>                            | <b>22,186</b>                            |
| <b>PURCHASE OF NON-FINANCIAL<br/>ASSETS</b>  |  |                             |  |  |  |
| Funded by capital appropriations (a)   | 44,555                                   | —                           | —  | —  | —  |
| Funded by capital appropriation<br>—ACB (b)  | 31,316                                   | 21,008                      | 21,384                                   | 21,795                                   | 22,186                                   |
| <b>TOTAL</b>   | <b>75,871</b>                            | <b>21,008</b>               | <b>21,384</b>                            | <b>21,795</b>                            | <b>22,186</b>                            |
| <b>RECONCILIATION OF CASH USED<br/>TO ACQUIRE ASSETS TO ASSET<br/>MOVEMENT TABLE</b> |  |                             |  |  |  |
| Total accrual purchases  | 75,871                                   | 21,008                      | 21,384                                   | 21,795                                   | 22,186                                   |
| <b>Total cash used to acquire assets</b>   | <b>75,871</b>                            | <b>21,008</b>               | <b>21,384</b>                            | <b>21,795</b>                            | <b>22,186</b>                            |

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).

**Table 3.11: Statement of administered asset movements (Budget year 2019–20)**

|   | Asset category |                 |                                     |                                   |                         | Total            |
|---|----------------|-----------------|-------------------------------------|-----------------------------------|-------------------------|------------------|
|   | Land           | Buildings       | Other property, plant and equipment | Computer software and intangibles | L&B, PP&E held for sale |                  |
|   | \$'000         | \$'000          | \$'000                              | \$'000                            | \$'000                  | \$'000           |
| <b>As at 1 July 2019</b>  |                |                 |                                     |                                   |                         |                  |
| Gross book value  | 18,852         | 857,708         | 282,919                             | 535                               | 37,750                  | 1,197,764        |
| Accumulated depreciation/amortisation and impairment              | –              | (73,286)        | (36,057)                            | (98)                              | –                       | (109,441)        |
| <b>Opening net book balance</b>                                   | <b>18,852</b>  | <b>784,422</b>  | <b>246,862</b>                      | <b>437</b>                        | <b>37,750</b>           | <b>1,088,323</b> |
| <b>CAPITAL ASSET ADDITIONS</b>                                    |                |                 |                                     |                                   |                         |                  |
| <b>Estimated expenditure on new or replacement assets</b>         |                |                 |                                     |                                   |                         |                  |
| By purchase—appropriation equity (a)                              | –              | 17,938          | 3,070                               | –                                 | –                       | 21,008           |
| From disposal of entities or operations (including restructuring) | –              | (14,471)        | –                                   | –                                 | –                       | (14,471)         |
| <b>Total additions</b>  | <b>–</b>       | <b>3,467</b>    | <b>3,070</b>                        | <b>–</b>                          | <b>–</b>                | <b>6,537</b>     |
| <b>Other movements</b>  |                |                 |                                     |                                   |                         |                  |
| Depreciation/amortisation expense                                 | –              | (63,239)        | (29,051)                            | –                                 | –                       | (92,290)         |
| <b>Total other movements</b>                                      | <b>–</b>       | <b>(63,239)</b> | <b>(29,051)</b>                     | <b>–</b>                          | <b>–</b>                | <b>(92,290)</b>  |
| <b>As at 30 June 2020</b>   |                |                 |                                     |                                   |                         |                  |
| Gross book value  | 18,852         | 861,175         | 285,989                             | 535                               | 37,750                  | 1,204,301        |
| Accumulated depreciation/amortisation and impairment              | –              | (136,525)       | (65,108)                            | (98)                              | –                       | (201,731)        |
| <b>Closing net book balance</b>                                   | <b>18,852</b>  | <b>724,650</b>  | <b>220,881</b>                      | <b>437</b>                        | <b>37,750</b>           | <b>1,002,570</b> |

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to administered assets and liabilities appropriations provided through Appropriation Bill (No.2) 2019–20.



# **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) is Australia's national criminal intelligence agency. The strategic priorities for the ACIC are driven by the evolving criminal environment and its ability 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 seeks to position and cement the agency into the future as a 'Centre of Excellence' for criminal intelligence. The ACIC provides leadership and accredited professional development of national criminal intelligence capability and tradecraft.

The unique legislative mandate of the ACIC makes it a conduit between the Commonwealth and the states and territories. The intelligence and operational arms of the agency are equally as important as the national policing systems and services it provides, which are critical to its partners.

The ACIC strives to be the 'partner of choice' for all facets of criminal intelligence practice. As the custodian of national criminal information and intelligence, the ACIC ensures that it is securely managed and its utility for all stakeholders is maximised.

The ACIC's vision is to create a safer Australia that is better connected, informed and capable of responding to crime and criminal justice issues. The ACIC achieves this by producing intelligence products, advice and recommendations that enhance national understanding of the criminal environment and inform collaborative responses – both immediate and longer-term, including hardening the environment against such crime. The ACIC's intelligence collection and assessment capabilities are an essential component of this vision.

## *ACIC Budget Statements*

The ACIC will continue to build its capability to work with its partners, both internationally and domestically, to target and disrupt significant transnational targets, including their Australian operations. Identifying and assessing those targets that represent the highest threat is an important component, as is the development of intelligence-led strategies to ensure an effective coordinated response.

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

- continuing to work to establish an objective evidence base on illicit and licit drug use as part of the National Wastewater Drug Monitoring Program;
- investigating the diversion of opioids from Australia's medical and health sector to the illicit drug market; and
- hosting the Australian Gangs Intelligence Coordination Centre.

The ACIC will continue to strengthen the value of accurate and timely background information to inform decision-making and improve community safety and pursue legislative change to enable us to meet contemporary requirements.

### **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: ACIC resource statement—Budget estimates for 2019–20 as at Budget April 2019**

|   | 2018–19 (a)<br><i>Estimated<br/>actual</i><br>\$'000 | 2019–20<br>Estimate<br>\$'000 |
|---|--|-------------------------------|
| <b>Departmental</b>   |  |                               |
| Annual appropriations—ordinary annual services (b)  |  |                               |
| Prior year appropriations available   | 58,099   | 59,066                        |
| Departmental appropriation (c)  | 99,970   | 104,777                       |
| s74 external revenue (d)  | 26,930   | 18,386                        |
| Departmental capital budget (e)   | 2,627  | 2,625                         |
| Annual appropriations—other services—non-operating (f)  |  |                               |
| Prior year appropriations available   | 318  | 870                           |
| Equity injection  | 9,576  | 23,636                        |
| <b>Total departmental annual appropriations</b>   | <b>197,520</b>                                       | <b>209,360</b>                |
| Special accounts (g)  |  |                               |
| Opening balance   | 121,529  | 123,129                       |
| Appropriation receipts (h)  | 20,077   | 31,465                        |
| Non-appropriation receipts  | 108,879  | 107,150                       |
| <b>Total special accounts</b>   | <b>250,485</b>                                       | <b>261,744</b>                |
| <i>Less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i> | <i>20,077</i>  | <i>32,335</i>                 |
| <b>Total departmental resourcing</b>  | <b>427,928</b>                                       | <b>438,769</b>                |
| <b>Total resourcing for ACIC</b>  | <b>427,928</b>                                       | <b>438,769</b>                |
|   | 2018–19  | 2019–20                       |
| <b>Average staffing level (number)</b>  | <b>741</b>   | <b>849</b>                    |

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

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

(a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.

(b) Appropriation Bill (No. 1) 2019–20.

(c) Excludes departmental capital budget (DCB).

(d) Estimated external revenue receipts under section 74 of the PGPA Act.

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

(f) Appropriation Bill (No. 2) 2019–20.

(g) For further information on 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.

(h) 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: Entity 2019–20 Budget measures**  
**Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO)**

|   | Program | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|---|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Expense measures</b>                         |         |                   |                   |                   |                   |                   |
| Commonwealth Integrity Commission               | 1.1     |                   |                   |                   |                   |                   |
| Administered expenses                           |         | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses                           |         | –                 | (75)              | –                 | –                 | –                 |
| <b>Total</b>                                    |         | –                 | (75)              | –                 | –                 | –                 |
| Confiscated Assets Account                      | 1.1     |                   |                   |                   |                   |                   |
| Administered expenses                           |         | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses                           |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>                                    |         | –                 | –                 | –                 | –                 | –                 |
| National Public Register of Child Sex Offenders | 1.1     |                   |                   |                   |                   |                   |
| Administered expenses                           |         | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses                           |         | –                 | 699               | 1,385             | 1,462             | 693               |
| <b>Total</b>                                    |         | –                 | 699               | 1,385             | 1,462             | 693               |
| Whole-of-Government Drug Strategy (a)           | 1.1     |                   |                   |                   |                   |                   |
| Administered expenses                           |         | –                 | –                 | –                 | –                 | –                 |
| Departmental expenses                           |         | –                 | 2,855             | 2,874             | 2,890             | 2,782             |
| <b>Total</b>                                    |         | –                 | 2,855             | 2,874             | 2,890             | 2,782             |
| <b>Total expense measures</b>                   |         |                   |                   |                   |                   |                   |
| Administered                                    |         | –                 | –                 | –                 | –                 | –                 |
| Departmental                                    |         | –                 | 3,479             | 4,259             | 4,352             | 3,475             |
| <b>Total</b>                                    |         | –                 | 3,479             | 4,259             | 4,352             | 3,475             |
| <b>Capital measures</b>                         |         |                   |                   |                   |                   |                   |
| National Public Register of Child Sex Offenders | 1.1     |                   |                   |                   |                   |                   |
| Administered capital                            |         | –                 | –                 | –                 | –                 | –                 |
| Departmental capital                            |         | –                 | –                 | 1,732             | 1,794             | –                 |
| <b>Total</b>                                    |         | –                 | –                 | 1,732             | 1,794             | –                 |
| <b>Total capital measures</b>                   |         |                   |                   |                   |                   |                   |
| Administered                                    |         | –                 | –                 | –                 | –                 | –                 |
| Departmental                                    |         | –                 | –                 | 1,732             | 1,794             | –                 |
| <b>Total</b>                                    |         | –                 | –                 | 1,732             | 1,794             | –                 |

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) The lead entity for measure *Whole-of-Government Drug Strategy* is the Department of Home Affairs. The full measure description and package details appear in Budget Paper No. 2 under the Home Affairs portfolio.

## Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs 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*. 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 [https://www.acic.gov.au/sites/g/files/net3726/f/2018/08/acic\\_corporate\\_plan\\_2018-19\\_to\\_2021-22.pdf](https://www.acic.gov.au/sites/g/files/net3726/f/2018/08/acic_corporate_plan_2018-19_to_2021-22.pdf).

The most recent annual performance statement can be found at [https://acic.govcms.gov.au/sites/g/files/net3726/f/acic\\_2017-18\\_ar\\_digital.pdf?v=1539748074](https://acic.govcms.gov.au/sites/g/files/net3726/f/acic_2017-18_ar_digital.pdf?v=1539748074).

## 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, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.**

### 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**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>Program 1.1: Australian Criminal Intelligence Commission</b>          |  |                             |  |  |  |
| Departmental expenses  |  |                             |  |  |  |
| Departmental appropriation   | 99,970                                   | 104,777                     | 92,509                                   | 92,241                                   | 90,832                                   |
| s74 external revenue (a)   | 19,183                                   | 16,526                      | 14,295                                   | 7,853                                    | 3,055                                    |
| Special accounts   |  |                             |  |  |  |
| National Policing Information<br>Systems and Services Special<br>Account | 94,437                                   | 116,343                     | 125,732                                  | 115,304                                  | 117,506                                  |
| Expenses not requiring<br>appropriation in the Budget<br>year (b)        | 10,248                                   | 11,443                      | 16,901                                   | 16,945                                   | 16,590                                   |
| <b>Departmental total</b>  | <b>223,838</b>                           | <b>249,089</b>              | <b>249,437</b>                           | <b>232,343</b>                           | <b>227,983</b>                           |
| <b>Total expenses for program 1.1</b>                                    | <b>223,838</b>                           | <b>249,089</b>              | <b>249,437</b>                           | <b>232,343</b>                           | <b>227,983</b>                           |
|  | 2018–19                                  | 2019–20                     |  |  |  |
| <b>Average staffing level (number)</b>                                   | <b>741</b>                               | <b>849</b>                  |  |  |  |

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 2019–20 Budget measures have created new programs or materially changed existing programs.

|   |   |
|---|---|
| <b>Outcome 1: To make Australia safer through improved national ability to discover, understand and respond to current and emerging crime threats, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.</b>  |   |
| <b>Program 1.1: Australian Criminal Intelligence Commission</b><br>The ACIC will improve the national ability to respond to crime 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 collaborative enforcement, as well as informing and influencing 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. |   |
| <b>Delivery</b>   | 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.<br>The functions that are undertaken include: <ul style="list-style-type: none"> <li>• conducting investigations and intelligence operations into federally relevant criminal activity;</li> <li>• maintaining a national database of criminal information and intelligence;</li> <li>• providing and maintaining national information capabilities and services to support policing and law enforcement;</li> <li>• providing strategic criminal intelligence assessments and advice on national criminal intelligence priorities; and</li> <li>• providing nationally coordinated criminal history checks.</li> </ul> |

*ACIC Budget Statements*

| Performance information |   |  |
|-------------------------|---|--|
| Year                    | Performance criteria (a)  | Forecast performance   |
| 2018–19                 | Existing ACIC systems and services are accessible, used and reliable.   | Tracking well.<br>All high-availability systems met Board-agreed benchmarks. With few exceptions, other key systems statistics including number of users and searches are in-line, or trending above, previous results.  |
|                         | Through effective collaboration, enable the delivery and implementation of new and enhanced ACIC systems and services that satisfies the needs of stakeholders and users.     | Core assessment is contingent on annual stakeholder survey results.<br>The ACIC has made significant progress in delivery of a number of key national systems.   |
|                         | The ACIC is sharing increasing volume, breadth and formats (mediums, platforms) of criminal intelligence and information, police information, and other relevant information. | Tracking well.<br>The ACIC continues to share products with an increasing number of stakeholders. Dissemination of products is in-line with historical, except for ongoing system issues with ACID Alerts.   |
|                         | 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 discoveries of crime threats, vulnerabilities and methods, particularly through examination outcomes.<br>However, there is a risk of not fully meeting this criterion due to the decline in discovery of previously unknown targets. |
|                         | The understanding of the picture of crime impacting Australia is increasingly more comprehensive, integrated and relevant.  | In-line with recent years.<br>Statistical results are similar to historical as the ACIC continues to produce comprehensive, relevant and integrated products that increase understanding of the picture of crime impacting Australia.                                |
|                         | The understanding of the picture of crime impacting Australia is increasingly used to influence strategies and responses to crime.  | On track.<br>Key strategic assessments include the inaugural National Gangs Report and the Tax Crime Enablers in Australia 2018.<br>Final assessment will also include consideration of annual stakeholder survey results.   |

| Performance information |   |  |
|-------------------------|---|--|
| Year                    | Performance criteria (a)  | Forecast performance   |
|                         | The ACIC better informs and influences collaborative efforts to harden the environment against crime.   | Tracking well.<br>Submissions to legislative reviews influencing preventative responses include the submission to the Australian Charities and Not for Profits Commission legislation review; and the review on vulnerabilities in junket operations submitted to the Victorian Commission for Gambling and Liquor Regulation. |
|                         | 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. | In-line to slightly below recent years across the range of quantitative disruption statistics that together inform the results of this measure.  |
|                         | The ACIC's partners are better informed and enabled to undertake policing and community safeguarding activities through access to national information systems and services.  | Core assessment is contingent on annual stakeholder survey results. The survey is conducted at the end of financial year and results included in the annual report.<br><br>System matches tracking slightly above historical average.  |

ACIC Budget Statements

| Performance information |  |   |
|-------------------------|--|---|
| Year                    | Performance criteria (a)   | Forecast performance  |
| 2019–20                 | <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>The ACIC's 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"> <li>• comparative statistics on information and intelligence systems and services availability, usage and support levels;</li> <li>• demonstrated delivery and implementation of planned systems and services that satisfy stakeholders and users;</li> <li>• comparative statistics on volume and breadth of intelligence shared;</li> <li>• the level and types of the ACIC's activities to discover and understand crime impacting Australia;</li> <li>• the level, types and results of the ACIC's responses to disrupting serious and organised crime; and</li> <li>• annual stakeholder survey results that form an overall assessment against the performance criteria.</li> </ul> |
| 2020–21 and beyond      | <i>As per 2019–20</i>  | <i>As per 2019–20</i>   |
| <b>Purposes</b>         | To make Australia safer through improved national ability to discover, understand and respond to current and emerging crime, including the ability to connect police and law enforcement to essential criminal intelligence, policing knowledge and information through collaborative national information systems and services.   |   |

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

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2019–20 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 2019–20, the estimated appropriation revenue is \$104.8 million. This is an increase of \$4.8 million from the 2018–19 appropriation. The increase is primarily attributed to Government decisions, including the new measures listed in the Table 1.2.

The ACIC's estimated actual operating result is \$23.1 million surplus, excluding unfunded depreciation expense. This result includes \$9.1 million surplus created from revenue received for capital investments.

The budgeted losses in the budget and forward years are a result of the Government's decision to support the development of the National Criminal Intelligence System (NCIS).

##### **Balance sheet**

There is a decrease in ACIC's financial assets and an increase in non-financial assets in 2019–20, consistent with the Government's decision to fund the NCIS from the National Police Information Systems and Services Special Account.

