

Department of the Treasury

Entity resources and planned performance

Department of the Treasury

Section 1: Entity overview and resources	15
1.1 Strategic direction statement.....	15
1.2 Entity resource statement.....	16
1.3 Budget measures	19
Section 2: Outcomes and planned performance	25
2.1 Budgeted expenses and performance for Outcome 1.....	26
Section 3: Budgeted financial statements	45
3.1 Budgeted financial statements	45
3.2 Budgeted financial statements tables.....	46

Department of the Treasury

Section 1: Entity overview and resources

1.1 Strategic direction statement

Treasury is the Government's lead economic adviser. Treasury's purpose is to provide advice to the Government and implement policies and programs to achieve strong and sustainable economic and fiscal outcomes for Australians.

Our work includes promoting a sound economic environment, effective Government spending arrangements and regulations, well-functioning markets to serve consumers and investors, sustainable taxation and revenue arrangements, and housing outcomes that support productivity and wellbeing.

The Treasury achieves this through providing policy advice, analysis and the delivery of economic policies and programs, including legislation, administrative payments and our regulatory functions, which support the effective management of the Australian economy.

Our priorities to achieve this over 2022–23 include:

- continuing to support Australia's recovery from COVID-19
- delivering the October 2022–23 Budget, the 2023–24 Budget and any other economic updates required by Government
- promoting a stronger, more sustainable tax system in line with Government priorities
- developing a climate modelling capability to examine how climate change is affecting the Australian economy
- delivering the Government's Jobs and Skills Summit and Employment White Paper
- ensuring payments to international financial institutions and the States and Territories are timely and accurate
- ensuring effective implementation of Australia's foreign investment regulatory framework
- designing and delivering policies and programs to support the Government's housing reform agenda, including supporting access to affordable housing and home ownership
- strengthening Australia's financial system and promoting sound corporate and consumer regulation in line with Government priorities
- delivering measures focused on supporting small to medium business, the digital economy and reducing the regulatory burden on business
- increasing choice, control, transparency and competition for Australia's consumers
- continuing to improve our governance across the Treasury portfolio.

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), by administered (on behalf of the Government or the public) and by departmental (for the entity's operations) classification.

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

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

Table 1.1: Department of the Treasury resource statement – Budget estimates for 2022–23 as at October Budget 2022

	2021-22 <i>Estimated actual \$'000</i>	2022-23 Estimate \$'000
Departmental		
Annual appropriations – ordinary annual services (a)		
Prior year appropriations available (b)	84,138	108,488
Departmental appropriation (c)	327,168	344,199
s74 External Revenue (d)	8,484	11,023
Departmental capital budget (e)	10,262	3,480
Annual appropriations – other services – non-operating (f)		
Equity injection	301	303
Total departmental annual appropriations	430,353	467,493
Total departmental resourcing	430,353	467,493
Administered		
Annual appropriations – ordinary annual services (a)		
Outcome 1	98,976	37,277
Payments to corporate entities (g)	39,939	43,899
Annual appropriations – other services – non-operating (f)		
Administered assets and liabilities	165,000	171,153
Total administered annual appropriations	303,915	252,329
Total administered special appropriations	110,249,972	119,573,997
Special accounts (h)		
Opening balance	797,269	1,165,521
Non-appropriation receipts	2,610,870	2,386,691
Adjustments	67,749,510	69,392,368
Total special account receipts	71,157,649	72,944,580
<i>less payments to corporate entities from annual/special appropriations</i>	<i>(39,939)</i>	<i>(43,899)</i>
Total administered resourcing	181,671,597	192,727,007
Total resourcing for Treasury	182,101,950	193,194,500
	2021-22	2022-23
Average staffing level (number)	1,341	1,438

Third party payments from and on behalf of other entities

	2021-22 <i>Estimated actual</i> \$'000	2022-23 Estimate \$'000
Payments made on behalf of another entity (as disclosed in the respective entity's resource statement)	1,436,256	2,114,196
Payments made to corporate entities within the Portfolio		
National Housing Finance and Investment Corporation	39,939	43,899

All figures shown above are GST exclusive – these may not match figures in the cash flow statement.
Prepared on a resourcing (that is, appropriations available) basis.

- a) Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1) 2022–23*.
- b) Excludes \$0.8m subject to administrative quarantine by Finance or withheld under section 51 of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.
- c) Excludes departmental capital budget (DCB).
- d) Estimated External Revenue receipts under section 74 of the *PGPA Act*.
- e) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- f) Appropriation Bill (No. 2) 2022–23
- g) Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the *PGPA Act*.
- h) Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to the *October Budget Paper No. 4 – Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

1.3 Budget measures

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

Table 1.2: Treasury October 2022–23 Budget measures
Part 1: Measures announced since the 2022–23 March Budget

Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Payment measures					
A Better Plan for Forestry and Forest Products Administered payments	1.9	–	–	–	–
Additional Assistance to Ukraine Administered payments	1.4	–	–	–	–
An Ambitious and Enduring APS Reform Plan (a) Departmental payments	1.1	–	(114)	(275)	(303)
Attorney-General's Portfolio – savings Administered payments	1.9	–	(4,424)	(4,495)	–
Bentley Surgicentre Administered payments	1.9	–	–	600	15,000
Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks Administered payments	1.9	–	–	–	–
Building a Better Future through considered Infrastructure Investment Administered payments	1.9	–	(2,880,822)	(4,657,903)	(1,361,194)
Comprehensive Cancer Centres Administered payments	1.9	–	22,000	28,000	95,000
				103,500	

Part 1: Measures announced since the 2022–23 March Budget (continued)

		2021-22	2022-23	2023-24	2024-25	2025-26
	Program	\$'000	\$'000	\$'000	\$'000	\$'000
Contributions to the International Monetary Fund's Poverty Reduction and Growth Trust and Resilience and Sustainability Trust	1.1, 1.2					
Administered payments		–	295	598	598	598
Departmental payments		–	(295)	(598)	(598)	(598)
COVID-19 Package – hospitals and emergency response	1.9					
Administered payments		–	759,905	–	–	–
COVID-19 Package – vaccines and treatments	1.9					
Administered payments		–	16,064	–	–	–
Disaster Support	1.9					
Administered payments		–	47,190	–	–	–
Enhancing the Pacific Australia Labour Mobility Scheme	1.4					
Administered payments		–	–	–	–	–
Expanding Newborn Screening – world-class newborn bloodspot screening programs	1.9					
Administered payments		–	4,947	6,315	6,366	7,691
Extend ATO Compliance Programs – Shadow Economy Program	1.4					
Administered payments		–	–	87,300	153,700	201,300
First Nations Justice	1.9					
Administered payments		–	2,700	5,400	5,400	–
Fixing the Aged Care Crisis	1.9					
Administered payments		–	1,396	–	–	–
Flinders Medical Centre	1.9					
Administered payments		–	3,000	7,500	20,000	50,000

