

PORTFOLIO BUDGET STATEMENTS 2022–23  
BUDGET RELATED PAPER NO. 1.1

**AGRICULTURE, FISHERIES AND FORESTRY  
PORTFOLIO**

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

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ISSN: 2653-6250 (print) 2653-6269 (online)

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**SENATOR THE HON MURRAY WATT**  
**MINISTER FOR AGRICULTURE, FISHERIES AND FORESTRY**  
**MINISTER FOR EMERGENCY MANAGEMENT**

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Ms President  
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2022–23 October Budget for the Agriculture, Fisheries and Forestry 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 black ink, appearing to read 'Murray Watt'.

MURRAY WATT

## 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nfp	not for publication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 Paul Pak Poy, Chief Finance Officer, Department of Agriculture, Fisheries and Forestry, on (02) 6272 5523.

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 October 2022–23 *Portfolio Budget Statements* (PBS) 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.

The PBS facilitates understanding of proposed annual appropriations in Appropriation Bills (No.1 and No.2) 2022–23 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2022–23 for the parliamentary departments). For this reason, the PBS is declared by the Appropriation Acts to be a ‘relevant documents’ to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PBS provides 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 PBS where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

## The Commonwealth Performance Framework

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

## Commonwealth Performance Framework

### Key components of relevant publications

#### Portfolio Budget Statements (October) *Portfolio based*

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to **government outcomes and programs**.

Provides links to **relevant programs** undertaken by other Commonwealth entities.

Provides high level performance information for current, ongoing programs, particularly a **forecast of performance for the current year**.

Provides **detailed** prospective performance information for proposed new budget measures that require a **new program** or **significantly change an existing program**.

#### Corporate Plan (August) *Entity based*

**Primary planning document** of a Commonwealth entity.

Sets out the **purposes** of the entity, the **activities** it will undertake to achieve its purposes and the **results** it expects to achieve over a minimum four-year period.

Describes the **environment** in which the entity **operates**, the **capability** it requires to undertake **activities** and a discussion of **risk**.

Explains how the entity's **performance** will be **measured** and **assessed**.



#### Annual Performance Statement (October following year) *Entity based*

Included in the Commonwealth entity's Annual Report. Focuses on **recent performance**.

Reports on the **actual performance results** for the year against the **forecasts** made in the **corporate plan** and **Portfolio Budget Statements** and provides other performance information relevant to the entity.

Provides an **analysis** of the factors that **contributed** to the **entity's performance results**.





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# Portfolio Overview



# Agriculture, Fisheries and Forestry

## Portfolio overview

Since the March 2022–23 Portfolio Budget Statements (PBS) the following change has occurred:

- Senator the Hon Murray Watt was appointed Minister for Agriculture, Fisheries and Forestry.

As a result of the Administrative Arrangements Orders (AAO) made on 23 June 2022 and commencing on 1 July 2022, the following changes occurred:

- The Agriculture, Water and Environment portfolio was renamed the Agriculture, Fisheries and Forestry portfolio
- The Department of Agriculture, Water and the Environment was renamed the Department of Agriculture, Fisheries and Forestry (DAFF)
- Agriculture, Fisheries and Forestry functions and two outcomes were transferred to DAFF
- Environment and Water functions and three outcomes were transferred to the new Department of Climate Change, Energy, the Environment and Water (DCCEEW)
- AgriFutures Australia, Australian Fisheries Management Authority, Australian Pesticides and Veterinary Medicines Authority, Cotton Research and Development Corporation, Fisheries Research and Development Corporation, Grains Research and Development Corporation, Regional Investment Corporation and Wine Australia were transferred to the renamed Agriculture, Fisheries and Forestry portfolio
- Bureau of Meteorology, Director of National Parks, Great Barrier Reef Marine Park Authority, Murray-Darling Basin Authority and Sydney Harbour Federation Trust were transferred to the Climate Change, Energy, the Environment and Water portfolio
- The National Carp Control Plan was transferred to DAFF
- The National Soils Advocate program was transferred to DAFF
- The following programs were transferred from the Department of Agriculture, Water and the Environment (DAWE) to DCCEEW:
  - (a) Agriculture Stewardship Package

- (b) Agriculture 2030 – Soil and Stewardship: Implement an Australian farm biodiversity certification scheme
- (c) Agriculture 2030 – Soil and Stewardship: Pilot Stewardship program.