##### **Administered**

The administered revenue relates to anticipated fees collected through undertaking criminal intelligence checks.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forw ard<br>estimate<br>\$'000 | 2021–22<br>Forw ard<br>estimate<br>\$'000 | 2022–23<br>Forw ard<br>estimate<br>\$'000 |
|--|--|-----------------------------|---|---|---|
| <b>EXPENSES</b>  |  |                             |   |   |   |
| Employee benefits  | 94,397                                   | 103,583                     | 100,506                                   | 101,933                                   | 101,728                                   |
| Suppliers  | 108,181                                  | 121,350                     | 118,014                                   | 98,364                                    | 95,178                                    |
| Depreciation and amortisation (a)  | 16,490                                   | 19,386                      | 26,217                                    | 27,276                                    | 26,307                                    |
| Other expenses   | 4,770                                    | 4,770                       | 4,700                                     | 4,770                                     | 4,770                                     |
| <b>Total expenses</b>  | <b>223,838</b>                           | <b>249,089</b>              | <b>249,437</b>                            | <b>232,343</b>                            | <b>227,983</b>                            |
| <b>LESS:</b>   |  |                             |   |   |   |
| <b>OWN-SOURCE INCOME</b>   |  |                             |   |   |   |
| <b>Own-source revenue</b>  |  |                             |   |   |   |
| Sale of goods and rendering of services  | 136,728                                  | 125,536                     | 123,632                                   | 119,376                                   | 116,710                                   |
| Other  | 1,670                                    | 1,670                       | 1,670                                     | 1,670                                     | 1,670                                     |
| <b>Total own-source revenue</b>  | <b>138,398</b>                           | <b>127,206</b>              | <b>125,302</b>                            | <b>121,046</b>                            | <b>118,380</b>                            |
| <b>Total own-source income</b>   | <b>138,398</b>                           | <b>127,206</b>              | <b>125,302</b>                            | <b>121,046</b>                            | <b>118,380</b>                            |
| <b>Net (cost of)/contribution by services</b>                                      | <b>(85,440)</b>                          | <b>(121,883)</b>            | <b>(124,135)</b>                          | <b>(111,297)</b>                          | <b>(109,603)</b>                          |
| Revenue from government  | 99,970                                   | 104,777                     | 92,509                                    | 92,241                                    | 90,832                                    |
| <b>Surplus/(deficit) attributable to the Australian Government</b>                 | <b>14,530</b>                            | <b>(17,106)</b>             | <b>(31,626)</b>                           | <b>(19,056)</b>                           | <b>(18,771)</b>                           |
| <b>Total comprehensive income/(loss) attributable to the Australian Government</b> | <b>14,530</b>                            | <b>(17,106)</b>             | <b>(31,626)</b>                           | <b>(19,056)</b>                           | <b>(18,771)</b>                           |

**Note: Impact of net cash appropriation arrangements**

|  | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b> | <b>23,108</b>     | <b>(7,333)</b>    | <b>(16,395)</b>   | <b>(3,781)</b>    | <b>(3,851)</b>    |
| Less depreciation/amortisation expenses previously funded through revenue appropriations (a)   | 8,578             | 9,773             | 15,231            | 15,275            | 14,920            |
| <b>Total comprehensive income/(loss) —as per the statement of comprehensive income</b>   | <b>14,530</b>     | <b>(17,106)</b>   | <b>(31,626)</b>   | <b>(19,056)</b>   | <b>(18,771)</b>   |

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)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>ASSETS</b>                          |  |                             |  |  |  |
| <b>Financial assets</b>                |  |                             |  |  |  |
| Cash and cash equivalents              | 117,969                                  | 96,431                      | 65,762                                   | 61,905                                   | 57,410                                   |
| Trade and other receivables            | 71,356                                   | 68,925                      | 66,959                                   | 64,577                                   | 62,081                                   |
| <b>Total financial assets</b>          | <b>189,325</b>                           | <b>165,356</b>              | <b>132,721</b>                           | <b>126,482</b>                           | <b>119,491</b>                           |
| <b>Non-financial assets</b>            |  |                             |  |  |  |
| Land and buildings                     | 24,523                                   | 21,352                      | 17,807                                   | 14,140                                   | 10,739                                   |
| Property, plant and equipment          | 17,160                                   | 35,365                      | 43,856                                   | 39,759                                   | 36,400                                   |
| Intangibles                            | 44,456                                   | 60,985                      | 61,002                                   | 58,024                                   | 53,188                                   |
| Other non-financial assets             | 9,408                                    | 9,408                       | 9,408                                    | 9,408                                    | 9,408                                    |
| <b>Total non-financial assets</b>      | <b>95,547</b>                            | <b>127,110</b>              | <b>132,073</b>                           | <b>121,331</b>                           | <b>109,735</b>                           |
| <b>Total assets</b>                    | <b>284,872</b>                           | <b>292,466</b>              | <b>264,794</b>                           | <b>247,813</b>                           | <b>229,226</b>                           |
| <b>LIABILITIES</b>                     |  |                             |  |  |  |
| <b>Payables</b>                        |  |                             |  |  |  |
| Suppliers                              | 21,794                                   | 22,030                      | 21,861                                   | 21,277                                   | 20,543                                   |
| Other payables                         | 17,393                                   | 15,561                      | 13,729                                   | 11,896                                   | 10,103                                   |
| <b>Total payables</b>                  | <b>39,187</b>                            | <b>37,591</b>               | <b>35,590</b>                            | <b>33,173</b>                            | <b>30,646</b>                            |
| <b>Provisions</b>                      |  |                             |  |  |  |
| Employee provisions                    | 27,159                                   | 27,159                      | 27,159                                   | 27,159                                   | 27,159                                   |
| Other provisions                       | 10,275                                   | 10,310                      | 10,345                                   | 10,380                                   | 10,411                                   |
| <b>Total provisions</b>                | <b>37,434</b>                            | <b>37,469</b>               | <b>37,504</b>                            | <b>37,539</b>                            | <b>37,570</b>                            |
| <b>Total liabilities</b>               | <b>76,621</b>                            | <b>75,060</b>               | <b>73,094</b>                            | <b>70,712</b>                            | <b>68,216</b>                            |
| <b>Net assets</b>                      | <b>208,251</b>                           | <b>217,406</b>              | <b>191,700</b>                           | <b>177,101</b>                           | <b>161,010</b>                           |
| <b>EQUITY (a)</b>                      |  |                             |  |  |  |
| <b>Parent entity interest</b>          |  |                             |  |  |  |
| Contributed equity                     | 58,680                                   | 84,941                      | 90,861                                   | 95,318                                   | 97,998                                   |
| Reserves                               | 16,524                                   | 16,524                      | 16,524                                   | 16,524                                   | 16,524                                   |
| Retained surplus (accumulated deficit) | 133,047                                  | 115,941                     | 84,315                                   | 65,259                                   | 46,488                                   |
| <b>Total parent entity interest</b>    | <b>208,251</b>                           | <b>217,406</b>              | <b>191,700</b>                           | <b>177,101</b>                           | <b>161,010</b>                           |
| <b>Total equity</b>                    | <b>208,251</b>                           | <b>217,406</b>              | <b>191,700</b>                           | <b>177,101</b>                           | <b>161,010</b>                           |

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 2019–20)**

|  | Retained<br>earnings<br>\$'000 | Asset<br>revaluation<br>reserve<br>\$'000 | Contributed<br>equity/<br>capital<br>\$'000 | Total<br>equity<br>\$'000 |
|--|--------------------------------|---|---|---------------------------|
| <b>Opening balance as at 1 July 2019</b>                             |                                |   |   |                           |
| Balance carried forward from<br>previous period                      | 133,047                        | 16,524                                    | 58,680                                      | 208,251                   |
| <b>Adjusted opening balance</b>                                      | <b>133,047</b>                 | <b>16,524</b>                             | <b>58,680</b>                               | <b>208,251</b>            |
| <b>Comprehensive income</b>  |                                |   |   |                           |
| Surplus/(deficit) for the period                                     | (17,106)                       | –   | –   | (17,106)                  |
| <b>Total comprehensive income</b>                                    | <b>(17,106)</b>                | <b>–</b>                                  | <b>–</b>                                    | <b>(17,106)</b>           |
| <b>Transactions with owners</b>                                      |                                |   |   |                           |
| <b>Contributions by owners</b>                                       |                                |   |   |                           |
| Equity injection—appropriation                                       | –                              | –   | 23,636                                      | 23,636                    |
| Departmental capital budget (DCB)                                    | –                              | –   | 2,625                                       | 2,625                     |
| <b>Sub-total transactions with<br/>owners</b>                        | <b>–</b>                       | <b>–</b>                                  | <b>26,261</b>                               | <b>26,261</b>             |
| <b>Estimated closing balance as at<br/>30 June 2020</b>              | <b>115,941</b>                 | <b>16,524</b>                             | <b>84,941</b>                               | <b>217,406</b>            |
| <b>Closing balance attributable to<br/>the Australian Government</b> | <b>115,941</b>                 | <b>16,524</b>                             | <b>84,941</b>                               | <b>217,406</b>            |

Prepared on Australian Accounting Standards basis.



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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Appropriations  | 98,450                                   | 107,208                     | 94,475                                   | 94,623                                   | 93,328                                   |
| Sale of goods and rendering of services                             | 135,809                                  | 125,536                     | 123,632                                  | 119,376                                  | 116,710                                  |
| <b>Total cash received</b>  | <b>234,259</b>                           | <b>232,744</b>              | <b>218,107</b>                           | <b>213,999</b>                           | <b>210,038</b>                           |
| <b>Cash used</b>  |  |                             |  |  |  |
| Employees   | 94,535                                   | 103,583                     | 100,506                                  | 101,933                                  | 101,728                                  |
| Suppliers   | 110,315                                  | 122,911                     | 119,980                                  | 100,746                                  | 97,674                                   |
| Other   | 3,157                                    | 3,100                       | 3,030                                    | 3,100                                    | 3,100                                    |
| <b>Total cash used</b>  | <b>208,007</b>                           | <b>229,594</b>              | <b>223,516</b>                           | <b>205,779</b>                           | <b>202,502</b>                           |
| <b>Net cash from/(used by) operating activities</b>                 | <b>26,252</b>                            | <b>3,150</b>                | <b>(5,409)</b>                           | <b>8,220</b>                             | <b>7,536</b>                             |
| <b>INVESTING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash used</b>  |  |                             |  |  |  |
| Purchase of property, plant and equipment and intangibles           | 37,725                                   | 50,949                      | 31,180                                   | 16,534                                   | 14,711                                   |
| <b>Total cash used</b>  | <b>37,725</b>                            | <b>50,949</b>               | <b>31,180</b>                            | <b>16,534</b>                            | <b>14,711</b>                            |
| <b>Net cash from/(used by) investing activities</b>                 | <b>(37,725)</b>                          | <b>(50,949)</b>             | <b>(31,180)</b>                          | <b>(16,534)</b>                          | <b>(14,711)</b>                          |
| <b>FINANCING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Contributed equity  | 12,203                                   | 26,261                      | 5,920                                    | 4,457                                    | 2,680                                    |
| <b>Total cash received</b>  | <b>12,203</b>                            | <b>26,261</b>               | <b>5,920</b>                             | <b>4,457</b>                             | <b>2,680</b>                             |
| <b>Net cash from/(used by) financing activities</b>                 | <b>12,203</b>                            | <b>26,261</b>               | <b>5,920</b>                             | <b>4,457</b>                             | <b>2,680</b>                             |
| <b>Net increase/(decrease) in cash held</b>                         | <b>730</b>                               | <b>(21,538)</b>             | <b>(30,669)</b>                          | <b>(3,857)</b>                           | <b>(4,495)</b>                           |
| Cash and cash equivalents at the beginning of the reporting period  | 117,239                                  | 117,969                     | 96,431                                   | 65,762                                   | 61,905                                   |
| <b>Cash and cash equivalents at the end of the reporting period</b> | <b>117,969</b>                           | <b>96,431</b>               | <b>65,762</b>                            | <b>61,905</b>                            | <b>57,410</b>                            |

Prepared on Australian Accounting Standards basis.

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>NEW CAPITAL APPROPRIATIONS</b>  |  |                             |  |  |  |
| Capital budget—Bill 1 (DCB)  | 2,627                                    | 2,625                       | 2,644                                    | 2,663                                    | 2,680                                    |
| Equity injections—Bill 2   | 9,576                                    | 23,636                      | 3,276                                    | 1,794                                    | –  |
| <b>Total new capital appropriations</b>                                      | <b>12,203</b>                            | <b>26,261</b>               | <b>5,920</b>                             | <b>4,457</b>                             | <b>2,680</b>                             |
| <i>Provided for:</i>   |  |                             |  |  |  |
| Purchase of non-financial assets   | 12,203                                   | 26,261                      | 5,920                                    | 4,457                                    | 2,680                                    |
| <b>Total items</b>   | <b>12,203</b>                            | <b>26,261</b>               | <b>5,920</b>                             | <b>4,457</b>                             | <b>2,680</b>                             |
| <b>PURCHASE OF NON-FINANCIAL ASSETS</b>                                      |  |                             |  |  |  |
| Funded by capital appropriations (a)   | 8,706                                    | 24,506                      | 3,276                                    | 1,794                                    | –  |
| Funded by capital appropriation—DCB (b)                                      | 2,627                                    | 2,625                       | 2,644                                    | 2,663                                    | 2,680                                    |
| Funded internally from departmental resources (c)                            | 26,392                                   | 23,818                      | 25,260                                   | 12,077                                   | 12,031                                   |
| <b>TOTAL</b>   | <b>37,725</b>                            | <b>50,949</b>               | <b>31,180</b>                            | <b>16,534</b>                            | <b>14,711</b>                            |
| <b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b> |  |                             |  |  |  |
| Total purchases  | 37,725                                   | 50,949                      | 31,180                                   | 16,534                                   | 14,711                                   |
| <b>Total cash used to acquire assets</b>                                     | <b>37,725</b>                            | <b>50,949</b>               | <b>31,180</b>                            | <b>16,534</b>                            | <b>14,711</b>                            |

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 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 s74 external revenue receipts. Excludes asset transferred from other agencies.

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

|   | Buildings<br>\$'000 | Other<br>property,<br>plant and<br>equipment<br>\$'000 | Computer<br>software<br>and<br>intangibles<br>\$'000 | Total<br>\$'000 |
|---|---------------------|--|--|-----------------|
| <b>As at 1 July 2019</b>                                      |                     |  |  |                 |
| Gross book value  | 28,066              | 21,519   | 107,565  | 157,150         |
| Accumulated depreciation/<br>amortisation and impairment      | (3,543)             | (4,359)  | (63,109)   | (71,011)        |
| <b>Opening net book balance</b>                               | <b>24,523</b>       | <b>17,160</b>  | <b>44,456</b>  | <b>86,139</b>   |
| <b>Capital asset additions</b>                                |                     |  |  |                 |
| <b>Estimated expenditure on new<br/>or replacement assets</b> |                     |  |  |                 |
| By purchase— appropriation equity (a)                         | —                   | —  | 24,506   | 24,506          |
| By purchase—appropriation<br>ordinary annual services (b)     | 530                 | 2,095  | —  | 2,625           |
| By purchase—other   | —                   | 21,267   | 2,551  | 23,818          |
| <b>Total additions</b>  | <b>530</b>          | <b>23,362</b>  | <b>27,057</b>  | <b>50,949</b>   |
| <b>Other movements</b>  |                     |  |  |                 |
| Depreciation/amortisation expense                             | (3,701)             | (5,157)  | (10,528)   | (19,386)        |
| <b>Total other movements</b>                                  | <b>(3,701)</b>      | <b>(5,157)</b>   | <b>(10,528)</b>                                      | <b>(19,386)</b> |
| <b>As at 30 June 2020</b>                                     |                     |  |  |                 |
| Gross book value  | 28,596              | 44,881   | 134,622  | 208,099         |
| Accumulated depreciation/<br>amortisation and impairment      | (7,244)             | (9,516)  | (73,637)   | (90,397)        |
| <b>Closing net book balance</b>                               | <b>21,352</b>       | <b>35,365</b>  | <b>60,985</b>  | <b>117,702</b>  |

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019–20.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019–20 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)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>EXPENSES</b>  |  |                             |  |  |  |
| <b>Total expenses administered on behalf of government</b>           | –  | –                           | –  | –  | –  |
| <b>LESS:</b>   |  |                             |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |  |                             |  |  |  |
| <b>Non-taxation revenue</b>  |  |                             |  |  |  |
| Sale of goods and rendering of services                              | –  | –                           | 7,864                                    | 7,864                                    | 7,864                                    |
| <b>Total non-taxation revenue</b>                                    | –  | –                           | <b>7,864</b>                             | <b>7,864</b>                             | <b>7,864</b>                             |
| <b>Total own-source revenue administered on behalf of government</b> | –  | –                           | <b>7,864</b>                             | <b>7,864</b>                             | <b>7,864</b>                             |
| <b>Net (cost of)/contribution by services</b>                        | –  | –                           | <b>(7,864)</b>                           | <b>(7,864)</b>                           | <b>(7,864)</b>                           |
| <b>Surplus/(deficit) before income tax</b>                           | –  | –                           | <b>7,864</b>                             | <b>7,864</b>                             | <b>7,864</b>                             |
| Income tax expense   | –  | –                           | –  | –  | –  |
| <b>Surplus/(deficit) after income tax</b>                            | –  | –                           | <b>7,864</b>                             | <b>7,864</b>                             | <b>7,864</b>                             |
| <b>Total comprehensive income/(loss)</b>                             | –  | –                           | <b>7,864</b>                             | <b>7,864</b>                             | <b>7,864</b>                             |

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)**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>                                 |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Sales of goods and rendering of services                    | –  | –                           | 7,864                                    | 7,864                                    | 7,864                                    |
| <b>Total cash received</b>                                  | –  | –                           | <b>7,864</b>                             | <b>7,864</b>                             | <b>7,864</b>                             |
| <b>Net cash from/(used by) operating activities</b>         | –  | –                           | <b>7,864</b>                             | <b>7,864</b>                             | <b>7,864</b>                             |
| <b>Net increase/(decrease) in cash held</b>                 | –  | –                           | <b>7,864</b>                             | <b>7,864</b>                             | <b>7,864</b>                             |
| 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)                                  |
| <b>Total cash to Official Public Account</b>                | –  | –                           | <b>(7,864)</b>                           | <b>(7,864)</b>                           | <b>(7,864)</b>                           |
| <b>Cash and cash equivalents at end of reporting period</b> | –  | –                           | –  | –  | –  |

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 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 2019–20 and beyond, the AFP is pursuing strategies to prevent, disrupt, detect and investigate crime with a focus on transnational serious and organised crime against the Commonwealth, counter terrorism, countering cyber threats, countering child exploitation, protection of assets, persons and aviation and policing communities. As the principal international representative for Australian policing and law enforcement, the AFP will continue to

lead and coordinate multijurisdictional operational activity through its national, regional and international offices, posts and missions.

In 2019–20, the AFP will continue efforts to create a hostile environment for Outlaw Motorcycle Gangs in Australia and offshore. The AFP will also continue its focus on firearms and firearm parts and target the importation and trafficking of drugs and precursors.

The AFP will also strengthen and enhance its capacity to manage the ongoing threats to National security from Terrorism and Organised Crime.

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 Home Affairs portfolio. The focus of 2019–20 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 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 and 2' 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 2019–20 as at Budget April 2019**

|  | 2018–19 (a)<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Estimate<br>\$'000 |
|--|--|-------------------------------|
| <b>Departmental</b>  |  |                               |
| Annual appropriations—ordinary annual services (b)   |  |                               |
| Prior year appropriations available  | 212,427                                      | 211,534                       |
| Departmental appropriation (c)   | 1,100,490                                    | 1,124,769                     |
| s74 retained revenue receipts (d)  | 291,308                                      | 286,784                       |
| Departmental capital budget (e)  | 58,597                                       | 78,650                        |
| Annual appropriations—other services—non-operating (f)   |  |                               |
| Prior year appropriations available  | 47,043                                       | 41,793                        |
| Equity injection   | 70,909                                       | 51,319                        |
| <b>Total departmental annual appropriations</b>  | <b>1,780,774</b>                             | <b>1,794,849</b>              |
| Special accounts (g)   |  |                               |
| Opening balance  | 11,156                                       | 11,156                        |
| Appropriation receipts (h)   | 3,535  | 3,842                         |
| Non-appropriation receipts   | 10,366                                       | 10,413                        |
| <b>Total special accounts</b>  | <b>25,057</b>                                | <b>25,411</b>                 |
| Less departmental appropriations drawn from annual/special appropriations and credited to special accounts | (13,901)                                     | (14,255)                      |
| <b>Total departmental resourcing</b>   | <b>1,791,930</b>                             | <b>1,806,005</b>              |
| <b>Administered</b>  |  |                               |
| Annual appropriations—ordinary annual services   |  |                               |
| Outcome 1  | 15,958                                       | 7,868                         |
| <b>Total administered annual appropriations</b>  | <b>15,958</b>                                | <b>7,868</b>                  |
| <b>Total administered special appropriations (i)</b>   | <b>–</b>                                     | <b>50</b>                     |
| <b>Total administered resourcing</b>   | <b>15,958</b>                                | <b>7,918</b>                  |
| <b>Total resourcing for AFP (j)</b>  | <b>1,807,888</b>                             | <b>1,813,923</b>              |
| <b>Average staffing level (number)</b>   | <b>6,459</b>                                 | <b>6,771</b>                  |

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) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.