Part 1: Measures announced since the 2022–23 March Budget (continued)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Funding for Community Legal Centres in Flood and Bushfire Affected Areas	1.9					
Administered payments		–	3,000	3,000	3,000	3,000
Government Spending Audit – National Water Grid Fund – responsible investment	1.9					
Administered payments		–	(369,957)	(279,500)	(430,000)	(593,500)
Improving Primary Care in Rural and Regional Australia	1.9					
Administered payments		–	5,000	7,400	5,400	5,400
Indirect Tax Concession Scheme – diplomatic and consular concessions	1.4					
Administered payments		–	–	–	–	–
Investing in Australia's Indigenous Culture and World Heritage	1.9					
Administered payments		–	2,455	775	790	560
Marine Parks Management	1.9					
Administered payments		–	172	400	850	850
Migration Program – 2022-23 planning levels	1.4					
Administered payments		–	5,000	30,000	50,000	50,000
Murray-Darling Basin – compliance and science	1.9					
Administered payments		–	–	6,000	6,000	6,000
Murray-Darling Basin – delivering on water commitments (b)	1.9					
Administered payments		–	nfp	–	–	–
National Water Grid – delivering commitments	1.9					
Administered payments		–	28,500	78,000	77,850	73,750

Part 1: Measures announced since the 2022–23 March Budget (continued)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Outcomes of the Jobs and Skills Summit (c)	1.1					
Departmental payments		–	4,387	295	–	–
Pacific Engagement Visa	1.4					
Administered payments		–	–	–	5,000	5,000
Pacific Security and Engagement Initiatives	1.4					
Administered payments		–	–	–	–	–
Powering Australia – Electric Car Discount	1.4					
Administered payments		–	(5,000)	(10,000)	(20,000)	(30,000)
Powering Australia – Solar Banks	1.9					
Administered payments		–	–	50,500	50,500	–
Providing certainty on unlegislated tax and superannuation measures announced by the previous government	1.4					
Administered payments		–	(4,100)	–	–	–
Radiation Therapy Centre and Birthing Unit and Maternity Ward	1.9					
Administered payments		–	4,700	880	880	–
Reef 2050 Long-term Sustainability Plan – implementation	1.9					
Administered payments		–	–	4,300	22,100	22,600
Responsible Investment to Grow Our Regions	1.9					
Administered payments		–	6,000	10,000	46,000	46,000
Restoring Funding for Homelands	1.9					
Administered payments		–	25,000	75,000	–	–
Restoring Treasury's Capability on Climate Risks and Opportunities – modelling and reporting standards	1.1					
Departmental payments		–	8,845	9,402	8,501	8,332
Rural and Regional Health	1.9					
Administered payments		–	–	–	–	5,426

Part 1: Measures announced since the 2022–23 March Budget (continued)

	Program	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Safer and More Affordable Housing	1.1					
Administered payments		–	32,099	603,576	673,268	741,825
Departmental payments		–	5,718	5,691	5,575	5,623
Saving Native Species	1.9					
Administered payments		–	4,200	8,200	6,200	6,200
Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses (d)	1.1					
Departmental payments		–	(6,917)	–	–	–
Schools Upgrade Fund	1.9					
Administered payments		–	–	215,000	–	–
Scotdesco – water security feasibility study	1.9					
Administered payments		–	250	250	–	–
Strengthening Women’s Health During Pregnancy – stillbirth autopsies	1.9					
Administered payments		–	–	–	–	–
Supporting Small Business Owners	1.1, 1.3					
Administered payments		–	(5,052)	6,672	2,977	(750)
Departmental payments		–	4	174	65	–
Supporting the Supply of Australian Gas	1.9					
Administered payments		–	(15,000)	(15,000)	–	–
Tax Practitioners Board – compliance program to enhance tax system integrity	1.4					
Administered payments		–	–	1,400	3,100	5,500
Treasury – additional funding	1.1					
Departmental payments		–	2,071	–	–	–
Urban Rivers and Catchments Program	1.9					
Administered payments		–	5,000	13,200	22,750	22,750
Urgent Care Clinics	1.9					
Administered payments		–	50,000	50,000	–	–

Part 1: Measures announced since the 2022–23 March Budget (continued)

		2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000
Vocational Education – fee-free TAFE and TAFE Technology Fund	1.9					
Administered payments		–	350,536	216,915	134,240	136,603
Water for Australia Plan	1.9					
Administered payments		–	(8,024)	8,024	–	–
Women's Safety	1.9					
Administered payments		–	3,000	3,250	250	(750)
Women's Safety – 500 community workers	1.9					
Administered payments		–	18,195	39,899	52,428	54,460
Youpla Group Funeral Benefit Program – establishment	1.1					
Administered payments		–	3,758	952	–	–
Departmental payments		–	1,817	662	–	–
Total		–	(1,872,501)	(3,382,241)	(338,307)	4,753,239
Total payment measures						
Administered		–	(1,888,017)	(3,397,592)	(351,547)	4,739,882
Departmental		–	15,516	15,351	13,240	13,357
Total		–	(1,872,501)	(3,382,241)	(338,307)	4,753,239

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

Note: Full description and package details for most measures under Program 1.9: National Partnership to the States appear in Budget Paper No. 2, *Budget Measures 2022–23*, under other portfolios. Measures included in the Pre-election Economic and Fiscal Outlook 2022 can be found in that document.

- The lead entity for measure An Ambitious and Enduring APS Reform Plan is the Department of Prime Minister and Cabinet. The full measure description and package details appear in Budget Paper No. 2, *Budget Measures 2022–23*, under the Prime Minister and Cabinet portfolio.
- The financial implications for this measure are not for publication (nfp) due to commercial sensitivities.
- The measure Outcomes of the Jobs and Skills Summit is a cross-portfolio measure. The full measure description and package details appear in Budget Paper No. 2, *Budget Measures 2022–23*, under Cross Portfolio measures.
- The measure Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses is a cross-portfolio measure. The full measure description and package details appear in Budget Paper No. 2, *Budget Measures 2022–23*, under Cross Portfolio measures.

Section 2: Outcomes and planned performance

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

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

Note:

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

The most recent corporate plan for Treasury can be found at:
(<https://corporate-plan.treasury.gov.au>).

The most recent annual performance statement can be found at:
(<https://treasury.gov.au/publication>).

2.1 Budgeted expenses and performance for Outcome 1

Outcome 1: Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury’s functions.

Linked programs

Attorney-General’s Department
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Attorney-General’s Department Operating Expenses – Legal Services and Families • Program 1.4 – Justice Services
Australian Trade and Investment Commission
<p>Program</p> <ul style="list-style-type: none"> • Program 1.2 – Programs to promote Australia’s export and other international economic interests
Department of Agriculture, Fisheries and Forestry
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – Sustainable Management – Natural Resources • Program 1.3 – Forestry Industry • Program 1.4 – Fishing Industry • Program 1.10 – Agricultural Resources • Program 1.11 – Drought Programs • Program 2.1 – Biosecurity and Export Services • Program 2.2 – Plant and Animal Health
Department of Climate Change, Energy, the Environment and Water
<p>Programs</p> <ul style="list-style-type: none"> • Program 2.1 – Sustainable Management of Natural Resources and the Environment • Program 2.4 – Conservation of Australia’s Heritage and Environment • Program 2.5 – Environmental Regulation • Program 2.6 – Management of Hazardous Wastes, Substances and Pollutants • Program 4.1 – Water Reform

Linked programs (continued)