From 1 July 2022 the Agriculture, Fisheries and Forestry portfolio consists of DAFF (the department) and eight portfolio bodies. A revised portfolio structure reflecting these changes is presented at Figure 1.

The portfolio consists of:

- Department of Agriculture, Fisheries and Forestry
- AgriFutures Australia
- Australian Fisheries Management Authority
- Australian Pesticides and Veterinary Medicines Authority
- Cotton Research and Development Corporation
- Fisheries Research and Development Corporation
- Grains Research and Development Corporation
- Regional Investment Corporation
- Wine Australia.

Each entity within the portfolio has at least one outcome and program. Details are provided in each entity's section of this document.

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

**Figure 1: Agriculture, Fisheries and Forestry portfolio structure and outcomes**

**Figure 1: Agriculture, Fisheries and Forestry portfolio structure and outcomes (continued)**

<p><b>Cotton Research and Development Corporation (CRDC)<sup>(b)</sup></b> Executive Director: Dr Ian Taylor</p> <p>Outcome: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.</p>
<p><b>Fisheries Research and Development Corporation (FRDC)<sup>(b)</sup></b> Managing Director: Dr Patrick Hone</p> <p>Outcome: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.</p>
<p><b>Grains Research and Development Corporation (GRDC)<sup>(b)</sup></b> Managing Director: Mr Nigel Hart</p> <p>Outcome: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.</p>
<p><b>Regional Investment Corporation (RIC)<sup>(b)</sup></b> A/g Chief Executive Officer: Mr Paul Dowler</p> <p>Outcome: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans.</p>
<p><b>Wine Australia (WA)<sup>(b)</sup></b> Chief Executive Officer: Dr Martin Cole</p> <p>Outcome: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.</p>

(a) 'Non-corporate Commonwealth Entity' (NCCE) as defined under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

(b) 'Corporate Commonwealth Entity' (CCE) as defined under the PGPA Act.



**Other industry-owned and not-for-profit companies related to the portfolio**

Australian industry-owned companies are independent corporate entities, established under specific legislation with expertise-based boards. The company members appoint the directors of the board. Companies are accountable to the Minister for Agriculture, Fisheries and Forestry through legislation and statutory funding agreements and are entitled to receive industry levies and matching Australian Government funding for eligible research and development (R&D) expenditure. These entities report outside the general government sector.

The following industry-owned companies provide R&D and marketing services:

- Australian Egg Corporation Limited
- Australian Livestock Export Corporation Limited
- Australian Meat Processor Corporation Limited
- Australian Pork Limited
- Australian Wool Innovation Limited
- Dairy Australia Limited
- Forest and Wood Products Australia Limited
- Horticulture Innovation Australia Limited
- Meat and Livestock Australia Limited
- Sugar Research Australia Limited.

Separately, the Australian Government provides funding to the following not-for-profit, portfolio-related companies:

- Animal Health Australia
- Plant Health Australia Limited.



# Entities’ resources and planned performance

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# **Department of Agriculture, Fisheries and Forestry**

## **Entity resources and planned performance**



# Department of Agriculture, Fisheries and Forestry

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# Department of Agriculture, Fisheries and Forestry

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Department of Agriculture, Fisheries and Forestry supports Australia's food and fibre industries to grow and thrive. We strengthen the nation's agriculture, fisheries and forestry sectors by protecting our land, plants and animals from biosecurity threats, supporting our farmers and producers to get their produce into premium overseas markets and supporting productivity growth, including through more sustainable agriculture practices and natural resources management.

The department's work is central to the lives of Australians, particularly those living in regional, rural and remote communities. We support economic prosperity and jobs, while helping our food and fibre industries to build their sustainability and premium credentials. Our diverse roles and functions include biosecurity operations and trade facilitation, world-class science and research, policy advice to government, program administration, client services and regulation.

We are supporting our agriculture, fisheries and forestry industries to meet their goal of becoming a \$100 billion sector by 2030 amid changing global market conditions. The backdrop of labour shortages, biosecurity threats in our region and the impact of climate change means that enacting policies now that build market access, support innovation and create jobs through the supply chain is critical to ensure that our food and fibre industries can face the future with confidence.