(b) Appropriation Bill (No. 1) 2019–20.

(c) Excludes departmental capital budget (DCB).

(d) Estimated external revenue receipts under section 74 of the PGPA Act.

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

(f) Appropriation Bill (No. 2) 2019–20.

(g) Excludes trust moneys held in services for other entities and trust moneys and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4—Agency Resourcing. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

(h) Amounts credited to the special account(s) from the AFP's annual and special appropriations.

(i) Special appropriation provided for the purpose of repayments under section 77 of the PGPA Act.

**Table 1.1: AFP resource statement—Budget estimates for 2019–20 as at Budget April 2019 (continued)**

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

|   | 2018–19<br><i>Estimated<br/>actual</i><br>\$'000 | 2019–20<br>Estimate<br>\$'000 |
|---|--|-------------------------------|
| Total resources provided for in current year Budget | 1,548,418  | 1,560,596                     |
| Prior year appropriations available                 | 259,470  | 253,327                       |
| <b>Total net resourcing for AFP</b>                 | <b>1,807,888</b>                                 | <b>1,813,923</b>              |

### 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: Entity 2019–20 Budget measures**  
**Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO)**

|  | Program | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Expense measures</b>                              |         |                   |                   |                   |                   |                   |
| Confiscated Assets Account                           | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses                                |         | –                 | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | –                 | –                 | –                 | –                 |
| Whole-of-Government Drug Strategy                    | 1.1     |                   |                   |                   |                   |                   |
| Administered expenses                                |         |                   |                   |                   |                   |                   |
| Departmental expenses                                |         | –                 | 30,011            | 30,501            | 32,030            | 31,244            |
| <b>Total</b>   |         | –                 | <b>30,011</b>     | <b>30,501</b>     | <b>32,030</b>     | <b>31,244</b>     |
| Strengthening Counter Fraud Arrangements             | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses                                |         | –                 | 4,586             | 5,203             | –                 | –                 |
| <b>Total</b>   |         | –                 | <b>4,586</b>      | <b>5,203</b>      | –                 | –                 |
| National Security Agencies—additional resourcing (a) |         |                   |                   |                   |                   |                   |
| Departmental expenses                                | 1.1     |                   | 13,373            | 65,351            | 162,502           | 184,103           |
| <b>Total</b>   |         | –                 | <b>13,373</b>     | <b>65,351</b>     | <b>162,502</b>    | <b>184,103</b>    |
| Countering Foreign Interference                      |         |                   |                   |                   |                   |                   |
| Departmental expenses                                | 1.1     |                   | 1,747             | 1,573             | 1,609             | 1,670             |
| <b>Total</b>   |         | –                 | <b>1,747</b>      | <b>1,573</b>      | <b>1,609</b>      | <b>1,670</b>      |
| Regional Processing Arrangements—Christmas Island    | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses                                |         | 1,821             | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | <b>1,821</b>      | –                 | –                 | –                 | –                 |
| <b>Total expense measures</b>                        |         |                   |                   |                   |                   |                   |
| Administered   |         | –                 | –                 | –                 | –                 | –                 |
| Departmental   |         | 1,821             | 49,717            | 102,628           | 196,141           | 217,017           |
| <b>Total</b>   |         | <b>1,821</b>      | <b>49,717</b>     | <b>102,628</b>    | <b>196,141</b>    | <b>217,017</b>    |

**Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)**

|  | Program | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Capital measures</b>                              |         |                   |                   |                   |                   |                   |
| Whole-of-Government Drug Strategy                    | 1.1     |                   |                   |                   |                   |                   |
| Departmental capital                                 |         | –                 | 5,091             | 1,610             | 330               | 80                |
| <b>Total</b>   |         | –                 | <b>5,091</b>      | <b>1,610</b>      | <b>330</b>        | <b>80</b>         |
| Strengthening Counter Fraud Arrangements             | 1.1     |                   |                   |                   |                   |                   |
| Departmental capital                                 |         | –                 | 94                | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | <b>94</b>         | –                 | –                 | –                 |
| National Security Agencies—additional resourcing (a) |         |                   |                   |                   |                   |                   |
| Departmental capital                                 | 1.1     |                   | 9,895             | 10,055            | 9,040             | 10,057            |
| <b>Total</b>   |         | –                 | <b>9,895</b>      | <b>10,055</b>     | <b>9,040</b>      | <b>10,057</b>     |
| Countering Foreign Interference                      |         |                   |                   |                   |                   |                   |
| Departmental capital                                 |         |                   | 143               | –                 | –                 | –                 |
| <b>Total</b>   |         | –                 | <b>143</b>        | –                 | –                 | –                 |
| Regional Processing Arrangements—Christmas Island    | 1.1     |                   |                   |                   |                   |                   |
| Departmental capital                                 |         | 1,387             | –                 | –                 | –                 | –                 |
| <b>Total</b>   |         | <b>1,387</b>      | –                 | –                 | –                 | –                 |
| <b>Total capital measures</b>                        |         |                   |                   |                   |                   |                   |
| Departmental   |         | 1,387             | 15,223            | 11,665            | 9,370             | 10,137            |
| <b>Total</b>   |         | <b>1,387</b>      | <b>15,223</b>     | <b>11,665</b>     | <b>9,370</b>      | <b>10,137</b>     |

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) The AFP published at PAES 2018–19 the following funding received under this measure after MYEFO 2018–19:

- Expense: \$33.0 million in 2018–19 and \$3.7 million in 2019–20.
- Capital: \$11.8 million in 2019–20.



## 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*. 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 Australian Federal Police can be found at <https://www.afp.gov.au/sites/default/files/PDF/CorporatePlan2018-19.pdf>.

The most recent annual performance statement can be found at <https://www.afp.gov.au/annual-report-2017-18#3>.

## 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

|   |
|---|
| <b>Australian Criminal Intelligence Commission</b><br>Program 1.1: Australian Criminal Intelligence Commission  |
| <b>Australian Financial Security Authority</b><br>Program 1.1: Personal Insolvency and Trustee Services   |
| <b>Australian Security Intelligence Organisation</b><br>Program 1.1: Security Intelligence  |
| <b>Australian Taxation Office</b><br>Program 1.1: Australian Taxation Office  |
| <b>Australian Transaction Reports and Analysis Centre</b><br>Program 1.1: AUSTRAC   |
| <b>Department of Foreign Affairs and Trade</b><br>Program 1.1: Foreign Affairs and Trade Operations<br>Program 1.2: Official Development Assistance<br>Program 2.1: Consular Services   |
| <b>Department of Home Affairs</b><br>Program 1.1: Border Enforcement<br>Program 1.5: Regional Cooperation<br>Program 1.7: National Security and Criminal Justice<br>Program 1.9: Counter Terrorism  |
| <b>Department of the Prime Minister and Cabinet</b><br>Program 1.1: Prime Minister and Cabinet  |
| <b>Office of the Director of Public Prosecutions</b><br>Program 1.1: An independent service to prosecute alleged offences against the criminal law of the Commonwealth  |
| <b>Contribution to Outcome 1 made by linked programs</b><br>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. |

### 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**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>Program 1.1: Federal Policing and National Security</b>     |  |                             |  |  |  |
| Administered expenses  |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)         | 970                                      | 980                         | 988                                      | 994                                      | 1,001                                    |
| Special appropriations   |  |                             |  |  |  |
| Special appropriations s77                                     | –  | 50                          | –  | –  | –  |
| <b>Administered total</b>                                      | <b>970</b>                               | <b>1,030</b>                | <b>988</b>                               | <b>994</b>                               | <b>1,001</b>                             |
| Departmental expenses  |  |                             |  |  |  |
| Departmental appropriation                                     | 923,332                                  | 939,686                     | 969,418                                  | 987,168                                  | 1,012,919                                |
| s74 retained revenue receipts (a)                              | 96,632                                   | 95,497                      | 89,193                                   | 88,482                                   | 91,081                                   |
| Special accounts   |  |                             |  |  |  |
| Services for other entities and trust<br>moneys                | 10,366                                   | 10,413                      | 10,726                                   | 11,054                                   | 10,607                                   |
| Expenses not requiring<br>appropriation in the Budget year (b) | 92,895                                   | 105,678                     | 103,352                                  | 107,856                                  | 105,644                                  |
| <b>Departmental total</b>                                      | <b>1,123,225</b>                         | <b>1,151,274</b>            | <b>1,172,689</b>                         | <b>1,194,561</b>                         | <b>1,220,251</b>                         |
| <b>Total expenses for program 1.1</b>                          | <b>1,124,195</b>                         | <b>1,152,304</b>            | <b>1,173,677</b>                         | <b>1,195,555</b>                         | <b>1,221,252</b>                         |

**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>Program 1.2: International Policing Assistance</b>          |  |                             |  |  |  |
| Administered expenses  |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)         | 14,988                                   | 6,888                       | 7,762                                    | 5,557                                    | 3,482                                    |
| <b>Administered total</b>                                      | <b>14,988</b>                            | <b>6,888</b>                | <b>7,762</b>                             | <b>5,557</b>                             | <b>3,482</b>                             |
| Departmental expenses  |  |                             |  |  |  |
| Departmental appropriation                                     | 178,979                                  | 183,262                     | 184,605                                  | 169,224                                  | 140,962                                  |
| s74 retained revenue receipts (a)                              | 16,559                                   | 13,559                      | 12,479                                   | 12,484                                   | 6,757                                    |
| Expenses not requiring<br>appropriation in the Budget year (b) | 1,998                                    | 1,062                       | 894                                      | 894                                      | 384                                      |
| <b>Departmental total</b>                                      | <b>197,536</b>                           | <b>197,883</b>              | <b>197,978</b>                           | <b>182,602</b>                           | <b>148,103</b>                           |
| <b>Total expenses for program 1.2</b>                          | <b>212,524</b>                           | <b>204,771</b>              | <b>205,740</b>                           | <b>188,159</b>                           | <b>151,585</b>                           |
| <b>Outcome 1 Totals by appropriation type</b>                  |  |                             |  |  |  |
| Administered expenses  |  |                             |  |  |  |
| Ordinary annual services<br>(Appropriation Bill No. 1)         | 15,958                                   | 7,868                       | 8,750                                    | 6,551                                    | 4,483                                    |
| Special appropriations   | –  | 50                          | –  | –  | –  |
| <b>Administered total</b>                                      | <b>15,958</b>                            | <b>7,918</b>                | <b>8,750</b>                             | <b>6,551</b>                             | <b>4,483</b>                             |
| Departmental expenses  |  |                             |  |  |  |
| Departmental appropriation                                     | 1,102,311                                | 1,122,948                   | 1,154,023                                | 1,156,392                                | 1,153,881                                |
| s74 retained revenue receipts (a)                              | 113,191                                  | 109,057                     | 101,672                                  | 100,966                                  | 97,837                                   |
| Special accounts   | 10,366                                   | 10,413                      | 10,726                                   | 11,054                                   | 10,607                                   |
| Expenses not requiring<br>appropriation in the Budget year (b) | 94,893                                   | 106,740                     | 104,246                                  | 108,750                                  | 106,028                                  |
| <b>Departmental total</b>                                      | <b>1,320,761</b>                         | <b>1,349,157</b>            | <b>1,370,668</b>                         | <b>1,377,162</b>                         | <b>1,368,353</b>                         |
| <b>Total expenses for Outcome 1</b>                            | <b>1,336,719</b>                         | <b>1,357,075</b>            | <b>1,379,418</b>                         | <b>1,383,713</b>                         | <b>1,372,836</b>                         |
|  | 2018–19                                  | 2019–20                     |  |  |  |
| <b>Average staffing level (number)</b>                         | <b>5,482</b>                             | <b>5,792</b>                |  |  |  |

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

(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 2019–20 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                |
| 2019–20  | Community confidence  | 75%                    |
|  | Return on investment—transnational  | 1                      |
|  | Return on investment—assets confiscation  | 1                      |
|  | Prevention case studies   | Successful preventions |
|  | Disruption case studies   | Successful disruptions |
|  | Disruption count  | 206                    |
|  | Avoidable incidents   | <2                     |
|  | Response case studies   | Successful response    |
|  | Response times  | 90%                    |
|  | Enforcement case studies  | Successful enforcement |
| Prosecution case studies   | Successful prosecutions   |                        |
| 2020–21 and beyond   | As per 2019–20  | As per 2019–20         |
| Purposes (b)   | As Australia’s national policing agency, the AFP protects Australians 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 are based on year-to-date figures or projections of year-to-date average monthly figures.

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| 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 (a)  | Targets  |
| 2019–20   | Mission/external territories performance evaluation   | Evaluations complete and recommendations addressed |
|   | Return on investment—international  | 1  |
|   | Prevention case studies   | Successful preventions                             |
|   | Disruption case studies   | Successful disruptions                             |
|   | Disruption count  | 206  |
|   | Response case studies   | Successful response                                |
|   | Enforcement case studies  | Successful enforcement                             |
|   | Prosecution case studies  | Successful prosecutions                            |
| 2020–21 and beyond  | Mission/external territories performance evaluation: Continuation of the evaluation pipeline listed in the AFP Corporate Plan ( <a href="https://www.afp.gov.au/corporateplan">https://www.afp.gov.au/corporateplan</a> )   | As per 2019–20                                     |
| Purposes  | As Australia's national policing agency, we protect Australians 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

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**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>Program 2.1: ACT Community Policing</b>                     |  |                             |  |  |  |
| Departmental expenses  |  |                             |  |  |  |
| s74 retained revenue receipts (a)                              | 167,751                                  | 167,314                     | 168,812                                  | 168,366                                  | 168,378                                  |
| Expenses not requiring<br>appropriation in the Budget year (b) | 6,125                                    | 6,224                       | 6,224                                    | 6,224                                    | 6,224                                    |
| <b>Departmental total</b>                                      | <b>173,876</b>                           | <b>173,538</b>              | <b>175,036</b>                           | <b>174,590</b>                           | <b>174,602</b>                           |
| <b>Total expenses for program 2.1</b>                          | <b>173,876</b>                           | <b>173,538</b>              | <b>175,036</b>                           | <b>174,590</b>                           | <b>174,602</b>                           |
|  | 2018–19                                  | 2019–20                     |  |  |  |
| <b>Average staffing level (number)</b>                         | <b>977</b>                               | <b>979</b>                  |  |  |  |

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

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

**Table 2.2.2: 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 2019–20 Budget measures have created new programs or materially changed existing programs.

| 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 (a)   | Targets                        |
| 2018–19  | See the 2017–21 purchase agreement on the ACT Policing website for performance measures and indicators of effectiveness:<br><a href="https://www.police.act.gov.au/aboutus/government-directions">https://www.police.act.gov.au/aboutus/government-directions</a>  | As per the purchase agreement  |
| 2019–20  | Will be published in the 2017–21 purchase agreement:<br><a href="https://www.police.act.gov.au/aboutus/government-directions">https://www.police.act.gov.au/aboutus/government-directions</a>  | As per the purchase agreement. |
| 2020–21 and beyond   | Will be published in the 2017–21 purchase agreement:<br><a href="https://www.police.act.gov.au/aboutus/government-directions">https://www.police.act.gov.au/aboutus/government-directions</a>  | As per the purchase agreement. |
| Purposes   | 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 2019–20 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 2019–20, the AFP is budgeting to receive departmental appropriations of \$1,124.8 million, an increase of \$73.5 million over 2018–19 (compared to the departmental appropriation for 2018–19, as reported at PBS 2018–19). The increase includes new funding for the following measures:

- *National Security – Australian Federal Police – additional resourcing;*
- *National Security Agencies – additional resourcing;*
- *Post-APEC 2018 Policing Partnership with Papua New Guinea;*
- *Regional Processing Arrangements – medical transfers; and*
- *Strengthen Counter-Fraud Arrangements.*

Other movements for measures previously announced, whole-of-government savings measures and transfers, and parameter adjustments are also embedded within the 2019–20 departmental appropriation funding.

**Capital budget statement**

The AFP's 2019–20 estimate of capital purchases is \$133.8 million.

The funding includes equity injections for the following measures:

- *National Security – Australian Federal Police – additional resourcing;*
- *Post-APEC 2018 Policing Partnership with Papua New Guinea;*
- *Whole-of-Government Drug Strategy;*
- *Australian Federal Police – Additional Funding;*
- *Regional Processing Arrangements – medical transfers; and*
- *Strengthen Counter Fraud Arrangements.*

**Administered**

Total estimated expenses administered on behalf of government for 2019–20 is \$7.9 million and includes funding for the measures *Post-APEC 2018 Policing Partnership with Papua New Guinea*, the *Solomon Islands Police Development Program*, *Pacific Police Development Program – continuation*, 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**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>EXPENSES</b>  |  |                             |  |  |  |
| Employee benefits  | 892,510                                  | 909,219                     | 920,283                                  | 934,850                                  | 951,274                                  |
| Suppliers  | 504,663                                  | 506,361                     | 519,596                                  | 506,555                                  | 484,056                                  |
| Depreciation and amortisation (a)  | 95,039                                   | 106,982                     | 105,700                                  | 110,347                                  | 107,626                                  |
| <b>Total expenses</b>  | <b>1,492,212</b>                         | <b>1,522,562</b>            | <b>1,545,579</b>                         | <b>1,551,752</b>                         | <b>1,542,956</b>                         |
| <b>LESS:</b>   |  |                             |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |  |                             |  |  |  |
| <b>Own-source revenue</b>  |  |                             |  |  |  |
| Sale of goods and rendering of services  | 291,307                                  | 286,783                     | 281,210                                  | 280,387                                  | 276,823                                  |
| Rental income  | 2,263                                    | 2,263                       | 1,396                                    | 1,317                                    | 1,317                                    |
| Other  | 241                                      | 340                         | 340                                      | 340                                      | 340                                      |
| <b>Total own-source revenue</b>  | <b>293,811</b>                           | <b>289,386</b>              | <b>282,946</b>                           | <b>282,044</b>                           | <b>278,480</b>                           |
| <b>Gains</b>   |  |                             |  |  |  |
| Other  | 6,129                                    | 6,129                       | 6,129                                    | 6,129                                    | 6,129                                    |
| <b>Total gains</b>   | <b>6,129</b>                             | <b>6,129</b>                | <b>6,129</b>                             | <b>6,129</b>                             | <b>6,129</b>                             |
| <b>Total own-source income</b>   | <b>299,940</b>                           | <b>295,515</b>              | <b>289,075</b>                           | <b>288,173</b>                           | <b>284,609</b>                           |
| <b>Net (cost of)/contribution by services</b>                                      | <b>(1,192,272)</b>                       | <b>(1,227,047)</b>          | <b>(1,256,504)</b>                       | <b>(1,263,579)</b>                       | <b>(1,258,347)</b>                       |
| Revenue from government  | 1,102,311                                | 1,122,948                   | 1,154,023                                | 1,156,392                                | 1,153,881                                |
| <b>Surplus/(deficit) attributable to the Australian Government</b>                 | <b>(89,961)</b>                          | <b>(104,099)</b>            | <b>(102,481)</b>                         | <b>(107,187)</b>                         | <b>(104,466)</b>                         |
| <b>Total comprehensive income/(loss) attributable to the Australian Government</b> | <b>(89,961)</b>                          | <b>(104,099)</b>            | <b>(102,481)</b>                         | <b>(107,187)</b>                         | <b>(104,466)</b>                         |