Department of Education
<p>Program</p> <ul style="list-style-type: none"> • Program 1.5 – Early Learning and Schools Support
Department of Employment and Workplace Relations
<p>Program</p> <ul style="list-style-type: none"> • Program 3.1 – Building Skills and Capability
Department of Finance
<p>Program</p> <ul style="list-style-type: none"> • Program 2.4 – Insurance and Risk Management
Department of Health
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Health Research, Coordination and Access • Program 1.2 – Mental Health • Program 1.3 – Aboriginal and Torres Strait Islander Health • Program 1.5 – Preventative Health and Chronic Disease Support • Program 1.6 – Primary Health Care Quality and Coordination • Program 1.8 – Health Protection, Emergency Response and Regulation • Program 1.9 – Immunisation • Program 2.5 – Dental Services • Program 3.2 – Aged Care Services • Program 3.3 – Aged Care Quality • Program 4.1 – Sport and Recreation
Department of Home Affairs
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.2 – National Security and Resilience • Program 1.4 – Counter-Terrorism • Program 1.6 – Emergency Management

Linked programs (continued)

Department of Industry, Science and Resources
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.3 – Supporting a strong resources sector • Program 2.1 – Reducing Australia’s greenhouse gas emissions • Program 3.1 – Supporting reliable, secure and affordable energy
Department of Infrastructure, Transport, Regional Development and Communications and the Arts
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Infrastructure Investment • Program 3.1 – Regional Development • Program 3.3 – Cities • Program 5.1 – Digital Technologies and Communications Services
Department of the Prime Minister and Cabinet
<p>Program</p> <ul style="list-style-type: none"> • Program 1.1 – Prime Minister and Cabinet
Department of Social Services
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.5 – Working Age Payments • Program 2.1 – Families and Communities • Program 3.2 – National Disability Insurance Scheme • Program 4.1 – Housing and Homelessness
Department of Veterans’ Affairs
<p>Program</p> <ul style="list-style-type: none"> • Program 2.4 – Veterans’ Community Care and Support

Linked programs (continued)

National Emergency Management Agency
<p>Program</p> <ul style="list-style-type: none"> • Program 1.3 – Australian Government Resilience, Preparedness and Disaster Risk Reduction Support
National Indigenous Australians Agency
<p>Programs</p> <ul style="list-style-type: none"> • Program 1.1 – Jobs, Land and the Economy • Program 1.2 – Children and Schooling • Program 1.3 – Safety and Wellbeing • Program 1.4 – Culture and Capability • Program 1.5 – Remote Australia Strategies
<p>Contribution to Outcome 1 made by linked programs</p> <p>Treasury Outcome 1 contributes to the above programs by making payments to the states and territories under National Partnership agreements, National Specific Purpose Payments (SPP) and bilateral agreements that support the delivery of the programs.</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.

Detailed information about general revenue assistance (Program 1.4) and payments for specific purposes (Programs 1.5, 1.6, 1.7, 1.8 and 1.9) can be found in Budget Paper No. 3, *Federal Financial Relations 2022–23*.

Table 2.1.1: Budgeted expenses for Outcome 1

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.1: Department of the Treasury					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	24,010	8,359	50,418	12,612	12,476
Special accounts					
Medicare Guarantee Fund – Special Account	44,867,877	48,284,209	48,534,068	50,412,906	52,304,307
Payments to corporate entities					
National Housing Finance and Investment Corporation	39,939	43,899	5,109	5,165	4,498
Expenses not requiring appropriation in the Budget year (b)	18,301	49,278	26,739	16,629	15,981
Administered total	44,950,127	48,385,745	48,616,334	50,447,312	52,337,262
Departmental expenses					
Departmental appropriation	315,657	337,605	288,593	265,624	259,471
s74 External Revenue (a)	11,963	15,156	15,156	15,156	15,156
Expenses not requiring appropriation in the Budget year (b)	23,601	13,957	13,931	13,703	13,703
Departmental total	351,221	366,718	317,680	294,483	288,330
Total expenses for program 1.1	45,301,348	48,752,463	48,934,014	50,741,795	52,625,592

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.2: Payments to International Financial Institutions					
Administered expenses					
Special appropriations					
<i>International Monetary Agreements Act 1947</i>	37,357	338,882	370,945	370,774	370,775
Expenses not requiring appropriation in the Budget year (b)	753,836	901,492	-	-	-
Administered total	791,193	1,240,374	370,945	370,774	370,775
Total expenses for program 1.2	791,193	1,240,374	370,945	370,774	370,775
Program 1.3: Support for Markets and Business					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	33,174	28,703	15,490	11,668	7,941
Expenses not requiring appropriation in the Budget year (b)	254,523	24,383	23,055	21,157	17,580
Administered total	287,697	53,086	38,545	32,825	25,521
Total expenses for program 1.3	287,697	53,086	38,545	32,825	25,521
Program 1.4: General Revenue Assistance					
Administered expenses					
Special appropriations					
<i>Federal Financial Relations Act 2009</i>	74,338,522	87,002,406	90,322,538	93,528,967	95,639,725
Special accounts					
COAG Reform Fund	3,192,136	1,449,089	1,225,353	1,033,422	787,431
Administered total	77,530,658	88,451,495	91,547,891	94,562,389	96,427,156
Total expenses for program 1.4	77,530,658	88,451,495	91,547,891	94,562,389	96,427,156

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.5: Assistance to the States for Healthcare Services and Public Hospitals					
Administered expenses					
Special appropriations					
<i>Federal Financial Relations Act 2009</i>	24,059,543	26,546,733	28,325,267	30,030,318	31,982,470
Special accounts					
COAG Reform Fund	170,308	28,018	-	-	-
Administered total	24,229,851	26,574,751	28,325,267	30,030,318	31,982,470
Total expenses for program 1.5	24,229,851	26,574,751	28,325,267	30,030,318	31,982,470
Program 1.6: Assistance to the States for Skills and Workforce Development					
Administered expenses					
Special appropriations					
<i>Federal Financial Relations Act 2009</i>	1,577,500	1,607,788	1,661,086	1,694,391	1,724,212
Administered total	1,577,500	1,607,788	1,661,086	1,694,391	1,724,212
Total expenses for program 1.6	1,577,500	1,607,788	1,661,086	1,694,391	1,724,212
Program 1.7: Assistance to the States for Disability Services					
Administered expenses					
Special appropriations					
<i>Federal Financial Relations Act 2009</i>	-	-	-	-	-
Administered total	-	-	-	-	-
Total expenses for program 1.7	-	-	-	-	-
Program 1.8: Assistance to the States for Affordable Housing					
Administered expenses					
Special appropriations					
<i>Federal Financial Relations Act 2009</i>	1,616,172	1,646,057	1,630,251	1,661,226	1,689,467
Administered total	1,616,172	1,646,057	1,630,251	1,661,226	1,689,467
Total expenses for program 1.8	1,616,172	1,646,057	1,630,251	1,661,226	1,689,467

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Program 1.9: National Partnership Payments to the States					
Administered expenses					
Special appropriations					
<i>Federal Financial Relations Act 2009</i>	5,817,903	1,820,138	-	-	-
Special accounts					
COAG Reform Fund	23,278,850	20,123,082	18,922,458	17,168,636	15,093,278
Expenses not requiring appropriation in the Budget year (b)	1,013,299	737,968	99,904	50,312	5,437
Administered total	30,110,052	22,681,188	19,022,362	17,218,948	15,098,715
Total expenses for program 1.9	30,110,052	22,681,188	19,022,362	17,218,948	15,098,715
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	57,184	37,062	65,908	24,280	20,417
Special appropriations	107,446,997	118,962,004	122,310,087	127,285,677	131,406,649
Special accounts	71,509,171	69,884,398	68,681,879	68,614,964	68,185,016
Payments to corporate entities	39,939	43,899	5,109	5,165	4,498
Expenses not requiring appropriation in the Budget year (b)	2,039,959	1,713,121	149,698	88,097	38,998
Administered total	181,093,250	190,640,484	191,212,681	196,018,183	199,655,578
Departmental expenses					
Departmental appropriation	315,657	337,605	288,593	265,624	259,471
s74 External Revenue (a)	11,963	15,156	15,156	15,156	15,156
Expenses not requiring appropriation in the Budget year (b)	23,601	13,957	13,931	13,703	13,703
Departmental total	351,221	366,718	317,680	294,483	288,330
Total expenses for Outcome 1	181,444,471	191,007,202	191,530,361	196,312,666	199,943,908

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Movement of administered funds between years (c)					
Outcome 1:					
Program 1.1: Department of the Treasury	-	(19,271)	12,371	(86)	1,627
Program 1.3: Support for Markets and Business	-	505	-	-	-
Program 1.9: National Partnership Payments to the States	-	329,618	799,856	452,822	(36,520)
Total movement of administered funds	-	310,852	812,227	452,736	(34,893)

	2021-22	2022-23
Average staffing level (number)	1,341	1,438

- 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 and amortisation expenses, claims against guarantee provisions, foreign exchange losses, revaluation of grants provisions and unwinding of present value discounts.
- c) Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

Table 2.1.2: Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current Corporate Plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury’s functions.		
Program 1.1 – Department of the Treasury		
The objective of this program is to support Ministers to effectively manage the Australian economy by:		
<ul style="list-style-type: none"> • providing analysis to promote a sound macroeconomic environment • promoting effective Government spending arrangements that contribute to overall fiscal outcomes, influence strong sustainable economic growth and improve social inclusion and wellbeing • developing effective taxation and retirement income arrangements consistent with the Government’s reform priorities • developing well-functioning markets that support business, investor and consumer confidence. 		
Key Activities (a)	<p>A strong and sustainable economic and fiscal environment:</p> <ul style="list-style-type: none"> • Activity 1 Provide informed, influential and impactful policy advice and analysis • Activity 2 Ensure effective Government spending arrangements. <p>Effective Government policies, programs and regulation:</p> <ul style="list-style-type: none"> • Activity 3 Effective markets, financial and taxation systems, and program delivery associated with the Government’s economic priorities • Activity 4 Deliver the Government’s legislative agenda associated with the Treasury portfolio • Activity 5 Administer Treasury’s regulator functions. 	
Year	Performance measures	Actual Performance Results (b)
Prior Year 2021–22	Percentage of feedback from Treasury ministers, key government entities and stakeholders that indicate our advice was impactful.	Target: Baseline established Result: Baseline has been established at 80% Treasury achieved an effectiveness result ¹ of 95% from Treasury ministers or their chiefs of staff and 85% from key stakeholders.
	Quality of engagements or consultations with stakeholders to inform policy advice and analysis.	Target: Baseline established Result: Baseline has been established at 70% Treasury achieved an effectiveness result of 77% for the quality of engagement or consultation from stakeholders.

1 The effectiveness result is survey respondents’ rating of Treasury against set questions as an indicator of effectiveness. The performance result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Actual Performance Results (b)
Prior Year 2021–22 (continued)	Forecasting activities are based on best practice and deliver outcomes that inform our economic policy advice.	Target: Positive assessment and identified areas for improvement are actioned Result: Population forecasting: Substantially achieved Macroeconomic forecasting: Substantially achieved Revenue forecasting: Substantially achieved Substantially achieved means Treasury's forecasting activities were based on best practice and most areas for improvement were actioned.
	Delivered within the required timeframes in line with the Charter of Budget Honesty.	Target: 100% Result: Achieved All 4 deliverables (100%) were released within the timeframes as required under the <i>Charter of Budget Honesty Act 1998</i> .
	Treasury ministers confirm that our program delivery is timely and in line with the Government's economic priorities.	Target: Delivery is aligned to Government priorities Result: Achieved Treasury achieved an effectiveness result ² of 100% from Treasury ministers or their chiefs of staff who confirmed that our program delivery is timely and in line with the Government's economic priorities.
	Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the number actually delivered.	Target: 90% Result: Achieved Treasury delivered an average of 94% of measures committed for delivery across the sitting periods.
	Percentage of key stakeholders agree that regulator activities are responsive to the environment and builds trust.	Target: 70% Result: Foreign Investment Review Framework: Not achieved Payment Times Reporting Scheme: Not achieved Treasury achieved an effectiveness result of 42% from stakeholders surveyed.

2 The effectiveness result is survey respondents' rating of Treasury against set questions as an indicator of effectiveness. The performance result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Actual Performance Results (b)
Prior Year 2021–22 (continued)	Percentage of key stakeholders agree that regulatory activities are risk based and data driven.	Target: 70% Result: Foreign Investment Review Framework: Not achieved Treasury achieved an effectiveness result of 32% from stakeholders surveyed. Payment Times Reporting Scheme: Not achieved Treasury achieved an effectiveness result of 25% from stakeholders surveyed.
	Percentage of key stakeholders who have a high level of satisfaction with regulator services, engagement and consultation.	Target: 70% Result: Foreign Investment Review Framework: Partially achieved Treasury achieved an effectiveness result of 62% from stakeholders surveyed. Payment Times Reporting Scheme: Achieved Treasury achieved an effectiveness result of 71% from stakeholders surveyed.
	Proportion of clients that are satisfied with the delivery of specialist services and advice.	Target: 80% Result: Australian Government Actuary: Achieved Australian Government Actuary achieved a client satisfaction result ³ of 96%. Infrastructure and Project Financing Authority (known as Infrastructure and Commercial Advisory): Substantially achieved Infrastructure and Commercial Advisory achieved a client satisfaction result of 77%.
Year	Performance measures (c)	Planned Performance Results
Budget Year 2022–23	<i>Proportion of Treasury ministers, key government entities and stakeholders that rate Treasury advice highly.</i>	<i>Target: 80%</i> <i>An end of cycle stakeholder feedback survey and structured interviews will be conducted with Treasury ministers or their delegate at the end of the period to assess this performance measure for reporting in the 2022–23 Annual Performance Statements.</i> <i>Expected to be achieved.</i>
	<i>Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.</i>	<i>Target: Real GDP falls within 70% confidence interval of forecast real GDP.</i> <i>Expected to be achieved.</i>