**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**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses not funded through revenue appropriations</b> | –  | –                           | –  | –  | –  |
| Less depreciation/amortisation expenses not funded through revenue appropriations   | 89,961                                   | 104,099                     | 102,480                                  | 107,188                                  | 104,467                                  |
| <b>Total comprehensive income/(loss) —as per the statement of comprehensive income</b>  | <b>(89,961)</b>                          | <b>(104,099)</b>            | <b>(102,481)</b>                         | <b>(107,187)</b>                         | <b>(104,466)</b>                         |

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)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>ASSETS</b>                          |  |                             |  |  |  |
| <b>Financial assets</b>                |  |                             |  |  |  |
| Cash and cash equivalents              | 12,388                                   | 15,596                      | 15,596                                   | 15,596                                   | 15,596                                   |
| Trade and other receivables            | 275,094                                  | 264,201                     | 235,226                                  | 221,122                                  | 221,122                                  |
| Other financial assets                 | 6,421                                    | 6,421                       | 6,421                                    | 6,421                                    | 6,421                                    |
| <b>Total financial assets</b>          | <b>293,903</b>                           | <b>286,218</b>              | <b>257,243</b>                           | <b>243,139</b>                           | <b>243,139</b>                           |
| <b>Non-financial assets</b>            |  |                             |  |  |  |
| Land and buildings                     | 348,369                                  | 325,438                     | 344,353                                  | 312,868                                  | 295,461                                  |
| Property, plant and equipment          | 222,676                                  | 252,427                     | 263,724                                  | 286,431                                  | 300,627                                  |
| Intangibles                            | 93,293                                   | 113,334                     | 90,265                                   | 85,788                                   | 79,801                                   |
| Inventories                            | 6,094                                    | 6,094                       | 6,094                                    | 6,094                                    | 6,094                                    |
| Other non-financial assets             | 24,632                                   | 25,303                      | 25,995                                   | 25,995                                   | 25,995                                   |
| <b>Total non-financial assets</b>      | <b>695,064</b>                           | <b>722,596</b>              | <b>730,431</b>                           | <b>717,176</b>                           | <b>707,978</b>                           |
| <b>Total assets</b>                    | <b>988,967</b>                           | <b>1,008,814</b>            | <b>987,674</b>                           | <b>960,315</b>                           | <b>951,117</b>                           |
| <b>LIABILITIES</b>                     |  |                             |  |  |  |
| <b>Payables</b>                        |  |                             |  |  |  |
| Suppliers                              | 117,433                                  | 115,408                     | 111,298                                  | 111,298                                  | 111,298                                  |
| Other payables                         | 21,334                                   | 19,674                      | 19,672                                   | 19,229                                   | 19,229                                   |
| <b>Total payables</b>                  | <b>138,767</b>                           | <b>135,082</b>              | <b>130,970</b>                           | <b>130,527</b>                           | <b>130,527</b>                           |
| <b>Provisions</b>                      |  |                             |  |  |  |
| Employee provisions                    | 329,468                                  | 326,652                     | 316,233                                  | 302,572                                  | 302,572                                  |
| Other provisions                       | 31,888                                   | 32,366                      | 32,858                                   | 32,858                                   | 32,858                                   |
| <b>Total provisions</b>                | <b>361,356</b>                           | <b>359,018</b>              | <b>349,091</b>                           | <b>335,430</b>                           | <b>335,430</b>                           |
| <b>Total liabilities</b>               | <b>500,123</b>                           | <b>494,100</b>              | <b>480,061</b>                           | <b>465,957</b>                           | <b>465,957</b>                           |
| <b>Net assets</b>                      | <b>488,844</b>                           | <b>514,714</b>              | <b>507,613</b>                           | <b>494,358</b>                           | <b>485,160</b>                           |
| <b>EQUITY (a)</b>                      |  |                             |  |  |  |
| <b>Parent entity interest</b>          |  |                             |  |  |  |
| Contributed equity                     | 1,330,756                                | 1,460,725                   | 1,556,104                                | 1,650,037                                | 1,745,306                                |
| Reserves                               | 124,471                                  | 124,471                     | 124,471                                  | 124,471                                  | 124,471                                  |
| Retained surplus (accumulated deficit) | (966,383)                                | (1,070,482)                 | (1,172,962)                              | (1,280,150)                              | (1,384,617)                              |
| <b>Total parent entity interest</b>    | <b>488,844</b>                           | <b>514,714</b>              | <b>507,613</b>                           | <b>494,358</b>                           | <b>485,160</b>                           |
| <b>Total equity</b>                    | <b>488,844</b>                           | <b>514,714</b>              | <b>507,613</b>                           | <b>494,358</b>                           | <b>485,160</b>                           |

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 2019–20)**

|  | Retained<br>earnings<br>\$'000 | Asset<br>revaluation<br>reserve<br>\$'000 | Contributed<br>equity/<br>capital<br>\$'000 | Total<br>equity<br>\$'000 |
|--|--------------------------------|---|---|---------------------------|
| <b>Opening balance as at 1 July 2019</b>                             |                                |   |   |                           |
| Balance carried forward from<br>previous period                      | (966,383)                      | 124,471                                   | 1,330,756                                   | 488,844                   |
| <b>Adjusted opening balance</b>                                      | <b>(966,383)</b>               | <b>124,471</b>                            | <b>1,330,756</b>                            | <b>488,844</b>            |
| <b>Comprehensive income</b>  |                                |   |   |                           |
| Surplus/(deficit) for the period                                     | (104,099)                      | –   | –   | (104,099)                 |
| <b>Total comprehensive income</b>                                    | <b>(104,099)</b>               | <b>–</b>                                  | <b>–</b>                                    | <b>(104,099)</b>          |
| of which:  |                                |   |   |                           |
| Attributable to the Australian<br>Government                         | (104,099)                      | –   | –   | (104,099)                 |
| <b>Transactions with owners</b>                                      |                                |   |   |                           |
| <b>Contributions by owners</b>                                       |                                |   |   |                           |
| Equity injection—Appropriation                                       | –                              | –   | 51,319                                      | 51,319                    |
| Departmental capital budget (DCB)                                    | –                              | –   | 78,650                                      | 78,650                    |
| <b>Sub-total transactions with<br/>owners</b>                        | <b>–</b>                       | <b>–</b>                                  | <b>129,969</b>                              | <b>129,969</b>            |
| <b>Estimated closing balance as at<br/>30 June 2020</b>              | <b>(1,070,482)</b>             | <b>124,471</b>                            | <b>1,460,725</b>                            | <b>514,714</b>            |
| <b>Closing balance attributable to<br/>the Australian Government</b> | <b>(1,070,482)</b>             | <b>124,471</b>                            | <b>1,460,725</b>                            | <b>514,714</b>            |

Prepared on Australian Accounting Standards basis.

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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Appropriations  | 1,348,760                                | 1,363,423                   | 1,404,135                                | 1,407,617                                | 1,426,232                                |
| Sale of goods and rendering of services                             | 292,099                                  | 287,207                     | 282,976                                  | 281,704                                  | 278,140                                  |
| Net GST received  | 33,264                                   | 31,994                      | 32,148                                   | 32,670                                   | 29,900                                   |
| Other   | 241                                      | 340                         | 340                                      | 340                                      | 340                                      |
| <b>Total cash received</b>  | <b>1,674,364</b>                         | <b>1,682,964</b>            | <b>1,719,599</b>                         | <b>1,722,331</b>                         | <b>1,734,612</b>                         |
| <b>Cash used</b>  |  |                             |  |  |  |
| Employees   | 888,427                                  | 911,757                     | 930,943                                  | 948,954                                  | 951,274                                  |
| Suppliers   | 501,986                                  | 502,450                     | 517,777                                  | 500,427                                  | 507,828                                  |
| s74 retained revenue receipts transferred to OPA                    | 280,734                                  | 264,053                     | 267,659                                  | 269,791                                  | 272,351                                  |
| <b>Total cash used</b>  | <b>1,671,147</b>                         | <b>1,678,260</b>            | <b>1,716,379</b>                         | <b>1,719,172</b>                         | <b>1,731,453</b>                         |
| <b>Net cash from/(used by) operating activities</b>                 | <b>3,217</b>                             | <b>4,704</b>                | <b>3,220</b>                             | <b>3,159</b>                             | <b>3,159</b>                             |
| <b>INVESTING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash used</b>  |  |                             |  |  |  |
| Purchase of property, plant and equipment and intangibles           | 141,221                                  | 133,843                     | 112,843                                  | 97,092                                   | 98,428                                   |
| <b>Total cash used</b>  | <b>141,221</b>                           | <b>133,843</b>              | <b>112,843</b>                           | <b>97,092</b>                            | <b>98,428</b>                            |
| <b>Net cash from/(used by) investing activities</b>                 | <b>(141,221)</b>                         | <b>(133,843)</b>            | <b>(112,843)</b>                         | <b>(97,092)</b>                          | <b>(98,428)</b>                          |
| <b>FINANCING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Contributed equity  | 134,796                                  | 132,347                     | 109,623                                  | 93,933                                   | 95,269                                   |
| <b>Total cash received</b>  | <b>134,796</b>                           | <b>132,347</b>              | <b>109,623</b>                           | <b>93,933</b>                            | <b>95,269</b>                            |
| <b>Net cash from/(used by) financing activities</b>                 | <b>134,796</b>                           | <b>132,347</b>              | <b>109,623</b>                           | <b>93,933</b>                            | <b>95,269</b>                            |
| <b>Net increase/(decrease) in cash held</b>                         | <b>(3,208)</b>                           | <b>3,208</b>                | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| Cash and cash equivalents at the beginning of the reporting period  | 15,596                                   | 12,388                      | 15,596                                   | 15,596                                   | 15,596                                   |
| <b>Cash and cash equivalents at the end of the reporting period</b> | <b>12,388</b>                            | <b>15,596</b>               | <b>15,596</b>                            | <b>15,596</b>                            | <b>15,596</b>                            |

Prepared on Australian Accounting Standards basis.

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>NEW CAPITAL APPROPRIATIONS</b>  |  |                             |  |  |  |
| Capital budget—Bill 1 (DCB)  | 58,597                                   | 78,650                      | 82,764                                   | 83,325                                   | 83,899                                   |
| Equity injections—Bill 2   | 70,909                                   | 51,319                      | 12,615                                   | 10,608                                   | 11,370                                   |
| <b>Total new capital appropriations</b>                                      | <b>129,506</b>                           | <b>129,969</b>              | <b>95,379</b>                            | <b>93,933</b>                            | <b>95,269</b>                            |
| <b>Provided for:</b>   |  |                             |  |  |  |
| Purchase of non-financial assets   | 129,506                                  | 129,969                     | 95,379                                   | 93,933                                   | 95,269                                   |
| <b>Total items</b>   | <b>129,506</b>                           | <b>129,969</b>              | <b>95,379</b>                            | <b>93,933</b>                            | <b>95,269</b>                            |
| <b>PURCHASE OF NON-FINANCIAL ASSETS</b>                                      |  |                             |  |  |  |
| Funded by capital appropriations (a)   | 76,159                                   | 53,697                      | 26,859                                   | 10,608                                   | 11,370                                   |
| Funded by capital appropriation—DCB (b)                                      | 59,984                                   | 77,263                      | 82,764                                   | 83,325                                   | 83,899                                   |
| Funded internally from departmental resources (c)                            | 5,078                                    | 2,883                       | 3,220                                    | 3,159                                    | 3,159                                    |
| <b>TOTAL</b>   | <b>141,221</b>                           | <b>133,843</b>              | <b>112,843</b>                           | <b>97,092</b>                            | <b>98,428</b>                            |
| <b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b> |  |                             |  |  |  |
| Total purchases  | 141,221                                  | 133,843                     | 112,843                                  | 97,092                                   | 98,428                                   |
| <b>Total cash used to acquire assets</b>                                     | <b>141,221</b>                           | <b>133,843</b>              | <b>112,843</b>                           | <b>97,092</b>                            | <b>98,428</b>                            |

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 the following sources of funding:

- current Bill 1 and prior year Act 1 and Bills 3 and 5 appropriations (excluding amounts from the DCB);
- s74 external revenue; and
- proceeds from the sale of assets.



**Table 3.6: Statement of asset movements (Budget year 2019–20)**

|   | Asset category |                 |                                     |                                   | Total            |
|---|----------------|-----------------|-------------------------------------|-----------------------------------|------------------|
|   | Land           | Buildings       | Other property, plant and equipment | Computer software and intangibles |                  |
|   | \$'000         | \$'000          | \$'000                              | \$'000                            | \$'000           |
| <b>As at 1 July 2019</b>                                  |                |                 |                                     |                                   |                  |
| Gross book value  | 2,400          | 397,121         | 311,358                             | 184,778                           | 895,657          |
| Accumulated depreciation/ amortisation and impairment     | –              | (51,152)        | (88,682)                            | (91,485)                          | (231,319)        |
| <b>Opening net book balance</b>                           | <b>2,400</b>   | <b>345,969</b>  | <b>222,676</b>                      | <b>93,293</b>                     | <b>664,338</b>   |
| <b>Capital asset additions</b>                            |                |                 |                                     |                                   |                  |
| <b>Estimated expenditure on new or replacement assets</b> |                |                 |                                     |                                   |                  |
| By purchase—appropriation equity (a)                      | –              | 8,947           | 40,437                              | 2,926                             | 52,310           |
| By purchase—appropriation ordinary annual services (b)    | –              | 1,271           | 41,302                              | 38,961                            | 81,533           |
| <b>Total additions</b>                                    | <b>–</b>       | <b>10,218</b>   | <b>81,739</b>                       | <b>41,887</b>                     | <b>133,843</b>   |
| <b>Other movements</b>                                    |                |                 |                                     |                                   |                  |
| Depreciation/amortisation expense                         |                | (33,148)        | (51,988)                            | (21,846)                          | (106,982)        |
| <b>Total other movements</b>                              | <b>–</b>       | <b>(33,148)</b> | <b>(51,988)</b>                     | <b>(21,846)</b>                   | <b>(106,982)</b> |
| <b>As at 30 June 2020</b>                                 |                |                 |                                     |                                   |                  |
| Gross book value  | 2,400          | 407,339         | 393,097                             | 226,665                           | 1,029,500        |
| Accumulated depreciation/ amortisation and impairment     | –              | (84,300)        | (140,670)                           | (113,331)                         | (338,301)        |
| <b>Closing net book balance</b>                           | <b>2,400</b>   | <b>323,039</b>  | <b>252,427</b>                      | <b>113,334</b>                    | <b>691,199</b>   |

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) 2019–20, including collection development acquisition budgets (CDABs).

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2019–20 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)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>EXPENSES</b>  |  |                             |  |  |  |
| Suppliers  | 15,958                                   | 7,868                       | 8,750                                    | 6,551                                    | 4,483                                    |
| <b>Total expenses administered on behalf of government</b> | <b>15,958</b>                            | <b>7,868</b>                | <b>8,750</b>                             | <b>6,551</b>                             | <b>4,483</b>                             |
| <b>Net (cost of)/contribution by services</b>              | <b>15,958</b>                            | <b>7,868</b>                | <b>8,750</b>                             | <b>6,551</b>                             | <b>4,483</b>                             |
| <b>Surplus/(deficit) before income tax</b>                 | <b>(15,958)</b>                          | <b>(7,868)</b>              | <b>(8,750)</b>                           | <b>(6,551)</b>                           | <b>(4,483)</b>                           |
| <b>Surplus/(deficit) after income tax</b>                  | <b>(15,958)</b>                          | <b>(7,868)</b>              | <b>(8,750)</b>                           | <b>(6,551)</b>                           | <b>(4,483)</b>                           |
| <b>Total comprehensive income/(loss)</b>                   | <b>(15,958)</b>                          | <b>(7,868)</b>              | <b>(8,750)</b>                           | <b>(6,551)</b>                           | <b>(4,483)</b>                           |

Prepared on Australian Accounting Standards basis.

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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>ASSETS</b>   |  |                             |  |  |  |
| <b>Financial assets</b>                                       |  |                             |  |  |  |
| Cash and cash equivalents                                     | 644                                      | 644                         | 644                                      | 644                                      | 644                                      |
| Trade and other receivables                                   | 211                                      | 211                         | 211                                      | 211                                      | 211                                      |
| <b>Total financial assets</b>                                 | <b>855</b>                               | <b>855</b>                  | <b>855</b>                               | <b>855</b>                               | <b>855</b>                               |
| <b>Non-financial assets</b>                                   |  |                             |  |  |  |
| Other non-financial assets                                    | 112                                      | 112                         | 112                                      | 112                                      | 112                                      |
| <b>Total non-financial assets</b>                             | <b>112</b>                               | <b>112</b>                  | <b>112</b>                               | <b>112</b>                               | <b>112</b>                               |
| <b>Total assets administered on behalf of government</b>      | <b>967</b>                               | <b>967</b>                  | <b>967</b>                               | <b>967</b>                               | <b>967</b>                               |
| <b>LIABILITIES</b>  |  |                             |  |  |  |
| <b>Payables</b>   |  |                             |  |  |  |
| Suppliers   | 1,200                                    | 1,200                       | 1,200                                    | 1,200                                    | 1,200                                    |
| <b>Total payables</b>   | <b>1,200</b>                             | <b>1,200</b>                | <b>1,200</b>                             | <b>1,200</b>                             | <b>1,200</b>                             |
| <b>Total liabilities administered on behalf of government</b> | <b>1,200</b>                             | <b>1,200</b>                | <b>1,200</b>                             | <b>1,200</b>                             | <b>1,200</b>                             |
| <b>Net assets/(liabilities)</b>                               | <b>(233)</b>                             | <b>(233)</b>                | <b>(233)</b>                             | <b>(233)</b>                             | <b>(233)</b>                             |

Prepared on Australian Accounting Standards basis.

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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>                                     |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Net GST received  | 13                                       | 10                          | 12                                       | 8  | 5  |
| <b>Total cash received</b>                                      | <b>13</b>                                | <b>10</b>                   | <b>12</b>                                | <b>8</b>                                 | <b>5</b>                                 |
| <b>Cash used</b>  |  |                             |  |  |  |
| Suppliers   | 16,068                                   | 7,918                       | 8,750                                    | 6,551                                    | 4,483                                    |
| Net GST paid  | 13                                       | 10                          | 12                                       | 8  | 5  |
| <b>Total cash used</b>  | <b>16,081</b>                            | <b>7,928</b>                | <b>8,762</b>                             | <b>6,559</b>                             | <b>4,488</b>                             |
| <b>Net cash from/(used by)<br/>operating activities</b>         | <b>(16,068)</b>                          | <b>(7,918)</b>              | <b>(8,750)</b>                           | <b>(6,551)</b>                           | <b>(4,483)</b>                           |
| <b>Net increase/(decrease) in cash<br/>held</b>                 | <b>(16,068)</b>                          | <b>(7,918)</b>              | <b>(8,750)</b>                           | <b>(6,551)</b>                           | <b>(4,483)</b>                           |
| Cash and cash equivalents at<br>beginning of reporting period   | 644                                      | 644                         | 644                                      | 644                                      | 644                                      |
| Cash from Official Public Account<br>for:                       |  |                             |  |  |  |
| – Appropriations  | 16,068                                   | 7,918                       | 8,750                                    | 6,551                                    | 4,483                                    |
| <b>Total cash from Official Public<br/>Account</b>              | <b>16,068</b>                            | <b>7,918</b>                | <b>8,750</b>                             | <b>6,551</b>                             | <b>4,483</b>                             |
| <b>Cash and cash equivalents at<br/>end of reporting period</b> | <b>644</b>                               | <b>644</b>                  | <b>644</b>                               | <b>644</b>                               | <b>644</b>                               |

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.