3 The client satisfaction result is survey respondents' rating of Treasury against set questions as an indicator of satisfaction. The client satisfaction result is calculated as an average of the percentage of survey respondents who provided ratings of 4 (agree) or 5 (strongly agree) on a 5-point scale for applicable question items.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned Performance Results
Budget Year 2022–23 (continued)	<i>Variance between actual Total Tax Receipts (excluding Company Tax) and forecast.</i>	<i>Target: Total Tax Receipts (excluding company tax) for 2022–23 falls within 70% confidence interval of forecast at the 2022–23 Budget. Expected to be achieved.</i>
	<i>Delivered in line with the requirements of the Charter of Budget Honesty Act 1998.</i>	<i>Target: 100% Expected to be achieved.</i>
	<i>No disorderly failures of prudentially regulated institutions.</i>	<i>Target: No disorderly failures of prudentially regulated institutions. Expected to be achieved.</i>
	<i>Treasury contributes to the development of the Organisation for Economic Co-operation and Development Inclusive Framework on Base Erosion and Profit Shifting Action 1.</i>	<i>Target: Contribution to delivery of Organisation for Economic Co-operation and Development Inclusive Framework on Base Erosion and Profit Shifting Action 1 Pillars One and Two. Expected to be achieved.</i>
	<i>Proportion of Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.</i>	<i>Target: 70% An end of cycle stakeholder feedback survey and structured interviews will be conducted with Treasury ministers or their delegate at the end of the period to assess this performance measure for reporting in the 2022–23 Annual Performance Statements. Expected to be achieved.</i>
	<i>Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the actual number delivered.</i>	<i>Target: 90% Expected to be achieved.</i>
	<i>Proportion of stakeholders that report a high level of satisfaction regarding:</i> <ul style="list-style-type: none"> • <i>the clarity, transparency, and consistent application of Treasury’s regulatory frameworks (Regulator Performance Guide (RPG) Principle 1)</i> • <i>risk-based, data driven decision making (RPG Principle 2)</i> • <i>Treasury’s responsive communication and collaboration (RPG Principle 3)</i> 	<i>Target: 65% An end of cycle stakeholder feedback survey will be conducted to assess this performance measure for reporting in the 2022–23 Annual Performance Statements. Expected to be achieved.</i>
Forward Estimates 2023–26	<i>Proportion of Treasury ministers, key government entities and stakeholders that rate Treasury advice highly.</i>	<i>Target: 85%</i>
	<i>Variance between actual real Gross Domestic Product (GDP) and forecast real GDP.</i>	<i>As per 2022–23</i>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures	Planned Performance Results
Forward Estimates 2023–26 (continued)	<i>Variance between actual Total Tax Receipts (excluding Company Tax) and forecast.</i>	As per 2022–23
	Delivered in line with the requirements of the <i>Charter of Budget Honesty Act 1998</i> .	As per 2022–23
	<i>No disorderly failures of prudentially regulated institutions.</i>	As per 2022–23
	<i>Treasury contributes to the development of the Organisation for Economic Co-operation and Development Inclusive Framework on Base Erosion and Profit Shifting Action 1.</i>	Target: Target to be determined following Australia's development of implementation plans for Pillars One and Two.
	<i>Proportion of Treasury ministers, Treasury portfolio agencies and regulators, and key stakeholders that highly rate working with the Treasury.</i>	2023–24 Target: 75% 2024–26 Target: 80%
	Proportion of legislative measures committed for delivery at the beginning of a parliamentary sitting period, adjusted for any Government reprioritisation of legislative measures during the sitting period, and compared to the actual number delivered.	As per 2022–23
	<i>Proportion of stakeholders that report a high level of satisfaction regarding:</i> <ul style="list-style-type: none"> • <i>the clarity, transparency, and consistent application of Treasury's regulatory frameworks (Regulator Performance Guide (RPG) Principle 1)</i> • <i>risk-based, data driven decision making (RPG Principle 2)</i> • <i>Treasury's responsive communication and collaboration (RPG Principle 3)</i> 	Target: 70%
Material changes to Program 1.1 resulting from 2022–23 Budget Measures: Nil		

- a) Refers to updated key activities that are reflected in the 2022–23 *Corporate Plan* as shown.
- b) The details of Treasury's performance results for 2021–22 are reported in the Annual Performance Statements in the *Annual Report 2021–22*.
- c) Refers to updated performance measures that are reflected in the 2022–23 *Corporate Plan* as shown in *italics*.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Outcome 1 – Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury’s functions.		
Program 1.2 – Payments to International Financial Institutions The objective of this program is to make payments to international financial institutions on behalf of Government to: <ul style="list-style-type: none"> • promote international monetary cooperation • promote stability of the international financial system and orderly exchange arrangements • foster economic growth and high levels of employment • provide temporary financial assistance to countries to help ease balance of payments adjustments • facilitate the achievement of Government objectives in international forums, including support for development objectives and improved infrastructure in the Asian region • support multilateral debt relief. 		
Key Activities	A strong and sustainable economic and fiscal environment: <ul style="list-style-type: none"> • Activity 2: Ensure effective Government spending arrangements. 	
Year	Performance measures	Actual Performance Results (a)
Prior Year 2021–22	Percentage of payments administered within agreed requirements and timeframes.	Target: 100% Result: Achieved Twenty one payments (100%) were administered to international financial institutions within agreed requirements and timeframes.
Year	Performance measures (b)	Planned Performance Results
Budget Year 2022–23	<i>Proportion of payments to international financial institutions are transferred within legislated requirements and agreements.</i>	<i>Target: 100%</i> <i>Expected to be achieved.</i>
Forward Estimates 2023–26	<i>As per 2022–23</i>	<i>As per 2022–23</i>
Material changes to Program 1.2 resulting from 2022–23 Budget Measures: Nil		

- a) The details of Treasury’s performance results for 2021–22 are reported in the Annual Performance Statements in the *Annual Report 2021–22*.
- b) Refers to updated performance measures that are reflected in the *Corporate Plan 2022–23* as shown in *italics*.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Outcome 1 – Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury’s functions.		
Program 1.3 – Support for Markets and Business (a) The objective of this program is to support economic competition and markets and small to medium businesses.		
Key Activities (b)	Effective Government policies, programs and regulation: <ul style="list-style-type: none"> • Activity 3: Effective markets, financial and taxation systems, and program delivery associated with the Government’s economic priorities • Activity 5: Administer Treasury’s regulator functions 	
Year	Performance measures	Actual Performance Results (c) (d)
Prior year 2021–22	Percentage of payments administered within agreed requirements and timeframes.	Target: 100% Result: Substantially achieved Twenty Commonwealth Grant Agreements payments (100%) were administered within agreed requirements. Eighteen Commonwealth Grant Agreements payments (90%) were administered within agreed timeframes.
	Number of small businesses assisted.	Target: 17,000 Result: Partially achieved 11,725 small business (68% of the target) were assisted through the Digital Solutions – Australian Small Business Advisory Services program.
Year	Performance measures (e)	Planned Performance Results
Budget Year 2022–23	<i>Australia maintains or improves its score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.</i>	<i>Target: To be developed This is the first year Treasury will assess performance using this methodology and external data source. Treasury will develop the competitiveness score based on 15 criteria of the World Competitiveness Rankings. The target will be set for the first year in the first half of the reporting period. Treasury will report against the target at the end of year in the Annual Performance Statements 2022–23.</i>
	<i>Proportion of stakeholders that report a high level of satisfaction regarding:</i> <ul style="list-style-type: none"> • <i>the clarity, transparency, and consistent application of Treasury’s regulatory frameworks (Regulator Performance Guide (RPG) Principle 1)</i> • <i>risk-based, data driven decision making (RPG Principle 2)</i> • <i>Treasury’s responsive communication and collaboration (RPG Principle 3).</i> 	<i>Target: 65% An end of cycle stakeholder feedback survey will be conducted to assess this performance measure for reporting in the Annual Performance Statements 2022–23. Expected to be achieved.</i>
	<i>Proportion of regulated entities registered with the Payment Times Reporting Regulator as a reporting entity (Regulator Performance Guide Principle 1 and 2).</i>	<i>Target: 80% Expected to be achieved.</i>

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures (e)	Planned Performance Results
Forward Estimates 2023–26	<i>Australia maintains or improves its score on markets related inputs to the World Competitiveness Ranking produced by the Institute for Management Development.</i>	<i>Target: Maintain or improve competitiveness score</i>
	Proportion of stakeholders that report a high level of satisfaction regarding: <ul style="list-style-type: none"> • <i>the clarity, transparency, and consistent application of Treasury’s regulatory frameworks (Regulator Performance Guide (RPG) Principle 1)</i> • <i>risk-based, data driven decision making (RPG Principle 2)</i> • <i>Treasury’s responsive communication and collaboration (RPG Principle 3).</i> 	Target: 70%
	<i>Proportion of regulated entities registered with the Payment Times Reporting Regulator as a reporting entity (Regulator Performance Guide Principle 1 and 2).</i>	2023–24 Target: 85% 2024–26 Target: 90%
Material changes to Program 1.3 resulting from 2022–23 Budget Measures: Nil		

- a) Refers to updated program objective to align the 2022–23 *Corporate Plan* as shown.
- b) Refers to updated key activities that are reflected in the 2022–23 *Corporate Plan* as shown.
- c) The details of Treasury’s performance results for 2021–22 are reported in the Annual Performance Statements in the *Annual Report 2021–22*.
- d) The 2021–22 target for the number of small businesses assisted involves additional funding allocated to support small businesses during the COVID-19 pandemic.
- e) Refers to updated performance measures that are reflected in the *Corporate Plan 2022–23* as shown in *italics*.

Table 2.1.2: Performance measure for Outcome 1 (continued)

<p>Outcome 1 – Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury’s functions.</p>		
<p>Program 1.4 to 1.9 – Department of the Treasury</p> <p>a) The objectives of programs 1.4 to 1.9 are to make payments which provide financial support to the States and Territories on a wide range of activities under the <i>Intergovernmental Agreement on Federal Financial Relations</i> (IGAFFR) and other relevant agreements between the Commonwealth and the States and Territories. Since these programs have common performance criteria, they have been presented together below.</p> <p>b) Program 1.4 – General Revenue Assistance. The Treasury, on behalf of the Government, will make general revenue assistance payments to the States and Territories.</p> <p>c) Program 1.5 – Assistance to the States for Healthcare Services. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent in the delivery of healthcare services.</p> <p>d) Program 1.6 – Assistance to the States for Skills and Workforce Development. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent in the delivery of skills and workforce development services.</p> <p>e) Program 1.7 – Assistance to the States for Disability Services. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent in the delivery of disability services.</p> <p>f) Program 1.8 – Assistance to the States for Affordable Housing. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent in the delivery of affordable housing services.</p> <p>g) Program 1.9 – National Partnership Payments to the States. The Treasury, on behalf of the Government, provides financial support to the States and Territories to be spent on improving outcomes in the areas specified in each of the National Partnership agreements. These payments support the delivery of specified outputs or projects, facilitate reforms or reward jurisdictions that deliver on nationally significant reforms. This program is linked to programs administered by a number of other portfolios. This contributes to the linked programs by making payment on behalf of the following:</p> <p>Attorney-General’s Department Department of Agriculture, Fisheries and Forestry Department of Climate Change, Energy, the Environment and Water Department of Defence Department of Education Department of Employment and Workplace Relations Department of Finance Department of Health and Aged Care Department of Home Affairs Department of Industry, Science, and Resources Department of Infrastructure, Transport, Regional Development, Communications and the Arts Department of the Prime Minister and Cabinet Department of Social Services, and Department of Veterans’ Affairs.</p>		
Key Activities	A strong and sustainable economic and fiscal environment: <ul style="list-style-type: none"> • Activity 2 Ensure effective Government spending arrangements. 	
Year	Performance measures	Actual Performance Results (a)
Prior year 2021–22	Percentage of payments administered within agreed requirements and timeframes.	Target: 100% Result: Substantially achieved There were 639 (99.5%) payments administered within the requirements. There were 642 (100%) payments administered within the required timeframes.

Table 2.1.2: Performance measure for Outcome 1 (continued)

Year	Performance measures (b)	Planned Performance Results
Budget Year 2022–23	<i>Proportion of payments to the States are delivered within requirements of the Intergovernmental Agreement on Federal Financial Relations and other relevant agreements between the Commonwealth and the States.</i>	<i>Target: 100% Expected to be achieved.</i>
Forward Estimates 2023–26	<i>As per 2022–23</i>	<i>As per 2022–23</i>
Material changes to Program 1.4 to 1.9 resulting from 2022–23 Budget Measures: Nil		

- a) The details of Treasury’s performance results for 2021–22 are reported in the Annual Performance Statements in the *Annual Report 2021–22*.
- b) Refers to updated performance measures that are reflected in the *Corporate Plan 2022–23* as shown in *italics*.

Section 3: Budgeted financial statements

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

3.1 Budgeted financial statements

3.1.1 Differences between entity resourcing and financial statements

The entity resource statement is prepared on a cash basis and provides a view of cash/appropriations resources available to the Treasury whilst the financial statements are prepared on an accrual basis.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The Treasury is budgeting for a break-even operating result in 2022–23 and over the forward estimates, after non appropriated expenses such as depreciation are removed. The apparent budgeted operating surplus in 2022–23 reflects Revenue from Government to pay for expenses budgeted in 2021–22 under the March 2022–23 Budget measure *Treasury Portfolio – resourcing for Government priorities*.

The Treasury has a sound financial position and has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due.