### *AIC Budget Statements*

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:

- criminal justice responses to family and domestic violence;
- illicit drugs;
- youth crime;
- Indigenous over-representation in the criminal justice system;
- child exploitation material; and
- 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, whilst 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 2019–20 as at Budget April 2019**

|   | 2018–19 (a)<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Estimate<br>\$'000 |
|---|--|-------------------------------|
| <b>Departmental</b>   |  |                               |
| Annual appropriations—ordinary annual services (b)  |  |                               |
| Prior year appropriation available  | 18   | —                             |
| Departmental appropriation (c)  | 4,590  | 4,595                         |
| Departmental capital budget (d)   | 22   | 22                            |
| <b>Total departmental annual appropriations</b>   | <b>4,630</b>                                 | <b>4,617</b>                  |
| Special accounts (e)  |  |                               |
| Opening balance   | 937  | 1,275                         |
| Non-appropriation receipts  | 2,402  | 2,063                         |
| Total special accounts  | 3,339  | 3,338                         |
| <i>Less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i> | 18   | —                             |
| <b>Total departmental resourcing</b>  | <b>7,951</b>                                 | <b>7,955</b>                  |
| <b>Total resourcing for AIC</b>   | <b>7,951</b>                                 | <b>7,955</b>                  |
|   | 2018–19                                      | 2019–20                       |
| <b>Average staffing level (number)</b>  | <b>19</b>                                    | <b>35</b>                     |

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) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.

(b) Appropriation Bill (No. 1) 2019–20.

(c) Excludes departmental capital budget (DCB).

(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) For further information on 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 and special accounts.

### **1.3 BUDGET MEASURES**

The AIC has no budget measures since the 2018-19 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 AIC can be found at  
[https://aic.gov.au/sites/default/files/2018/08/aic\\_corporate\\_plan\\_2018-22.pdf?v=1535692442](https://aic.gov.au/sites/default/files/2018/08/aic_corporate_plan_2018-22.pdf?v=1535692442).

The most recent annual performance statement can be found at  
<https://aic.gov.au/publications/annualreport/annualreport>.

## 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**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.1: Australian Institute of Criminology</b>     |  |                             |  |  |  |
| Departmental expenses                                       |  |                             |  |  |  |
| Departmental appropriation                                  | 4,590                                    | 4,595                       | 4,628                                    | 4,662                                    | 4,693                                    |
| s74 retained revenue receipts (a)                           |  |                             |  |  |  |
| Special accounts  |  |                             |  |  |  |
| Criminology Research Special Account                        | 1,916                                    | 2,063                       | 1,499                                    | 632                                      | 632                                      |
| Expenses not requiring appropriation in the Budget year (b) | 86                                       | 101                         | 103                                      | 107                                      | 112                                      |
| <b>Departmental total</b>                                   | <b>6,592</b>                             | <b>6,759</b>                | <b>6,230</b>                             | <b>5,401</b>                             | <b>5,437</b>                             |
| <b>Total expenses for program 1.1</b>                       | <b>6,592</b>                             | <b>6,759</b>                | <b>6,230</b>                             | <b>5,401</b>                             | <b>5,437</b>                             |
|   | 2018–19                                  | 2019–20                     |  |  |  |
| <b>Average staffing level (number)</b>                      | <b>19</b>                                | <b>35</b>                   |  |  |  |

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 2.1.3: Performance criteria for Outcome 1**

Table 2.1.3 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

|   |  |   |
|---|--|---|
| <b>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.</b>   |  |   |
| <b>Program 1.1: Australian Institute of Criminology</b>   |  |   |
| 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. |  |   |
| <b>Delivery</b>   | Delivery of this program includes: <ul style="list-style-type: none"><li>• undertaking impartial and policy-relevant research of the highest standard on crime and criminal justice;</li><li>• working cooperatively with other agencies that are also part of the Home Affairs portfolio, 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;</li><li>• administering an effective and efficient annual Criminology Research Grants program that results in policy-relevant research; and</li><li>• actively disseminating research findings to policy makers, practitioners and the general public across Australia and internationally in a timely manner.</li></ul> |   |
| <b>Performance information</b>  |  |   |
| <b>Year</b>   | <b>Performance criteria (a)</b>  | <b>Targets</b>  |
| 2018–19   | Trends & Issues (T&I) papers and Research Report series are peer reviewed. This ensures the quality of the AIC’s research outputs.   | Target: 100%<br>Indicative result: 100%                       |
|   | Reports produced for each of the monitoring programs are issued according to schedule, annually or biennially.   | Target: Annually or biennially<br>Indicative result: Achieved |
|   | Peer-reviewed (T&I) and Research Report papers are prepared for publication.   | Target: 23<br>Indicative result: 25                           |
|   | Other publications—including statistical reports, statistical bulletins, briefs, journal articles, consultancy reports et cetera—to be published each year.  | Target: 38<br>Indicative result: 25                           |
|   | Roundtables, workshops and other forums to be held annually.   | Target: at least 10<br>Indicative result: 10                  |

*AIC Budget Statements*

| <b>Performance information</b> |   |                     |
|--------------------------------|---|---------------------|
| <b>Year</b>                    | <b>Performance criteria (a)</b>   | <b>Targets</b>      |
| 2019–20                        | 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: 25          |
|                                | Other publications—including statistical reports, statistical bulletins, briefs, journal articles, consultancy reports et cetera—to be published each year.   | Target: 25          |
|                                | Roundtables, workshops and other forums to be held annually.  | Target: at least 10 |
| 2020–21 and beyond             | As per 2019–20  | As per 2019–20      |
| <b>Purposes</b>                | 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 2019–20 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 2018–19 estimated actual operating result for the AIC is a surplus of \$0.486 million. This is driven by a number of vacancies remaining unfilled while recruitment processes were underway, resulting in underspends in employee expenses.

The 2019–20 and forward years budgeted operating result, excluding unfunded depreciation, is a break-even position.

The AIC's appropriation income in 2019–20 has slightly increased from 2018–19 appropriation due to indexation adjustments.

The AIC's own-source revenue is budgeted to decrease from the previous year by \$0.3 million to \$2.1 million, primarily as a result of the finalisation of research projects funded by the Proceeds of Crime account.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forw ard<br>estimate<br>\$'000 | 2021–22<br>Forw ard<br>estimate<br>\$'000 | 2022–23<br>Forw ard<br>estimate<br>\$'000 |
|--|--|-----------------------------|---|---|---|
| <b>EXPENSES</b>  |  |                             |   |   |   |
| Employee benefits  | 2,175                                    | 3,373                       | 2,930                                     | 2,994                                     | 3,061                                     |
| Suppliers  | 4,371                                    | 3,325                       | 3,237                                     | 2,340                                     | 2,304                                     |
| Depreciation and amortisation (a)  | 46                                       | 61                          | 63  | 67  | 72  |
| <b>Total expenses</b>  | <b>6,592</b>                             | <b>6,759</b>                | <b>6,230</b>                              | <b>5,401</b>                              | <b>5,437</b>                              |
| <b>LESS:</b>   |  |                             |   |   |   |
| <b>OWN-SOURCE INCOME</b>   |  |                             |   |   |   |
| <b>Own-source revenue</b>  |  |                             |   |   |   |
| Sale of goods and rendering of services  | 2,352                                    | 2,013                       | 1,449                                     | 582                                       | 582                                       |
| Royalties  | 50                                       | 50                          | 50  | 50  | 50  |
| Other  | 40                                       | 40                          | 40  | 40  | 40  |
| <b>Total own-source revenue</b>  | <b>2,442</b>                             | <b>2,103</b>                | <b>1,539</b>                              | <b>672</b>                                | <b>672</b>                                |
| <b>Total own-source income</b>   | <b>2,442</b>                             | <b>2,103</b>                | <b>1,539</b>                              | <b>672</b>                                | <b>672</b>                                |
| <b>Net (cost of)/contribution by services</b>  | <b>(4,150)</b>                           | <b>(4,656)</b>              | <b>(4,691)</b>                            | <b>(4,729)</b>                            | <b>(4,765)</b>                            |
| Revenue from government  | 4,590                                    | 4,595                       | 4,628                                     | 4,662                                     | 4,693                                     |
| <b>Surplus/(deficit) attributable to the Australian Government</b>   | <b>440</b>                               | <b>(61)</b>                 | <b>(63)</b>                               | <b>(67)</b>                               | <b>(72)</b>                               |
| <b>Total comprehensive income/(loss) attributable to the Australian Government</b>   | <b>440</b>                               | <b>(61)</b>                 | <b>(63)</b>                               | <b>(67)</b>                               | <b>(72)</b>                               |
| <b>Note: Impact of net cash appropriation arrangements</b>   |  |                             |   |   |   |
|  | 2018–19<br>\$'000                        | 2019–20<br>\$'000           | 2020–21<br>\$'000                         | 2021–22<br>\$'000                         | 2022–23<br>\$'000                         |
| <b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b> | <b>486</b>                               | <b>–</b>                    | <b>–</b>                                  | <b>–</b>                                  | <b>–</b>                                  |
| Less depreciation/amortisation expenses previously funded through revenue appropriations (a)   | 46                                       | 61                          | 63  | 67  | 72  |
| <b>Total comprehensive income/(loss) —as per the statement of comprehensive income</b>   | <b>440</b>                               | <b>(61)</b>                 | <b>(63)</b>                               | <b>(67)</b>                               | <b>(72)</b>                               |

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)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>ASSETS</b>                          |  |                             |  |  |  |
| <b>Financial assets</b>                |  |                             |  |  |  |
| Cash and cash equivalents              | 1,275                                    | 1,275                       | 1,275                                    | 1,275                                    | 1,275                                    |
| Trade and other receivables            | 330                                      | 330                         | 330                                      | 330                                      | 330                                      |
| <b>Total financial assets</b>          | <b>1,605</b>                             | <b>1,605</b>                | <b>1,605</b>                             | <b>1,605</b>                             | <b>1,605</b>                             |
| <b>Non-financial assets</b>            |  |                             |  |  |  |
| Property, plant and equipment          | 891                                      | 858                         | 823                                      | 784                                      | 740                                      |
| Intangibles                            | 27                                       | 21                          | 15                                       | 9  | 3  |
| Other non-financial assets             | 70                                       | 70                          | 70                                       | 70                                       | 70                                       |
| <b>Total non-financial assets</b>      | <b>988</b>                               | <b>949</b>                  | <b>908</b>                               | <b>863</b>                               | <b>813</b>                               |
| Assets held for sale                   |  |                             |  |  |  |
| <b>Total assets</b>                    | <b>2,593</b>                             | <b>2,554</b>                | <b>2,513</b>                             | <b>2,468</b>                             | <b>2,418</b>                             |
| <b>LIABILITIES</b>                     |  |                             |  |  |  |
| <b>Payables</b>                        |  |                             |  |  |  |
| Suppliers                              | 175                                      | 175                         | 175                                      | 175                                      | 175                                      |
| Other payables                         | 459                                      | 459                         | 459                                      | 459                                      | 459                                      |
| <b>Total payables</b>                  | <b>634</b>                               | <b>634</b>                  | <b>634</b>                               | <b>634</b>                               | <b>634</b>                               |
| <b>Total liabilities</b>               | <b>634</b>                               | <b>634</b>                  | <b>634</b>                               | <b>634</b>                               | <b>634</b>                               |
| <b>Net assets</b>                      | <b>1,959</b>                             | <b>1,920</b>                | <b>1,879</b>                             | <b>1,834</b>                             | <b>1,784</b>                             |
| <b>EQUITY (a)</b>                      |  |                             |  |  |  |
| <b>Parent entity interest</b>          |  |                             |  |  |  |
| Contributed equity                     | 1,207                                    | 1,229                       | 1,251                                    | 1,273                                    | 1,295                                    |
| Reserves                               | 861                                      | 861                         | 861                                      | 861                                      | 861                                      |
| Retained surplus (accumulated deficit) | (109)                                    | (170)                       | (233)                                    | (300)                                    | (372)                                    |
| <b>Total parent entity interest</b>    | <b>1,959</b>                             | <b>1,920</b>                | <b>1,879</b>                             | <b>1,834</b>                             | <b>1,784</b>                             |
| <b>Total equity</b>                    | <b>1,959</b>                             | <b>1,920</b>                | <b>1,879</b>                             | <b>1,834</b>                             | <b>1,784</b>                             |

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 2019–20)**

|  | Retained<br>earnings | Asset<br>revaluation<br>reserve | Contributed<br>equity/<br>capital | Total<br>equity |
|--|----------------------|---------------------------------|-----------------------------------|-----------------|
|  | \$'000               | \$'000                          | \$'000                            | \$'000          |
| <b>Opening balance as at 1 July 2019</b>                             |                      |                                 |                                   |                 |
| Balance carried forward from<br>previous period                      | (109)                | 861                             | 1,207                             | 1,959           |
| <b>Adjusted opening balance</b>                                      | <b>(109)</b>         | <b>861</b>                      | <b>1,207</b>                      | <b>1,959</b>    |
| <b>Comprehensive income</b>  |                      |                                 |                                   |                 |
| Surplus/(deficit) for the period                                     | (61)                 | –                               | –                                 | (61)            |
| <b>Total comprehensive income</b>                                    | <b>(61)</b>          | <b>–</b>                        | <b>–</b>                          | <b>(61)</b>     |
| <b>Transactions with owners</b>                                      |                      |                                 |                                   |                 |
| <b>Contributions by owners</b>                                       |                      |                                 |                                   |                 |
| Departmental capital budget (DCB)                                    | –                    | –                               | 22                                | 22              |
| <b>Sub-total transactions with<br/>owners</b>                        | <b>–</b>             | <b>–</b>                        | <b>22</b>                         | <b>22</b>       |
| <b>Estimated closing balance as at<br/>30 June 2020</b>              | <b>(170)</b>         | <b>861</b>                      | <b>1,229</b>                      | <b>1,920</b>    |
| <b>Closing balance attributable to<br/>the Australian Government</b> | <b>(170)</b>         | <b>861</b>                      | <b>1,229</b>                      | <b>1,920</b>    |

Prepared on Australian Accounting Standards basis.

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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Appropriations  | 4,590                                    | 4,595                       | 4,628                                    | 4,662                                    | 4,693                                    |
| Sale of goods and rendering of services                             | 2,352                                    | 2,013                       | 1,449                                    | 582                                      | 582                                      |
| Other   | 50                                       | 50                          | 50                                       | 50                                       | 50                                       |
| <b>Total cash received</b>  | <b>6,992</b>                             | <b>6,658</b>                | <b>6,127</b>                             | <b>5,294</b>                             | <b>5,325</b>                             |
| <b>Cash used</b>  |  |                             |  |  |  |
| Employees   | 2,175                                    | 3,373                       | 2,930                                    | 2,994                                    | 3,061                                    |
| Suppliers   | 4,331                                    | 3,285                       | 3,197                                    | 2,300                                    | 2,264                                    |
| <b>Total cash used</b>  | <b>6,506</b>                             | <b>6,658</b>                | <b>6,127</b>                             | <b>5,294</b>                             | <b>5,325</b>                             |
| <b>Net cash from/(used by) operating activities</b>                 | <b>486</b>                               | <b>–</b>                    | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| <b>INVESTING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash used</b>  |  |                             |  |  |  |
| Purchase of property, plant and equipment and intangibles           | 170                                      | 22                          | 22                                       | 22                                       | 22                                       |
| <b>Total cash used</b>  | <b>170</b>                               | <b>22</b>                   | <b>22</b>                                | <b>22</b>                                | <b>22</b>                                |
| <b>Net cash from/(used by) investing activities</b>                 | <b>(170)</b>                             | <b>(22)</b>                 | <b>(22)</b>                              | <b>(22)</b>                              | <b>(22)</b>                              |
| <b>FINANCING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Contributed equity  | 22                                       | 22                          | 22                                       | 22                                       | 22                                       |
| <b>Total cash received</b>  | <b>22</b>                                | <b>22</b>                   | <b>22</b>                                | <b>22</b>                                | <b>22</b>                                |
| <b>Net cash from/(used by) financing activities</b>                 | <b>22</b>                                | <b>22</b>                   | <b>22</b>                                | <b>22</b>                                | <b>22</b>                                |
| <b>Net increase/(decrease) in cash held</b>                         | <b>338</b>                               | <b>–</b>                    | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| Cash and cash equivalents at the beginning of the reporting period  | 937                                      | 1,275                       | 1,275                                    | 1,275                                    | 1,275                                    |
| <b>Cash and cash equivalents at the end of the reporting period</b> | <b>1,275</b>                             | <b>1,275</b>                | <b>1,275</b>                             | <b>1,275</b>                             | <b>1,275</b>                             |

Prepared on Australian Accounting Standards basis.

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>NEW CAPITAL APPROPRIATIONS</b>  |  |                             |  |  |  |
| Capital budget—Bill 1 (DCB)  | 22                                       | 22                          | 22                                       | 22                                       | 22                                       |
| <b>Total new capital appropriations</b>  | <b>22</b>                                | <b>22</b>                   | <b>22</b>                                | <b>22</b>                                | <b>22</b>                                |
| <i>Provided for:</i>   |  |                             |  |  |  |
| Purchase of non-financial assets   | 22                                       | 22                          | 22                                       | 22                                       | 22                                       |
| <b>Total items</b>   | <b>22</b>                                | <b>22</b>                   | <b>22</b>                                | <b>22</b>                                | <b>22</b>                                |
| <b>PURCHASE OF NON-FINANCIAL ASSETS</b>  |  |                             |  |  |  |
| Funded by capital appropriation—<br>DCB (a)  | 22                                       | 22                          | 22                                       | 22                                       | 22                                       |
| Funded internally from departmental<br>resources (b)                                 | 148                                      | —                           | —  | —  | —  |
| <b>TOTAL</b>   | <b>170</b>                               | <b>22</b>                   | <b>22</b>                                | <b>22</b>                                | <b>22</b>                                |
| <b>RECONCILIATION OF CASH USED<br/>TO ACQUIRE ASSETS TO ASSET<br/>MOVEMENT TABLE</b> |  |                             |  |  |  |
| Total purchases  | 170                                      | 22                          | 22                                       | 22                                       | 22                                       |
| <b>Total cash used to acquire assets</b>   | <b>170</b>                               | <b>22</b>                   | <b>22</b>                                | <b>22</b>                                | <b>22</b>                                |

Prepared on Australian Accounting Standards basis.

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

(b) 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 section 74 external revenue receipts. Excludes asset transferred from other agencies.

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

|   | Other<br>property,<br>plant and<br>equipment<br>\$'000 | Computer<br>software<br>and<br>intangibles<br>\$'000 | Total<br>\$'000 |
|---|--|--|-----------------|
| <b>As at 1 July 2019</b>                                      |  |  |                 |
| Gross book value  | 932  | 100  | 1,032           |
| Accumulated depreciation/<br>amortisation and impairment      | (41)   | (73)   | (114)           |
| <b>Opening net book balance</b>                               | <b>891</b>   | <b>27</b>  | <b>918</b>      |
| <b>Capital asset additions</b>                                |  |  |                 |
| <b>Estimated expenditure on new<br/>or replacement assets</b> |  |  |                 |
| By purchase—appropriation<br>ordinary annual services (a)     | 22   | —  | 22              |
| <b>Total additions</b>  | <b>22</b>  | <b>—</b>   | <b>22</b>       |
| <b>Other movements</b>  |  |  |                 |
| Depreciation/amortisation expense                             | (55)   | (6)  | (61)            |
| <b>Total other movements</b>                                  | <b>(55)</b>  | <b>(6)</b>   | <b>(61)</b>     |
| <b>As at 30 June 2020</b>                                     |  |  |                 |
| Gross book value  | 954  | 100  | 1,054           |
| Accumulated depreciation/<br>amortisation and impairment      | (96)   | (79)   | (175)           |
| <b>Closing net book balance</b>                               | <b>858</b>   | <b>21</b>  | <b>879</b>      |

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019–20 for depreciation/amortisation expenses, DCBs or other operational expenses.





# **AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION**

## **ENTITY RESOURCES AND PLANNED PERFORMANCE**



# AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION

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# AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION

## Section 1: Entity overview and resources

### 1.1 STRATEGIC DIRECTION STATEMENT

In 2019–20, the Australian Security Intelligence Organisation (ASIO) will continue work to protect Australia, its people and interests from serious threats to security by:

- collecting and assessing intelligence relevant to security; and
- advising the Australian Government, government agencies and industry on matters relevant to security.

This will be done by countering serious threats through the collection and assessment of security intelligence; advising government and ASIO's partners in government and industry to help shape ASIO's security responses; and working with others to build intelligence capability across Australia's national security community.

ASIO's work will be set against a continually challenging security and operational environment.

Terrorism remains a serious threat to Australians and Australian interests. The terrorism threat level remains at PROBABLE—credible intelligence, assessed to represent a plausible scenario, indicates an intention and capability to conduct a terrorist attack in Australia—having been raised to this level in September 2014. ASIO continues to assess that the most likely form of terrorist act is by an individual or small group using simple attack methodologies and requiring low capability. However, more complex attacks cannot be ruled out, as evidenced by 2017's disrupted plan to explode a device on a passenger airliner departing Sydney.

Terrorist attacks on law enforcement, military and security personnel in Australia and overseas demonstrate a very real threat to staff providing security for their nation and people. Additional and enhanced protective and operational security measures are needed to enable ASIO staff to operate safely and effectively in this environment.

Espionage and foreign interference against Australia is continuing at an unprecedented level and is harming Australia's interests. ASIO has identified foreign powers making clandestine efforts to influence the opinions of members of the Australian public, media organisations and government officials. ASIO's work in this space is critical to protecting Australia. The harm from espionage and foreign interference may not manifest for many years, but it nevertheless represents an existential threat to Australian security and sovereignty. ASIO will continue working closely with partners on initiatives to counter this threat.

## *ASIO Budget Statements*

The scale of regular and irregular international migration is a security challenge for Australia in the years ahead. ASIO will continue to work closely with the Department of Home Affairs and other partner agencies in 2019–20 to counter serious threats to Australia’s border integrity by:

- supporting Operation Sovereign Borders’ counter-people smuggling activities; and
- providing visa and access security assessments to help agencies deliver their programs.

Rapidly changing technology and the widespread use of encryption are being used by individuals and groups to obscure their activities of security concern from security and law enforcement agencies. ASIO and its national and international partners are under considerable pressure to develop technological and other capabilities that can identify and disrupt harmful activities.

To manage these activities, ASIO is advancing an enterprise transformation so that it can best take advantage of technological advancements and meet government and community expectations in terms of the assurance it seeks to provide. Through 2019–20, ASIO will refresh the way it does important work by adjusting business and operating models, and modernising capabilities and workplace practices so that it can meet future demands and be more closely integrated with Australia’s national security community. ASIO does anticipate benefits will be realised following recent legislative reforms and will continue work developing the necessary capabilities and partnerships to give effect to the laws.

## **1.2 ENTITY RESOURCE STATEMENT**

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

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst 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: Entity resource statement—Budget estimates for 2019–20 as at Budget April 2019**

|  | 2018–19 (a)<br><i>Estimated<br/>actual</i><br>\$'000 | 2019–20<br>Estimate<br>\$'000 |
|--|--|-------------------------------|
| <b>Departmental</b>                                    |  |                               |
| Annual appropriations—ordinary annual services (b)     |  |                               |
| Prior year appropriations available (c)                | 15,000   | 15,000                        |
| Departmental appropriation (d)                         | 435,196  | 463,635                       |
| s74 external revenue (e)                               | 21,283   | 21,961                        |
| Departmental capital budget (f)                        | 85,572   | 61,642                        |
| Annual appropriations—other services—non-operating (g) |  |                               |
| Prior year appropriations available (c)                | 1,398  | 1,646                         |
| Equity injection                                       | 5,367  | 8,831                         |
| Total departmental annual appropriations               | 563,816  | 572,715                       |
| <b>Total departmental resourcing</b>                   | <b>563,816</b>                                       | <b>572,715</b>                |
| <b>Total resourcing for entity</b>                     | <b>563,816</b>                                       | <b>572,715</b>                |
|  | 2018–19  | 2019–20                       |
| <b>Average staffing level (number)</b>                 | 1,850  | 1,957                         |

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

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

(a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.

(b) Appropriation Bill (No. 1) 2019–20.

(c) Estimated adjusted balance carried forward from previous years annual appropriations.

(d) Excludes departmental capital budget (DCB).

(e) Estimated external revenue receipts under section 74 of the PGPA Act.

(f) 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'.

(g) Appropriation Bill (No. 2) 2019–20.

### 1.3 BUDGET MEASURES

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

**Table 1.2: Entity 2019–20 Budget measures**  
**Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO)**

|  | Program | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Expense measures</b>                              |         |                   |                   |                   |                   |                   |
| Countering Foreign Interference (a)                  | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses                                |         | –                 | 1,048             | 1,884             | 2,188             | 2,903             |
| Increasing Analytical Capabilities (b)               | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses                                |         | –                 | 374               | 377               | 379               | 382               |
| National Security Agencies—additional resourcing (a) | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses                                |         | –                 | 40,861            | –                 | –                 | –                 |
| <b>Total expense measures</b>                        |         | <b>–</b>          | <b>42,283</b>     | <b>2,261</b>      | <b>2,567</b>      | <b>3,285</b>      |
| <b>Capital measures</b>                              |         |                   |                   |                   |                   |                   |
| Countering Foreign Interference (a)                  | 1.1     |                   |                   |                   |                   |                   |
| Departmental capital                                 |         | –                 | 30                | 30                | 23                | 34                |
| National Security Agencies—additional resourcing (a) | 1.1     |                   |                   |                   |                   |                   |
| Departmental capital                                 |         | –                 | 740               | –                 | –                 | –                 |
| <b>Total capital measures</b>                        |         | <b>–</b>          | <b>770</b>        | <b>30</b>         | <b>23</b>         | <b>34</b>         |

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) The lead entity for this measure is the Department of Home Affairs. The full measure description and package details appear in Budget Paper No. 2 under the Home Affairs portfolio.

(b) The lead entity for this measure is Treasury. The full measure description and package details appear in Budget Paper No. 2 under the Treasury portfolio.



## Section 2: Outcomes and planned performance

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

ASIO's 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 ASIO can be found at  
<https://asio.gov.au/corporate-plan.html>.

The most recent annual performance statement can be found at  
<https://asio.gov.au/asio-report-parliament.html>.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: To protect Australia, its people and its interests from threats to security through intelligence collection, assessment and advice to Government.**

### Linked programs

To deliver its security intelligence program, ASIO works with law enforcement, and border and national security agencies in the Commonwealth and state and territories. This collaboration contributes to ASIO's outcome through providing intelligence policy settings, agency capabilities, and information flows. ASIO's security intelligence program contributes to the outcomes of other agencies through security advice, intelligence and services.

### Budgeted expenses for Outcome 1

This table shows how much ASIO intends to spend (on an accrual basis) on achieving Outcome 1, broken down by program and departmental funding sources.

**Table 2.1: Budgeted expenses for Outcome 1**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.1: Security Intelligence</b>                         |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 435,196                                  | 463,635                     | 425,776                                  | 429,039                                  | 438,398                                  |
| s74 external revenue (a)  | 23,230                                   | 23,671                      | 24,120                                   | 24,579                                   | 30,617                                   |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 91,082                                   | 92,076                      | 100,298                                  | 103,695                                  | 101,156                                  |
| <b>Departmental total</b>   | <b>549,508</b>                           | <b>579,382</b>              | <b>550,194</b>                           | <b>557,313</b>                           | <b>570,171</b>                           |
| <b>Total expenses for Outcome 1</b>                               | <b>549,508</b>                           | <b>579,382</b>              | <b>550,194</b>                           | <b>557,313</b>                           | <b>570,171</b>                           |
|   | 2018–19                                  | 2019–20                     |  |  |  |
| <b>Average staffing level (number)</b>                            | <b>1,850</b>                             | <b>1,957</b>                |  |  |  |

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 each program is delivered.

|  |  |  |
|--|--|--|
| Outcome 1: To protect Australia, its people and its interests from threats to security through intelligence collection, assessment and advice to Government. |  |  |
| Program 1.1: Security Intelligence   |  |  |
| ASIO operates a single program, Security Intelligence, which is focused on delivering Outcome 1.   |  |  |
| Delivery   | Intelligence collection and assessment, and the provision of advice to the Australian Government, government agencies and industry.  |  |
| Performance information (a)  |  |  |
| Year   | Performance criteria   | Targets  |
| 2018–19  | Advice that assists the Australian Government, government agencies and industry to manage security risks and disrupt activities that threaten Australia’s security.                      | Overall, ASIO is performing well against the target described in the 2018–19 PB Statements, with stakeholder feedback demonstrating a high degree of satisfaction with ASIO’s advice.<br><br>However, the scale and seriousness of the security threats currently facing Australia, combined with an increase in stakeholder demand for advice to inform security responses and policies, is placing significant demands on ASIO’s resources. As a result, it is anticipated that some performance objectives within the <i>Counter-espionage, foreign interference and malicious insiders</i> program will only be partly achieved at the end of 2018–19. |
| 2019–20  | As above   | Stakeholders are satisfied with ASIO’s advice and see the organisation as an effective national security partner.  |
| 2020–21 and beyond   | As above   | As above   |
| Purposes   | To protect the nation and its interests from threats to security through intelligence collection, assessment and advice for the Australian Government, government agencies and industry. |  |

(a) Detailed performance measure will be set out in ASIO's 2019–20 corporate plan.

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2019–20 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**

Total expenses are estimated to be \$550.417 million in 2019–20.

ASIO is estimating capital outlays of \$70.6635 million in 2019–20, in line with ASIO's asset replacement program.

### 3.2. BUDGETED FINANCIAL STATEMENTS TABLES

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>EXPENSES</b>  |  |                             |  |  |  |
| Employee benefits  | 282,736                                  | 275,842                     | 281,390                                  | 286,646                                  | 298,075                                  |
| Suppliers  | 175,835                                  | 211,609                     | 168,651                                  | 167,117                                  | 171,105                                  |
| Depreciation and amortisation (a)  | 90,937                                   | 91,931                      | 100,153                                  | 103,550                                  | 100,991                                  |
| <b>Total expenses</b>  | <b>549,508</b>                           | <b>579,382</b>              | <b>550,194</b>                           | <b>557,313</b>                           | <b>570,171</b>                           |
| <b>LESS:</b>   |  |                             |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |  |                             |  |  |  |
| <b>Own-source revenue</b>  |  |                             |  |  |  |
| Sale of goods and rendering of services  | 21,490                                   | 21,899                      | 22,314                                   | 22,739                                   | 29,435                                   |
| Other  | 1,739                                    | 1,772                       | 1,806                                    | 1,840                                    | 1,182                                    |
| <b>Total own-source revenue</b>  | <b>23,230</b>                            | <b>23,671</b>               | <b>24,120</b>                            | <b>24,579</b>                            | <b>30,617</b>                            |
| <b>Gains</b>   |  |                             |  |  |  |
| Other  | 145                                      | 145                         | 145                                      | 145                                      | 165                                      |
| <b>Total gains</b>   | <b>145</b>                               | <b>145</b>                  | <b>145</b>                               | <b>145</b>                               | <b>165</b>                               |
| <b>Total own-source income</b>   | <b>23,375</b>                            | <b>23,816</b>               | <b>24,265</b>                            | <b>24,724</b>                            | <b>30,782</b>                            |
| <b>Net (cost of)/contribution by services</b>                                      | <b>(526,133)</b>                         | <b>(555,566)</b>            | <b>(525,929)</b>                         | <b>(532,589)</b>                         | <b>(539,389)</b>                         |
| Revenue from government  | 435,196                                  | 463,635                     | 425,776                                  | 429,039                                  | 438,398                                  |
| <b>Surplus/(deficit) attributable to the Australian Government</b>                 | <b>(90,937)</b>                          | <b>(91,931)</b>             | <b>(100,153)</b>                         | <b>(103,550)</b>                         | <b>(100,991)</b>                         |
| <b>Total comprehensive income/(loss)</b>   | <b>(90,937)</b>                          | <b>(91,931)</b>             | <b>(100,153)</b>                         | <b>(103,550)</b>                         | <b>(100,991)</b>                         |
| <b>Total comprehensive income/(loss) attributable to the Australian Government</b> | <b>(90,937)</b>                          | <b>(91,931)</b>             | <b>(100,153)</b>                         | <b>(103,550)</b>                         | <b>(100,991)</b>                         |

**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**

|  | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b> | –                 | –                 | –                 | –                 | –                 |
| Less depreciation/amortisation expenses previously funded through revenue appropriations (a)   | 90,937            | 91,931            | 100,153           | 103,550           | 100,991           |
| <b>Total comprehensive income/(loss) —as per the statement of comprehensive income</b>   | <b>(90,937)</b>   | <b>(91,931)</b>   | <b>(100,153)</b>  | <b>(103,550)</b>  | <b>(100,991)</b>  |

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)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>ASSETS</b>                          |  |                             |  |  |  |
| <b>Financial assets</b>                |  |                             |  |  |  |
| Cash and cash equivalents              | 22,469                                   | 24,749                      | 23,736                                   | 21,363                                   | 21,363                                   |
| Trade and other receivables            | 70,198                                   | 64,198                      | 63,934                                   | 64,125                                   | 69,351                                   |
| Other financial assets                 | 799                                      | 847                         | 897                                      | 897                                      | 897                                      |
| <b>Total financial assets</b>          | <b>93,466</b>                            | <b>89,794</b>               | <b>88,567</b>                            | <b>86,385</b>                            | <b>91,611</b>                            |
| <b>Non-financial assets</b>            |  |                             |  |  |  |
| Land and buildings                     | 153,967                                  | 136,518                     | 118,201                                  | 99,861                                   | 61,306                                   |
| Property, plant and equipment          | 137,802                                  | 124,083                     | 91,750                                   | 72,940                                   | 67,521                                   |
| Intangibles                            | 75,095                                   | 84,805                      | 89,740                                   | 76,296                                   | 72,741                                   |
| Other non-financial assets             | 24,821                                   | 27,483                      | 29,382                                   | 32,278                                   | 32,924                                   |
| <b>Total non-financial assets</b>      | <b>391,685</b>                           | <b>372,889</b>              | <b>329,073</b>                           | <b>281,375</b>                           | <b>234,492</b>                           |
| <b>Total assets</b>                    | <b>485,151</b>                           | <b>462,683</b>              | <b>417,640</b>                           | <b>367,760</b>                           | <b>326,103</b>                           |
| <b>LIABILITIES</b>                     |  |                             |  |  |  |
| <b>Payables</b>                        |  |                             |  |  |  |
| Suppliers                              | 24,374                                   | 24,681                      | 25,135                                   | 25,630                                   | 26,630                                   |
| Other payables                         | 3,107                                    | 2,366                       | 3,160                                    | 3,955                                    | 6,723                                    |
| <b>Total payables</b>                  | <b>27,481</b>                            | <b>27,047</b>               | <b>28,295</b>                            | <b>29,585</b>                            | <b>33,353</b>                            |
| <b>Provisions</b>                      |  |                             |  |  |  |
| Employee provisions                    | 81,721                                   | 81,721                      | 81,721                                   | 81,721                                   | 83,179                                   |
| Other provisions                       | 5,496                                    | 4,920                       | 4,344                                    | 3,768                                    | 4,768                                    |
| <b>Total provisions</b>                | <b>87,217</b>                            | <b>86,641</b>               | <b>86,065</b>                            | <b>85,489</b>                            | <b>87,947</b>                            |
| <b>Total liabilities</b>               | <b>114,698</b>                           | <b>113,688</b>              | <b>114,360</b>                           | <b>115,074</b>                           | <b>121,300</b>                           |
| <b>Net assets</b>                      | <b>370,453</b>                           | <b>348,995</b>              | <b>303,280</b>                           | <b>252,686</b>                           | <b>204,803</b>                           |
| <b>EQUITY (a)</b>                      |  |                             |  |  |  |
| <b>Parent entity interest</b>          |  |                             |  |  |  |
| Contributed equity                     | 843,097                                  | 913,570                     | 968,008                                  | 1,020,964                                | 1,074,072                                |
| Reserves                               | 69,857                                   | 69,857                      | 69,857                                   | 69,857                                   | 69,857                                   |
| Retained surplus (accumulated deficit) | (542,501)                                | (634,432)                   | (734,585)                                | (838,135)                                | (939,126)                                |
| <b>Total parent entity interest</b>    | <b>370,453</b>                           | <b>348,995</b>              | <b>303,280</b>                           | <b>252,686</b>                           | <b>204,803</b>                           |
| <b>Total equity</b>                    | <b>370,453</b>                           | <b>348,995</b>              | <b>303,280</b>                           | <b>252,686</b>                           | <b>204,803</b>                           |

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 2019–20)**

|  | Retained<br>earnings<br>\$'000 | Asset<br>revaluation<br>reserve<br>\$'000 | Contributed<br>equity/<br>capital<br>\$'000 | Total<br>equity<br>\$'000 |
|--|--------------------------------|---|---|---------------------------|
| <b>Opening balance as at 1 July 2019</b>                             |                                |   |   |                           |
| Balance carried forward from<br>previous period                      | (542,501)                      | 69,857                                    | 843,097                                     | 370,453                   |
| Adjustment for changes in<br>accounting policies                     | —                              | —   | —   | —                         |
| <b>Adjusted opening balance</b>                                      | <b>(542,501)</b>               | <b>69,857</b>                             | <b>843,097</b>                              | <b>370,453</b>            |
| <b>Comprehensive income</b>  |                                |   |   |                           |
| Surplus/(deficit) for the period                                     | (91,931)                       | —   | —   | (91,931)                  |
| <b>Total comprehensive income</b>                                    | <b>(91,931)</b>                | <b>—</b>                                  | <b>—</b>                                    | <b>(91,931)</b>           |
| of which:  |                                |   |   |                           |
| Attributable to the Australian<br>Government                         | (91,931)                       | —   | —   | (91,931)                  |
| <b>Contributions by owners</b>                                       |                                |   |   |                           |
| Equity injection—appropriation                                       | —                              | —   | 8,831                                       | 8,831                     |
| Departmental capital budget (DCB)                                    | —                              | —   | 61,642                                      | 61,642                    |
| <b>Sub-total transactions with<br/>owners</b>                        | <b>—</b>                       | <b>—</b>                                  | <b>70,473</b>                               | <b>70,473</b>             |
| <b>Estimated closing balance as at<br/>30 June 2020</b>              | <b>(634,432)</b>               | <b>69,857</b>                             | <b>913,570</b>                              | <b>348,995</b>            |
| <b>Closing balance attributable to<br/>the Australian Government</b> | <b>(634,432)</b>               | <b>69,857</b>                             | <b>913,570</b>                              | <b>348,995</b>            |

Prepared on Australian Accounting Standards basis.