3.2 Budgeted financial statements tables

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Employee benefits	208,866	223,033	195,090	189,253	183,775
Suppliers	114,460	127,440	106,376	89,248	88,573
Grants	2,295	555	555	555	555
Depreciation and amortisation (a)	23,601	13,957	13,931	13,703	13,703
Finance costs	1,869	1,733	1,728	1,724	1,724
Losses from asset sales	126	-	-	-	-
Other expenses	4	-	-	-	-
Total expenses	351,221	366,718	317,680	294,483	288,330
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	8,373	10,251	10,251	10,251	10,251
Other	3,590	4,954	4,954	4,954	4,905
Total own-source revenue	11,963	15,205	15,205	15,205	15,156
Gains					
Sale of assets	6	-	-	-	-
Total gains	6	-	-	-	-
Total own-source income	11,969	15,205	15,205	15,205	15,156
Net (cost of)/contribution by services	(339,252)	(351,513)	(302,475)	(279,278)	(273,174)
Revenue from Government	325,706	344,199	294,060	270,656	264,552
Surplus/(deficit) attributable to the Australian Government	(13,546)	(7,314)	(8,415)	(8,622)	(8,622)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	(250)	-	-	-	-
Total other comprehensive income	(250)	-	-	-	-
Total comprehensive income/(loss)	(13,796)	(7,314)	(8,415)	(8,622)	(8,622)
Total comprehensive income/(loss) attributable to the Australian Government	(13,796)	(7,314)	(8,415)	(8,622)	(8,622)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Total comprehensive income/(loss) – as per statement of Comprehensive Income	(13,796)	(7,314)	(8,415)	(8,622)	(8,622)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	11,104	7,225	13,494	13,476	13,703
plus: depreciation/amortisation expenses for ROU assets (b)	12,497	6,732	437	227	-
less: lease principal repayments (b)	13,148	5,498	5,516	5,081	5,081
Net Cash Operating Surplus/ (Deficit)	(3,343)	1,145	-	-	-

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

b) Applies leases under AASB 16 Leases.

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	424	1,557	1,557	1,557	1,557
Trade and other receivables	115,232	110,822	110,822	110,822	110,822
Total financial assets	115,656	112,379	112,379	112,379	112,379
Non-financial assets					
Land and buildings	152,341	143,784	135,272	126,997	118,718
Property, plant and equipment	11,220	13,692	16,345	19,322	22,249
Intangibles	8,420	9,490	9,468	9,475	9,453
Other non-financial assets	4,655	4,655	4,655	4,655	4,655
Total non-financial assets	176,636	171,621	165,740	160,449	155,075
Total assets	292,292	284,000	278,119	272,828	267,454
LIABILITIES					
Payables					
Suppliers	11,717	11,717	11,717	11,717	11,717
Other payables	8,589	8,619	8,619	8,619	8,619
Total payables	20,306	20,336	20,336	20,336	20,336
Interest bearing liabilities					
Leases	140,241	134,743	129,227	124,146	119,065
Total interest bearing liabilities	140,241	134,743	129,227	124,146	119,065
Provisions					
Employee provisions	72,192	72,899	72,899	72,899	72,899
Other provisions	5,704	5,704	5,704	5,704	5,704
Total provisions	77,896	78,603	78,603	78,603	78,603
Total liabilities	238,443	233,682	228,166	223,085	218,004
Net assets	53,849	50,318	49,953	49,743	49,450
EQUITY*					
Parent entity interest					
Contributed equity	120,335	124,118	132,168	140,580	148,909
Reserves	14,093	14,093	14,093	14,093	14,093
Retained surplus (accumulated deficit)	(80,579)	(87,893)	(96,308)	(104,930)	(113,552)
Total parent entity interest	53,849	50,318	49,953	49,743	49,450
Total equity	53,849	50,318	49,953	49,743	49,450

Prepared on Australian Accounting Standards basis.

*'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 2022–23)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2022				
Balance carried forward from previous period	(80,579)	14,093	120,335	53,849
Adjusted opening balance	(80,579)	14,093	120,335	53,849
Comprehensive income				
Surplus/(deficit) for the period	(7,314)	-	-	(7,314)
Total comprehensive income	(7,314)	-	-	(7,314)
Transactions with owners				
Contributions by owners				
Equity injection – Appropriation	-	-	303	303
Departmental Capital Budget (DCB)	-	-	3,480	3,480
Sub-total transactions with owners	-	-	3,783	3,783
Estimated closing balance as at 30 June 2023	(87,893)	14,093	124,118	50,318
Closing balance attributable to the Australian Government	(87,893)	14,093	124,118	50,318

Prepared on Australian Accounting Standards basis

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	338,613	348,609	294,060	270,656	264,552
Sale of goods and rendering of services	5,493	10,251	10,251	10,251	10,251
Net GST received	9,769	-	-	-	-
Other	3,335	772	772	772	772
Total cash received	357,210	359,632	305,083	281,679	275,575
Cash used					
Employees	204,530	222,296	195,090	189,253	183,775
Suppliers	96,688	123,258	102,194	85,066	84,440
Net GST paid	9,966	-	-	-	-
Interest payments on lease liability	1,837	1,732	1,727	1,724	1,724
s74 External Revenue transferred to the OPA	33,962	-	-	-	-
Other	2,295	555	555	555	555
Total cash used	349,278	347,841	299,566	276,598	270,494
Net cash from/(used by) operating activities	7,932	11,791	5,517	5,081	5,081
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	6	-	-	-	-
Total cash received	6	-	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	6,547	8,943	8,051	8,412	8,329
Total cash used	6,547	8,943	8,051	8,412	8,329
Net cash from/(used by) investing activities	(6,541)	(8,943)	(8,051)	(8,412)	(8,329)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Contributed equity	5,641	3,783	8,050	8,412	8,329
Other	5,780	-	-	-	-
Total cash received	11,421	3,783	8,050	8,412	8,329
Cash used					
Principal payments on lease liability	13,148	5,498	5,516	5,081	5,081
Total cash used	13,148	5,498	5,516	5,081	5,081
Net cash from/(used by) financing activities	(1,727)	(1,715)	2,534	3,331	3,248
Net increase/(decrease) in cash held	(336)	1,133	-	-	-
Cash and cash equivalents at the beginning of the reporting period	760	424	1,557	1,557	1,557
Cash and cash equivalents at the end of the reporting period	424	1,557	1,557	1,557	1,557

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget – Bill 1 (DCB)	10,262	3,480	7,745	8,107	8,024
Equity injections – Bill 2	301	303	305	305	305
Total new capital appropriations	10,563	3,783	8,050	8,412	8,329
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	10,563	3,783	8,050	8,412	8,329
Total items	10,563	3,783	8,050	8,412	8,329
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	301	303	305	305	305
Funded by capital appropriation - DCB (b)	10,262	8,639	7,745	8,107	8,024
TOTAL	10,563	8,942	8,050	8,412	8,329
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	10,563	8,942	8,050	8,412	8,329
Total cash used to acquire assets	10,563	8,942	8,050	8,412	8,329

Prepared on Australian Accounting Standards basis.

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

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

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

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2022				
Gross book value	25,269	14,972	28,122	68,363
Gross book value – ROU assets	160,997	56	-	161,053
Accumulated depreciation/amortisation and impairment	(3,452)	(3,775)	(19,702)	(26,929)
Accumulated depreciation/amortisation and impairment – ROU assets	(30,473)	(33)	-	(30,506)
Opening net book balance	152,341	11,220	8,420	171,981
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase – appropriation equity (a)	-	-	303	303
By purchase – appropriation ordinary annual services (b)	453	4,791	3,395	8,639
Total additions	453	4,791	3,698	8,942
Other movements				
Depreciation/amortisation expense	(2,278)	(2,319)	(2,628)	(7,225)
Depreciation/amortisation on ROU assets	(6,732)	-	-	(6,732)
Total other movements	(9,010)	(2,319)	(2,628)	(13,957)
As at 30 June 2023				
Gross book value	25,722	19,763	31,820	77,305
Gross book value – ROU assets	160,997	56	-	161,053
Accumulated depreciation/amortisation and impairment	(5,730)	(6,094)	(22,330)	(34,154)
Accumulated depreciation/amortisation and impairment – ROU assets	(37,205)	(33)	-	(37,238)
Closing net book balance	143,784	13,692	9,490	166,966

Prepared on Australian Accounting Standards basis.

- a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23, including Collection Development Acquisition Budget.
- b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2022–23 for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
EXPENSES					
Suppliers	18,095	8,145	8,229	4,534	807
Grants	135,096,561	140,933,123	142,143,680	145,136,706	146,936,193
Medicare Guarantee Fund	44,867,877	48,284,209	48,534,068	50,412,906	52,304,307
Finance costs	348,010	405,270	470,849	421,086	376,212
Payments to corporate entities	39,939	43,899	5,109	5,165	4,498
Foreign exchange losses	449,944	888,924	-	-	-
Other expenses	272,824	76,914	50,746	37,786	33,561
Total expenses administered on behalf of Government	181,093,250	190,640,484	191,212,681	196,018,183	199,655,578
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	593,408	655,181	476,000	476,339	479,165
Fees and fines	-	949	1,018	1,018	1,018
Interest	71,951	341,738	369,335	374,980	378,099
Dividends	1,965	-	-	-	-
COAG revenue from other government agencies	1,432,659	2,114,196	1,163,843	-	-
Other revenue	199,569	188,669	185,650	182,508	191,735
Total non-taxation revenue	2,299,552	3,300,733	2,195,846	1,034,845	1,050,017
Total own-source revenue administered on behalf of Government	2,299,552	3,300,733	2,195,846	1,034,845	1,050,017

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
Gains					
Foreign exchange gains	597,353	315,664	-	-	-
Total gains administered on behalf of Government	597,353	315,664	-	-	-
Total own-sourced income administered on behalf of Government	2,896,905	3,616,397	2,195,846	1,034,845	1,050,017
Net (cost of)/contribution by services	178,196,345	187,024,087	189,016,835	194,983,338	198,605,561
Total comprehensive income/(loss)	(178,196,345)	(187,024,087)	(189,016,835)	(194,983,338)	(198,605,561)

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,165,521	1,061,046	927,439	570,971	923,566
Trade and other receivables	2,218,277	2,122,895	2,138,991	2,397,646	1,958,395
Other investments	29,063,996	28,762,104	28,821,848	28,821,850	28,834,769
Total financial assets	32,447,794	31,946,045	31,888,278	31,790,467	31,716,730
Total assets administered on behalf of Government	32,447,794	31,946,045	31,888,278	31,790,467	31,716,730
LIABILITIES					
Payables					
Grants	1,252,276	88,899	76,031	58,378	47,906
Other payables	843,791	1,074,444	679,885	635,978	474,709
Total payables	2,096,067	1,163,343	755,916	694,356	522,615
Interest bearing liabilities					
Loans	8,657,223	8,823,713	9,207,849	9,207,849	9,207,849
Other	18,151,520	17,837,492	17,837,492	17,837,492	17,837,492
Total interest bearing liabilities	26,808,743	26,661,205	27,045,341	27,045,341	27,045,341
Provisions					
Other provisions	5,572,180	4,498,524	1,027,287	181,038	126,264
Total provisions	5,572,180	4,498,524	1,027,287	181,038	126,264
Total liabilities administered on behalf of Government	34,476,990	32,323,072	28,828,544	27,920,735	27,694,220
Net assets/(liabilities)	(2,029,196)	(377,027)	3,059,734	3,869,732	4,022,510

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	1,064	777	-	-	-
Interest	45,671	300,329	361,591	368,650	372,887
Dividends	2,670,965	-	-	-	-
Net GST received	1,535,732	1,636,544	1,725,910	1,794,853	1,857,767
COAG revenue Government Agencies	1,436,256	2,114,196	1,163,843	-	-
Other receipts from Government Agencies	25,146,829	27,029,427	28,306,395	29,482,103	30,607,214
Other	113,294	95,128	94,453	94,487	94,522
Total cash received	30,949,811	31,176,401	31,652,192	31,740,093	32,932,390
Cash used					
Grants paid	158,412,232	169,643,637	173,580,009	175,065,475	177,137,214
Medicare Guarantee Fund	44,867,877	48,284,209	48,534,068	50,412,906	52,304,307
Suppliers	18,115	8,145	8,229	4,534	807
Net GST paid	1,535,497	1,636,544	1,725,910	1,794,853	1,857,767
Borrowing costs	17,833	301,311	370,775	370,775	370,775
Payments to corporate entities	39,939	43,899	5,109	5,165	4,498
Other	5,685	50,208	35,500	68,956	188,563
Total cash used	204,897,178	219,967,953	224,259,600	227,722,664	231,863,931
Net cash from/(used by) operating activities	(173,947,367)	(188,791,552)	(192,607,408)	(195,982,571)	(198,931,541)

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
INVESTING ACTIVITIES					
Cash received					
Repayments of advances and loans	338,887	418,699	213,555	189,235	736,977
Investments	5,950	-	-	-	-
Total cash received	344,837	418,699	213,555	189,235	736,977
Cash used					
Advances and loans made	735,362	183,123	133,607	356,468	211,180
Investments	355,551	59,754	59,744	-	-
Other	165,000	165,000	-	-	-
Total cash used	1,255,913	407,877	193,351	356,468	211,180
Net cash from/(used by) investing activities	(911,076)	10,822	20,204	(167,233)	525,797
Net increase/(decrease) in cash held	(174,858,443)	(188,780,730)	(192,587,204)	(196,149,804)	(198,405,744)
Cash and cash equivalents at beginning of reporting period	797,269	1,165,521	1,061,046	927,439	570,971
Cash from Official Public Account for:					
- Appropriations	108,464,854	119,713,850	122,104,687	126,784,088	131,629,605
- Special accounts	69,992,128	71,883,534	72,162,352	69,661,620	67,769,345
Total cash from Official Public Account	178,456,982	191,597,384	194,267,039	196,445,708	199,398,950
Cash to Official Public Account for:					
- Appropriations	619,417	534,438	649,599	652,372	640,611
- Special accounts	2,610,870	2,386,691	1,163,843	-	-
Total cash to Official Public Account	3,230,287	2,921,129	1,813,442	652,372	640,611
Cash and cash equivalents at end of reporting period	1,165,521	1,061,046	927,439	570,971	923,566

Prepared on Australian Accounting Standards basis.

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

	2021-22 Estimated actual \$'000	2022-23 Budget \$'000	2023-24 Forward estimate \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities – Bill 2	165,000	171,153	-	-	-
Total new capital appropriations	165,000	171,153	-	-	-
<i>Provided for:</i>					
<i>Funding to the National Housing Finance and Investment Corporation</i>	165,000	165,000	-	-	-
<i>Loan to the Australian Energy Market Operator</i>	-	6,153	-	-	-
Total items	165,000	171,153	-	-	-

Prepared on Australian Accounting Standards basis.