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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Appropriations  | 435,113                                  | 469,762                     | 426,217                                  | 429,039                                  | 435,172                                  |
| Sale of goods and rendering of services                             | 18,803                                   | 20,267                      | 22,215                                   | 22,638                                   | 33,435                                   |
| Net GST received  | 24,016                                   | 23,641                      | 24,042                                   | 24,489                                   | 28,117                                   |
| Other   | 1,693                                    | 1,724                       | 1,756                                    | 1,840                                    | 1,642                                    |
| <b>Total cash received</b>  | <b>479,625</b>                           | <b>515,394</b>              | <b>474,230</b>                           | <b>478,006</b>                           | <b>498,366</b>                           |
| <b>Cash used</b>  |  |                             |  |  |  |
| Employees   | 280,893                                  | 274,856                     | 280,404                                  | 285,659                                  | 298,617                                  |
| Suppliers   | 175,818                                  | 213,819                     | 169,951                                  | 169,373                                  | 170,586                                  |
| s74 external revenue transferred to the OPA                         | 23,230                                   | 23,671                      | 24,120                                   | 24,579                                   | 30,617                                   |
| Other   | 192                                      | 192                         | 192                                      | 192                                      | 192                                      |
| <b>Total cash used</b>  | <b>480,132</b>                           | <b>512,538</b>              | <b>474,667</b>                           | <b>479,803</b>                           | <b>500,012</b>                           |
| <b>Net cash from/(used by) operating activities</b>                 | <b>(507)</b>                             | <b>2,856</b>                | <b>(437)</b>                             | <b>(1,797)</b>                           | <b>(1,646)</b>                           |
| <b>INVESTING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash used</b>  |  |                             |  |  |  |
| Purchase of property, plant and equipment and intangibles           | 91,515                                   | 71,049                      | 55,014                                   | 53,532                                   | 52,462                                   |
| <b>Total cash used</b>  | <b>91,515</b>                            | <b>71,049</b>               | <b>55,014</b>                            | <b>53,532</b>                            | <b>52,462</b>                            |
| <b>Net cash from/(used by) investing activities</b>                 | <b>(91,515)</b>                          | <b>(71,049)</b>             | <b>(55,014)</b>                          | <b>(53,532)</b>                          | <b>(52,462)</b>                          |
| <b>FINANCING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Contributed equity  | 90,939                                   | 70,473                      | 54,438                                   | 52,956                                   | 54,108                                   |
| <b>Total cash received</b>  | <b>90,939</b>                            | <b>70,473</b>               | <b>54,438</b>                            | <b>52,956</b>                            | <b>54,108</b>                            |
| <b>Net cash from/(used by) financing activities</b>                 | <b>90,939</b>                            | <b>70,473</b>               | <b>54,438</b>                            | <b>52,956</b>                            | <b>54,108</b>                            |
| <b>Net increase/(decrease) in cash held</b>                         | <b>(1,083)</b>                           | <b>2,280</b>                | <b>(1,013)</b>                           | <b>(2,373)</b>                           | <b>–</b>                                 |
| Cash and cash equivalents at the beginning of the reporting period  | 23,552                                   | 22,469                      | 24,749                                   | 23,736                                   | 21,363                                   |
| <b>Cash and cash equivalents at the end of the reporting period</b> | <b>22,469</b>                            | <b>24,749</b>               | <b>23,736</b>                            | <b>21,363</b>                            | <b>21,363</b>                            |

Prepared on Australian Accounting Standards basis.

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>NEW CAPITAL APPROPRIATIONS</b>  |  |                             |  |  |  |
| Capital budget—Bill 1 (DCB)  | 85,572                                   | 61,642                      | 44,946                                   | 45,253                                   | 45,562                                   |
| Equity injections—Bill 2   | 5,367                                    | 8,831                       | 9,492                                    | 7,703                                    | 7,546                                    |
| <b>Total new capital appropriations</b>                                      | <b>90,939</b>                            | <b>70,473</b>               | <b>54,438</b>                            | <b>52,956</b>                            | <b>53,108</b>                            |
| <i>Provided for:</i>   |  |                             |  |  |  |
| Purchase of non-financial assets   | 90,939                                   | 70,473                      | 54,438                                   | 52,956                                   | 53,108                                   |
| <b>Total items</b>   | <b>90,939</b>                            | <b>70,473</b>               | <b>54,438</b>                            | <b>52,956</b>                            | <b>53,108</b>                            |
| <b>PURCHASE OF NON-FINANCIAL ASSETS</b>                                      |  |                             |  |  |  |
| Funded by capital appropriations (a)   | 5,367                                    | 8,831                       | 9,492                                    | 7,703                                    | 7,546                                    |
| Funded by capital appropriation—DCB (b)                                      | 85,572                                   | 61,642                      | 44,946                                   | 45,253                                   | 45,562                                   |
| <b>TOTAL</b>   | <b>90,939</b>                            | <b>70,473</b>               | <b>54,438</b>                            | <b>52,956</b>                            | <b>53,108</b>                            |
| <b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b> |  |                             |  |  |  |
| Total purchases  | 91,515                                   | 71,049                      | 55,014                                   | 53,532                                   | 52,462                                   |
| <b>Total cash used to acquire assets</b>                                     | <b>91,515</b>                            | <b>71,049</b>               | <b>55,014</b>                            | <b>53,532</b>                            | <b>52,462</b>                            |

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 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).

**Table 3.6: Statement of asset movements (Budget year 2019–20)**

|   | Buildings<br>\$'000 | Other<br>property,<br>plant and<br>equipment<br>\$'000 | Computer<br>software<br>and<br>intangibles<br>\$'000 | Total<br>\$'000 |
|---|---------------------|--|--|-----------------|
| <b>As at 1 July 2019</b>                                      |                     |  |  |                 |
| Gross book value  | 176,415             | 194,721  | 192,811  | 563,947         |
| Accumulated depreciation/<br>amortisation and impairment      | (22,448)            | (56,919)   | (117,716)  | (197,083)       |
| <b>Opening net book balance</b>                               | <b>153,967</b>      | <b>137,802</b>   | <b>75,095</b>  | <b>366,864</b>  |
| <b>Capital asset additions</b>                                |                     |  |  |                 |
| <b>Estimated expenditure on new<br/>or replacement assets</b> |                     |  |  |                 |
| By purchase—appropriation equity (a)                          | —                   | 1,262  | 7,569  | 8,831           |
| By purchase—appropriation<br>ordinary annual services (b)     | 1,050               | 30,334   | 30,258   | 61,642          |
| <b>Total additions</b>  | <b>1,050</b>        | <b>31,596</b>  | <b>37,827</b>  | <b>70,473</b>   |
| <b>Other movements</b>  |                     |  |  |                 |
| Depreciation/amortisation expense                             | (18,499)            | (45,315)   | (28,117)   | (91,931)        |
| <b>Total other movements</b>                                  | <b>(18,499)</b>     | <b>(45,315)</b>  | <b>(28,117)</b>                                      | <b>(91,931)</b> |
| <b>As at 30 June 2020</b>                                     |                     |  |  |                 |
| Gross book value  | 177,465             | 226,317  | 230,638  | 634,420         |
| Accumulated depreciation/<br>amortisation and impairment      | (40,947)            | (102,234)  | (145,833)  | (289,014)       |
| <b>Closing net book balance</b>                               | <b>136,518</b>      | <b>124,083</b>   | <b>84,805</b>  | <b>345,406</b>  |

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019–20, including collection development acquisition budgets (CDABs).

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019–20 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. AUSTRAC's regulatory and financial intelligence functions are interconnected and complementary. AUSTRAC's regulation hardens the financial sector against criminal exploitation and its intelligence provides crucial information to its national security and law enforcement partners.

AUSTRAC's purpose is to build resilience in the financial system and use financial intelligence and regulation to disrupt money laundering, terrorism financing and other serious crime. To achieve this purpose AUSTRAC aims to:

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

AUSTRAC's unique value is its interconnected regulation and intelligence functions, and its collaboration with industry and government partners in working toward the vision of a financial system free from criminal abuse. AUSTRAC's 2019-20 priorities will focus on enhancing its capabilities and optimising the value it delivers to its partners.

## *AUSTRAC Budget Statements*

Enhancing regulatory capability is essential for AUSTRAC to achieve its purpose. *AUSTRAC's Approach to Regulation* paper provides a framework for how it will work collaboratively with its reporting entities and partner agencies in 2019–20 and exercise its enforcement powers. AUSTRAC's risk-based approach will ensure that its resources are allocated to manage the highest financial crime risks across the Australian financial system. AUSTRAC will support, collaborate with, and build the capability of the reporting entity population, through education and outreach. AUSTRAC will focus on streamlining compliance for its reporting entities through implementing new systems and developing more efficient and effective processes. AUSTRAC will apply a forceful and credible deterrent to serious and systemic non-compliance to maintain public confidence in Australia's AML/CTF regulatory framework and financial system. AUSTRAC is continuing to work with the Department of Home Affairs to implement reforms recommended by the statutory review of the *Anti-Money Laundering, Counter-Terrorism Financing Act 2006* to strengthen its AML/CTF legislative framework.

AUSTRAC always works with and for its partner agencies by providing actionable intelligence. During 2019–20, AUSTRAC will focus on improving its intelligence capabilities and deepening its collaboration with its partners in the National Intelligence Community. AUSTRAC will increasingly leverage its relationships to identify the emergence of new threats, enhance existing knowledge and information exchanges, and counter regional threats. AUSTRAC will continue to mature the Fintel Alliance, to ensure it maximises the benefits of this unique public-private partnership. In the Operations Hub, AUSTRAC will focus on increased joint intelligence activities, understanding operational risks and reporting feedback and effectiveness of activities. In the Innovation Hub, AUSTRAC will test new intelligence-sharing capabilities and alerting technology.

Internationally, AUSTRAC will continue to engage with key counterparts to increase strategic and operational dividends, and support improved regional capability. AUSTRAC, together with regional partners, will deliver the outcomes of the 2018 Counter Terrorism Financing Summit ahead of the 2019 CTF Summit in the Philippines. AUSTRAC will support Australia's hosting of the Asia-Pacific Group on Money Laundering Annual Meeting in August 2019, and continue its strong involvement in other international forums, including the Financial Action Task Force, Egmont Group of Financial Intelligence Units, and International Supervisors Forum.

In 2019–20, AUSTRAC will continue to develop the capabilities of its people, and invest in measures to build its positive culture, as it aims to become an employer of choice. AUSTRAC will integrate agency planning and resource allocation to ensure that across its workforce it has the right mix of skills in the right location, and remains a partner of choice, both domestically and internationally. By optimising its business in this way, AUSTRAC will be more agile in response to change, more efficient in the delivery of outcomes and provide increased value to its partners.

## 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, whilst the 'Budgeted expenses by Outcome 1' 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 2019–20 as at Budget April 2019**

|  | 2018–19 (a)<br><i>Estimated<br/>actual</i><br>\$'000 | 2019–20<br>Estimate<br>\$'000 |
|--|--|-------------------------------|
| <b>Departmental</b>                                    |  |                               |
| Annual appropriations—ordinary annual services (b)     |  |                               |
| Prior year appropriations available                    | 18,331   | 20,063                        |
| Departmental appropriation (c)                         | 68,413   | 72,678                        |
| s74 external revenue (d)                               | 9,873  | 5,592                         |
| Departmental capital budget (e)                        | 3,046  | 3,049                         |
| Annual appropriations—other services—non-operating (f) |  |                               |
| Prior year appropriations available                    | 1,438  | 3,500                         |
| Equity injection                                       | 7,300  | 4,439                         |
| Total departmental annual appropriations               | 108,401  | 109,321                       |
| <b>Total departmental resourcing</b>                   | <b>108,401</b>                                       | <b>109,321</b>                |
| <b>Total resourcing for AUSTRAC</b>                    | <b>108,401</b>                                       | <b>109,321</b>                |
|  | 2018–19  | 2019–20                       |
| <b>Average staffing level (number)</b>                 | 333  | 368                           |

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

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

(a) Annual appropriation amounts appearing for 2018–19 do not include the Appropriation Bills (No. 3) and (No. 4) 2018–2019, as they had not been enacted at the time of publication.

(b) Appropriation Bill (No. 1) 2019–20.

(c) Excludes departmental capital budget (DCB).

(d) Estimated external revenue receipts under section 74 of the PGPA Act.

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

(f) Appropriation Bill (No. 2) 2019–20.

### 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: Entity 2019–20 Budget measures**  
**Part 1: Measures announced since the 2018–19 Mid-Year Economic and Fiscal Outlook (MYEFO)**

|                                   | Program | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|-----------------------------------|---------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Revenue measures</b>           |         |                   |                   |                   |                   |                   |
| AUSTRAC—Fintel Alliance (a)       | 1.1     |                   |                   |                   |                   |                   |
| Administered revenues             |         | –                 | 5,209             | 4,455             | 7,742             | 7,431             |
| <b>Total revenue measures</b>     |         | –                 | <b>5,209</b>      | <b>4,455</b>      | <b>7,742</b>      | <b>7,431</b>      |
| <b>Expense measures</b>           |         |                   |                   |                   |                   |                   |
| AUSTRAC—Fintel Alliance (a)       | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses             |         | –                 | 5,161             | 3,946             | 6,666             | 6,130             |
| Commonwealth Integrity Commission | 1.1     |                   |                   |                   |                   |                   |
| Departmental expenses             |         | –                 | (156)             | –                 | –                 | –                 |
| <b>Total expense measures</b>     |         | –                 | <b>5,005</b>      | <b>3,946</b>      | <b>6,666</b>      | <b>6,130</b>      |
| <b>Capital measures</b>           |         |                   |                   |                   |                   |                   |
| AUSTRAC—Fintel Alliance (a)       | 1.1     |                   |                   |                   |                   |                   |
| Departmental capital              |         | –                 | 839               | 3,411             | 2,256             | –                 |
| <b>Total capital measures</b>     |         | –                 | <b>839</b>        | <b>3,411</b>      | <b>2,256</b>      | –                 |

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) The full measure description and package details appear in Budget Paper No. 2 under the Home Affairs portfolio.

#### **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. The following provides detailed information on expenses 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 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, national security, regulatory and financial intelligence sectors, as well as a host of international and private sector partners. Each activity it undertakes is linked to its outcome to protect the financial system from criminal abuse through actionable financial intelligence, and its activities support the intended outcomes of many of its domestic and international partners.

### 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 departmental funding sources.

**Table 2.1: Budgeted expenses for Outcome 1**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>Program 1.1: AUSTRAC</b>                                       |  |                             |  |  |  |
| Departmental expenses   |  |                             |  |  |  |
| Departmental appropriation  | 68,413                                   | 72,678                      | 71,384                                   | 74,512                                   | 74,138                                   |
| s74 external revenue (a)  | 7,579                                    | 5,592                       | 1,105                                    | 448                                      | –  |
| Expenses not requiring<br>appropriation in the Budget<br>year (b) | 6,786                                    | 6,277                       | 6,598                                    | 8,210                                    | 9,311                                    |
| <b>Departmental total</b>   | <b>82,778</b>                            | <b>84,547</b>               | <b>79,087</b>                            | <b>83,170</b>                            | <b>83,449</b>                            |
| <b>Total expenses for program 1.1</b>                             | <b>82,778</b>                            | <b>84,547</b>               | <b>79,087</b>                            | <b>83,170</b>                            | <b>83,449</b>                            |
|   | 2018–19                                  | 2019–20                     |  |  |  |
| <b>Average staffing level (number)</b>                            | <b>333</b>                               | <b>368</b>                  |  |  |  |

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.

|   |  |  |
|---|--|--|
| <b>Outcome 1: The protection of the financial system from criminal abuse through actionable financial intelligence and collaboration with domestic and international partners.</b>  |  |  |
| <b>Program 1.1 AUSTRAC</b>  |  |  |
| To protect the Australian community from money laundering, terrorism financing and other serious crime, by collaborating with partners to strengthen Australia's financial sector through AUSTRAC's regulatory and intelligence programs. |  |  |
| <b>Delivery</b>   | AUSTRAC will: <ul style="list-style-type: none"><li>• discover new and emerging risks posed by criminal actors seeking to exploit the financial system;</li><li>• continue to refine and share its comprehensive understanding of vulnerabilities within the global financial system at risk of criminal exploitation;</li><li>• strengthen the financial system by ensuring risks are mitigated through effective controls deployed by an engaged, capable and collaborative community;</li><li>• collaborate with its partners to detect, understand and disrupt criminal exploitation of the financial system; and</li><li>• optimise its business through continuously evolving and adapting its business operations to improve its efficiency, effectiveness and sustainability in a dynamic operating environment.</li></ul> |  |
| <b>Performance information</b>  |  |  |
| <b>Year</b>   | <b>Performance criteria (a)</b>  | <b>Targets</b>   |
| 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 its 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   | AUSTRAC contributes to building resilience and mitigating risk in the financial system by using its regulatory capability, and generating and sharing intelligence and insights to support the mission of its public and private partners.   | Details about how the components of the performance criteria are measured will be available in AUSTRAC's 2019–23 corporate plan. |
| 2020–21 and beyond  | As Per 2019–20   | As Per 2019–20   |
| <b>Purposes (a)</b>   | To build resilience in the financial system and use financial intelligence and regulation to disrupt money laundering, terrorism financing and other serious crime   |  |

(a) Refers to update purposes that will be reflected in the 2019–20 Corporate Plan.

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements, which provide a comprehensive snapshot of entity finances for the 2019–20 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 2019–20 is \$72.7 million, which is an increase of \$4.3 million when compared to 2018–19 (\$68.4 million). The increase is primarily due to the net effect of various budget measures reported in previous PB Statements and the Portfolio Additional Estimates Statements (PAES), combined with the new measures listed in Table 1.2.

Own-source revenue has decreased by \$2.0 million to \$5.8 million, reflecting the value of externally sponsored programs for which AUSTRAC holds a signed funding agreement.

##### Capital budget statement

The total equity injection for 2019–20 is \$4.4 million. The funding includes \$3.6 million for the measure *Strengthening Australia's Defences against Money Laundering and Terrorism Financing*, announced in the 2017–18 Mid-Year Economic and Fiscal Outlook (MYEFO), and \$0.8 million for the new measure listed in Table 1.2.

AUSTRAC has received approval for a movement of \$3.5 million of Act 2 appropriation from 2018–19 to 2019–20 (\$2.0 million) and 2020–21 (\$1.5 million). This movement is reflected in Table 3.5.

##### Administered

Other revenue administered on behalf of government is projected to be \$78.8 million in 2019–20, 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**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>EXPENSES</b>  |  |                             |  |  |  |
| Employee benefits  | 45,853                                   | 50,054                      | 45,108                                   | 50,956                                   | 51,151                                   |
| Suppliers  | 30,299                                   | 28,376                      | 27,541                                   | 24,164                                   | 23,147                                   |
| Depreciation and amortisation (a)  | 6,626                                    | 6,117                       | 6,438                                    | 8,050                                    | 9,151                                    |
| <b>Total expenses</b>  | <b>82,778</b>                            | <b>84,547</b>               | <b>79,087</b>                            | <b>83,170</b>                            | <b>83,449</b>                            |
| <b>LESS:</b>   |  |                             |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |  |                             |  |  |  |
| <b>Own-source revenue</b>  |  |                             |  |  |  |
| Other  | 7,579                                    | 5,592                       | 1,105                                    | 448                                      | —  |
| <b>Total own-source revenue</b>  | <b>7,579</b>                             | <b>5,592</b>                | <b>1,105</b>                             | <b>448</b>                               | <b>—</b>                                 |
| <b>Gains</b>   |  |                             |  |  |  |
| Other  | 160                                      | 160                         | 160                                      | 160                                      | 160                                      |
| <b>Total gains</b>   | <b>160</b>                               | <b>160</b>                  | <b>160</b>                               | <b>160</b>                               | <b>160</b>                               |
| <b>Total own-source income</b>   | <b>7,739</b>                             | <b>5,752</b>                | <b>1,265</b>                             | <b>608</b>                               | <b>160</b>                               |
| <b>Net (cost of)/contribution by services</b>                                      | <b>(75,039)</b>                          | <b>(78,795)</b>             | <b>(77,822)</b>                          | <b>(82,562)</b>                          | <b>(83,289)</b>                          |
| Revenue from government  | 68,413                                   | 72,678                      | 71,384                                   | 74,512                                   | 74,138                                   |
| <b>Surplus/(deficit) attributable to the Australian Government</b>                 | <b>(6,626)</b>                           | <b>(6,117)</b>              | <b>(6,438)</b>                           | <b>(8,050)</b>                           | <b>(9,151)</b>                           |
| <b>OTHER COMPREHENSIVE INCOME</b>  |  |                             |  |  |  |
| Changes in asset revaluation surplus   | —  | —                           | —  | —  | —  |
| <b>Total other comprehensive income</b>  | <b>—</b>                                 | <b>—</b>                    | <b>—</b>                                 | <b>—</b>                                 | <b>—</b>                                 |
| <b>Total comprehensive income/(loss)</b>   | <b>(6,626)</b>                           | <b>(6,117)</b>              | <b>(6,438)</b>                           | <b>(8,050)</b>                           | <b>(9,151)</b>                           |
| <b>Total comprehensive income/(loss) attributable to the Australian Government</b> | <b>(6,626)</b>                           | <b>(6,117)</b>              | <b>(6,438)</b>                           | <b>(8,050)</b>                           | <b>(9,151)</b>                           |

**Note: Impact of net cash appropriation arrangements**

|  | 2018–19<br>\$'000 | 2019–20<br>\$'000 | 2020–21<br>\$'000 | 2021–22<br>\$'000 | 2022–23<br>\$'000 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b> | <b>—</b>          | <b>—</b>          | <b>—</b>          | <b>—</b>          | <b>—</b>          |
| Less depreciation/amortisation expenses previously funded through revenue appropriations (a)   | 6,626             | 6,117             | 6,438             | 8,050             | 9,151             |
| <b>Total comprehensive income/(loss) —as per the statement of comprehensive income</b>   | <b>(6,626)</b>    | <b>(6,117)</b>    | <b>(6,438)</b>    | <b>(8,050)</b>    | <b>(9,151)</b>    |

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)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>ASSETS</b>                          |  |                             |  |  |  |
| <b>Financial assets</b>                |  |                             |  |  |  |
| Cash and cash equivalents              | 1,859                                    | 1,859                       | 1,859                                    | 1,859                                    | 1,859                                    |
| Trade and other receivables            | 22,754                                   | 20,754                      | 19,254                                   | 19,254                                   | 19,254                                   |
| <b>Total financial assets</b>          | <b>24,613</b>                            | <b>22,613</b>               | <b>21,113</b>                            | <b>21,113</b>                            | <b>21,113</b>                            |
| <b>Non-financial assets</b>            |  |                             |  |  |  |
| Property, plant and equipment          | 9,285                                    | 7,362                       | 5,377                                    | 4,070                                    | 2,607                                    |
| Intangibles                            | 19,975                                   | 25,269                      | 31,912                                   | 30,527                                   | 25,965                                   |
| Other non-financial assets             | 2,172                                    | 2,172                       | 2,172                                    | 2,172                                    | 2,172                                    |
| <b>Total non-financial assets</b>      | <b>31,432</b>                            | <b>34,803</b>               | <b>39,461</b>                            | <b>36,769</b>                            | <b>30,744</b>                            |
| <b>Total assets</b>                    | <b>56,045</b>                            | <b>57,416</b>               | <b>60,574</b>                            | <b>57,882</b>                            | <b>51,857</b>                            |
| <b>LIABILITIES</b>                     |  |                             |  |  |  |
| <b>Payables</b>                        |  |                             |  |  |  |
| Suppliers                              | 9,448                                    | 9,448                       | 9,448                                    | 9,448                                    | 9,448                                    |
| Other payables                         | 1,789                                    | 1,789                       | 1,789                                    | 1,789                                    | 1,789                                    |
| <b>Total payables</b>                  | <b>11,237</b>                            | <b>11,237</b>               | <b>11,237</b>                            | <b>11,237</b>                            | <b>11,237</b>                            |
| <b>Provisions</b>                      |  |                             |  |  |  |
| Employee provisions                    | 10,385                                   | 10,385                      | 10,385                                   | 10,385                                   | 10,385                                   |
| Other provisions                       | 448                                      | 448                         | 448                                      | 448                                      | 448                                      |
| <b>Total provisions</b>                | <b>10,833</b>                            | <b>10,833</b>               | <b>10,833</b>                            | <b>10,833</b>                            | <b>10,833</b>                            |
| <b>Total liabilities</b>               | <b>22,070</b>                            | <b>22,070</b>               | <b>22,070</b>                            | <b>22,070</b>                            | <b>22,070</b>                            |
| <b>Net assets</b>                      | <b>33,975</b>                            | <b>35,346</b>               | <b>38,504</b>                            | <b>35,812</b>                            | <b>29,787</b>                            |
| <b>EQUITY (a)</b>                      |  |                             |  |  |  |
| <b>Parent entity interest</b>          |  |                             |  |  |  |
| Contributed equity                     | 97,440                                   | 104,928                     | 114,524                                  | 119,882                                  | 123,008                                  |
| Reserves                               | 2,932                                    | 2,932                       | 2,932                                    | 2,932                                    | 2,932                                    |
| Retained surplus (accumulated deficit) | (66,397)                                 | (72,514)                    | (78,952)                                 | (87,002)                                 | (96,153)                                 |
| <b>Total parent entity interest</b>    | <b>33,975</b>                            | <b>35,346</b>               | <b>38,504</b>                            | <b>35,812</b>                            | <b>29,787</b>                            |
| <b>Total equity</b>                    | <b>33,975</b>                            | <b>35,346</b>               | <b>38,504</b>                            | <b>35,812</b>                            | <b>29,787</b>                            |

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 2019–20)**

|  | Retained<br>earnings | Asset<br>revaluation<br>reserve | Other<br>reserves | Contributed<br>equity/<br>capital | Total<br>equity |
|--|----------------------|---------------------------------|-------------------|-----------------------------------|-----------------|
|  | \$'000               | \$'000                          | \$'000            | \$'000                            | \$'000          |
| <b>Opening balance as at 1 July 2019</b>                             |                      |                                 |                   |                                   |                 |
| Balance carried forward from<br>previous period                      | (66,397)             | 2,932                           | —                 | 97,440                            | 33,975          |
| <b>Adjusted opening balance</b>                                      | <b>(66,397)</b>      | <b>2,932</b>                    | <b>—</b>          | <b>97,440</b>                     | <b>33,975</b>   |
| <b>Comprehensive income</b>  |                      |                                 |                   |                                   |                 |
| Surplus/(deficit) for the period                                     | (6,117)              | —                               | —                 | —                                 | (6,117)         |
| <b>Total comprehensive income</b>                                    | <b>(6,117)</b>       | <b>—</b>                        | <b>—</b>          | <b>—</b>                          | <b>(6,117)</b>  |
| of which:  |                      |                                 |                   |                                   |                 |
| Attributable to the Australian<br>Government                         | (6,117)              | —                               | —                 | —                                 | (6,117)         |
| <b>Transactions with owners</b>                                      |                      |                                 |                   |                                   |                 |
| <b>Contributions by owners</b>                                       |                      |                                 |                   |                                   |                 |
| Equity injection—appropriation                                       | —                    | —                               | —                 | 4,439                             | 4,439           |
| Departmental capital budget (DCB)                                    | —                    | —                               | —                 | 3,049                             | 3,049           |
| <b>Sub-total transactions with<br/>owners</b>                        | <b>—</b>             | <b>—</b>                        | <b>—</b>          | <b>7,488</b>                      | <b>7,488</b>    |
| <b>Estimated closing balance as at<br/>30 June 2020</b>              | <b>(72,514)</b>      | <b>2,932</b>                    | <b>—</b>          | <b>104,928</b>                    | <b>35,346</b>   |
| <b>Closing balance attributable to<br/>the Australian Government</b> | <b>(72,514)</b>      | <b>2,932</b>                    | <b>—</b>          | <b>104,928</b>                    | <b>35,346</b>   |

Prepared on Australian Accounting Standards basis.

(a) The non-controlling interest disclosure is not required if an entity does not have non-controlling interests.

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

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Appropriations  | 66,119                                   | 72,678                      | 71,384                                   | 74,512                                   | 74,138                                   |
| Net GST received  | 2,200                                    | 2,200                       | 2,200                                    | 2,200                                    | 2,600                                    |
| Other   | 9,873                                    | 5,592                       | 1,105                                    | 448                                      | –  |
| <b>Total cash received</b>  | <b>78,192</b>                            | <b>80,470</b>               | <b>74,689</b>                            | <b>77,160</b>                            | <b>76,738</b>                            |
| <b>Cash used</b>  |  |                             |  |  |  |
| Employees   | 45,853                                   | 50,054                      | 45,108                                   | 50,956                                   | 51,151                                   |
| Suppliers   | 30,139                                   | 28,216                      | 27,381                                   | 24,004                                   | 22,987                                   |
| Net GST paid  | 2,200                                    | 2,200                       | 2,200                                    | 2,200                                    | 2,600                                    |
| <b>Total cash used</b>  | <b>78,192</b>                            | <b>80,470</b>               | <b>74,689</b>                            | <b>77,160</b>                            | <b>76,738</b>                            |
| <b>Net cash from/(used by) operating activities</b>                 | <b>–</b>                                 | <b>–</b>                    | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| <b>INVESTING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash used</b>  |  |                             |  |  |  |
| Purchase of property, plant and equipment and intangibles           | 8,846                                    | 9,488                       | 11,096                                   | 5,358                                    | 3,126                                    |
| <b>Total cash used</b>  | <b>8,846</b>                             | <b>9,488</b>                | <b>11,096</b>                            | <b>5,358</b>                             | <b>3,126</b>                             |
| <b>Net cash from/(used by) investing activities</b>                 | <b>(8,846)</b>                           | <b>(9,488)</b>              | <b>(11,096)</b>                          | <b>(5,358)</b>                           | <b>(3,126)</b>                           |
| <b>FINANCING ACTIVITIES</b>   |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Contributed equity  | 8,846                                    | 9,488                       | 11,096                                   | 5,358                                    | 3,126                                    |
| <b>Total cash received</b>  | <b>8,846</b>                             | <b>9,488</b>                | <b>11,096</b>                            | <b>5,358</b>                             | <b>3,126</b>                             |
| <b>Net cash from/(used by) financing activities</b>                 | <b>8,846</b>                             | <b>9,488</b>                | <b>11,096</b>                            | <b>5,358</b>                             | <b>3,126</b>                             |
| <b>Net increase/(decrease) in cash held</b>                         | <b>–</b>                                 | <b>–</b>                    | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |
| Cash and cash equivalents at the beginning of the reporting period  | 1,859                                    | 1,859                       | 1,859                                    | 1,859                                    | 1,859                                    |
| <b>Cash and cash equivalents at the end of the reporting period</b> | <b>1,859</b>                             | <b>1,859</b>                | <b>1,859</b>                             | <b>1,859</b>                             | <b>1,859</b>                             |

Prepared on Australian Accounting Standards basis.

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

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>NEW CAPITAL APPROPRIATIONS</b>  |  |                             |  |  |  |
| Capital budget—Bill 1 (DCB)  | 3,046                                    | 3,049                       | 3,075                                    | 3,102                                    | 3,126                                    |
| Equity injections—Bill 2   | 7,300                                    | 4,439                       | 6,521                                    | 2,256                                    | –  |
| <b>Total new capital appropriations</b>                                      | <b>10,346</b>                            | <b>7,488</b>                | <b>9,596</b>                             | <b>5,358</b>                             | <b>3,126</b>                             |
| <i>Provided for:</i>   |  |                             |  |  |  |
| Purchase of non-financial assets   | 10,346                                   | 7,488                       | 9,596                                    | 5,358                                    | 3,126                                    |
| <b>Total items</b>   | <b>10,346</b>                            | <b>7,488</b>                | <b>9,596</b>                             | <b>5,358</b>                             | <b>3,126</b>                             |
| <b>PURCHASE OF NON-FINANCIAL ASSETS</b>                                      |  |                             |  |  |  |
| Funded by capital appropriations (a)   | 5,238                                    | 6,439                       | 8,021                                    | 2,256                                    | –  |
| Funded by capital appropriation—DCB (b)                                      | 3,608                                    | 3,049                       | 3,075                                    | 3,102                                    | 3,126                                    |
| <b>TOTAL</b>   | <b>8,846</b>                             | <b>9,488</b>                | <b>11,096</b>                            | <b>5,358</b>                             | <b>3,126</b>                             |
| <b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b> |  |                             |  |  |  |
| Total purchases  | 8,846                                    | 9,488                       | 11,096                                   | 5,358                                    | 3,126                                    |
| <b>Total cash used to acquire assets</b>                                     | <b>8,846</b>                             | <b>9,488</b>                | <b>11,096</b>                            | <b>5,358</b>                             | <b>3,126</b>                             |

Prepared on Australian Accounting Standards basis.

(a) Includes both current Bill 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 2019–20)**

|   | Other<br>property,<br>plant and<br>equipment<br>\$'000 | Computer<br>software<br>and<br>intangibles<br>\$'000 | Total<br>\$'000 |
|---|--|--|-----------------|
| <b>As at 1 July 2019</b>                                      |  |  |                 |
| Gross book value  | 28,513   | 37,069   | 65,582          |
| Accumulated depreciation/<br>amortisation and impairment      | (19,228)   | (17,094)   | (36,322)        |
| <b>Opening net book balance</b>                               | <b>9,285</b>   | <b>19,975</b>  | <b>29,260</b>   |
| <b>Capital asset additions</b>                                |  |  |                 |
| <b>Estimated expenditure on new<br/>or replacement assets</b> |  |  |                 |
| By purchase—appropriation equity (a)                          | 360  | 6,079  | 6,439           |
| By purchase—appropriation<br>ordinary annual services (b)     | 1,216  | 1,833  | 3,049           |
| <b>Total additions</b>  | <b>1,576</b>   | <b>7,912</b>   | <b>9,488</b>    |
| <b>Other movements</b>  |  |  |                 |
| Depreciation/amortisation expense                             | (3,499)  | (2,618)  | (6,117)         |
| <b>Total other movements</b>                                  | <b>(3,499)</b>   | <b>(2,618)</b>                                       | <b>(6,117)</b>  |
| <b>As at 30 June 2020</b>                                     |  |  |                 |
| Gross book value  | 30,089   | 44,981   | 75,070          |
| Accumulated depreciation/<br>amortisation and impairment      | (22,727)   | (19,712)   | (42,439)        |
| <b>Closing net book balance</b>                               | <b>7,362</b>   | <b>25,269</b>  | <b>32,631</b>   |

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2019–20, including collection development acquisition budgets (CDABs).

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2019–20 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)**

|  | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|--|--|-----------------------------|--|--|--|
| <b>EXPENSES</b>  |  |                             |  |  |  |
| Total expenses administered on behalf of government                  | –  | –                           | –  | –  | –  |
| <b>LESS:</b>   |  |                             |  |  |  |
| <b>OWN-SOURCE INCOME</b>   |  |                             |  |  |  |
| <b>Non-taxation revenue</b>  |  |                             |  |  |  |
| Fees and fines   | 150                                      | 100                         | 100                                      | 100                                      | 100                                      |
| Other revenue  | 76,031                                   | 78,795                      | 77,821                                   | 82,562                                   | 83,289                                   |
| <b>Total non-taxation revenue</b>                                    | <b>76,181</b>                            | <b>78,895</b>               | <b>77,921</b>                            | <b>82,662</b>                            | <b>83,389</b>                            |
| <b>Total own-sourced income administered on behalf of government</b> | <b>76,181</b>                            | <b>78,895</b>               | <b>77,921</b>                            | <b>82,662</b>                            | <b>83,389</b>                            |
| <b>Net (cost of)/contribution by services</b>                        | <b>76,181</b>                            | <b>78,895</b>               | <b>77,921</b>                            | <b>82,662</b>                            | <b>83,389</b>                            |
| <b>Total comprehensive income/(loss)</b>                             | <b>76,181</b>                            | <b>78,895</b>               | <b>77,921</b>                            | <b>82,662</b>                            | <b>83,389</b>                            |

Prepared on Australian Accounting Standards basis.

**Table 3.8: Schedule of budgeted administered cash flows (for the period ended 30 June)**

|   | 2018–19<br>Estimated<br>actual<br>\$'000 | 2019–20<br>Budget<br>\$'000 | 2020–21<br>Forward<br>estimate<br>\$'000 | 2021–22<br>Forward<br>estimate<br>\$'000 | 2022–23<br>Forward<br>estimate<br>\$'000 |
|---|--|-----------------------------|--|--|--|
| <b>OPERATING ACTIVITIES</b>                                 |  |                             |  |  |  |
| <b>Cash received</b>  |  |                             |  |  |  |
| Fines   | 150                                      | 100                         | 100                                      | 100                                      | 100                                      |
| Other   | 776,032                                  | 78,795                      | 77,821                                   | 82,562                                   | 83,289                                   |
| <b>Total cash received</b>                                  | <b>776,182</b>                           | <b>78,895</b>               | <b>77,921</b>                            | <b>82,662</b>                            | <b>83,389</b>                            |
| <b>Net cash from/(used by) operating activities</b>         | <b>776,182</b>                           | <b>78,895</b>               | <b>77,921</b>                            | <b>82,662</b>                            | <b>83,389</b>                            |
| <b>Net increase/(decrease) in cash held</b>                 | <b>776,182</b>                           | <b>78,895</b>               | <b>77,921</b>                            | <b>82,662</b>                            | <b>83,389</b>                            |
| Cash and cash equivalents at beginning of reporting period  | –  | –                           | –  | –  | –  |
| Cash to Official Public Account for:                        |  |                             |  |  |  |
| - Transfers to other entities (Finance—whole-of-government) | (776,182)                                | (78,895)                    | (77,921)                                 | (82,662)                                 | (83,389)                                 |
| <i>Total cash to Official Public Account</i>                | <i>(776,182)</i>                         | <i>(78,895)</i>             | <i>(77,921)</i>                          | <i>(82,662)</i>                          | <i>(83,389)</i>                          |
| <b>Cash and cash equivalents at end of reporting period</b> | <b>–</b>                                 | <b>–</b>                    | <b>–</b>                                 | <b>–</b>                                 | <b>–</b>                                 |

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 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 2019–20 is the Budget year, 2020–21 is forward year 1, 2021–22 is forward year 2 and 2022–23 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 PGPA Act 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 PGPA Act) or through an Act of Parliament (referred to in s80 of the PGPA Act).

**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.