Australia's world-class biosecurity system is essential to our export trade and the integrity and sustainability of our way of life and unique environment. Biosecurity is at the heart of how we prevent, respond to and recover from pest and disease incursions that threaten plant, animal and human health, regional communities, our economy and the natural environment. Through programs such as Indigenous Biosecurity Rangers we benefit from the knowledge of First Nations people in agricultural supply chains and our biosecurity responses to deliver rapid, effective and successful biosecurity outcomes.

Changes in global trade, climate change, and the spread of pests and diseases in our region continue to create new and complex biosecurity risk pathways, increasing pressure on Australia's biosecurity system. The strength of our biosecurity system will be reinforced by improved diagnostics, emerging surveillance technologies, engagement with First Nations people, and working closely with industry partners and international neighbours.

We support Australia's agriculture exporters to grow and diversify their markets through funding to develop a national approach to improve traceability in agricultural supply chains across all products and commodities, including by driving reform of Australia's livestock traceability and strengthening on-farm biosecurity. The department has embarked on a major export reform program to modernise and deliver world-leading regulatory systems and processes to help our farmers and producers get their produce into high-value overseas trade markets more quickly and efficiently. We also continue to play an active leadership role in strengthening the international institutions that underpin our trade by setting global standards for animal health, plant health and food safety.

Australian farmers have long been at the forefront of adapting to climate change, in the face of natural disasters such as drought, floods and fires, all of which present challenges to farm performance. Farmers and industry have led the way on climate adaptation and innovation, work that is increasingly critical to retaining and expanding international market access for our agricultural goods, demonstrating the premium credentials and provenance that our trading partners demand.

Through programs such as the National Landcare Program, we take a broad-based approach to sustainable agriculture and natural resources management, including improving farm productivity, pest and weed management, biodiversity stewardship and resilience to drought and natural disasters. The program will continue to support the food and fibre sector's contribution to the Government's climate agenda and the economy's transition to net zero emissions.

Our partnerships with the agriculture, fisheries and forestry industries are crucial to ensuring we can achieve the best possible outcomes in agriculture, biosecurity, and driving down emissions. The department continues to work in partnership with primary producers, state and territory governments, First Nations people, not for profit organisations, the private sector, local communities and industry. These partnerships are central to our efforts to ensuring a competitive and sustainable sector.

We seek to achieve our mission through the department's two outcomes.

**Outcome 1:** More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.

**Outcome 2:** Safeguard Australia's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.

## 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 October *Budget Paper No. 4: Agency Resourcing*.

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

**Table 1.1: Department of Agriculture, Fisheries and Forestry – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022**

	2021–22 Estimated actual \$'000	2022–23 Estimate \$'000
<b><u>Departmental</u></b>		
<b>Annual appropriations – ordinary annual services<sup>(a)</sup></b>		
Prior year appropriations available <sup>(b)(c)</sup>	293,597	222,022
Departmental appropriation <sup>(d)</sup>	1,117,201	638,832
Section 74 external revenue <sup>(e)</sup>	20,672	26,053
Departmental capital budget <sup>(f)</sup>	67,673	12,637
<b>Annual appropriations – other services – non-operating<sup>(g)</sup></b>		
Prior year appropriations available <sup>(b)(c)</sup>	147,160	83,406
Equity injection	77,396	38,948
<b>Total departmental annual appropriations<sup>(h)</sup></b>	<b>1,723,699</b>	<b>1,021,898</b>
<b>Special accounts<sup>(i)</sup></b>		
Opening balance	53,919	43,286
Appropriation receipts <sup>(j)</sup>	161,573	104,881
Non-appropriation receipts	463,746	465,163
<b>Total special account receipts</b>	<b>679,238</b>	<b>613,330</b>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(161,573)</i>	<i>(104,881)</i>
<b>Total departmental resourcing<sup>(h)</sup></b>	<b>2,241,364</b>	<b>1,530,347</b>

Continued on following pages

**Table 1.1: Department of Agriculture, Fisheries and Forestry – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022 (continued)**

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
<b><u>Administered</u></b>		
<b>Annual appropriations – ordinary annual services<sup>(a)</sup></b>		
DAFF Outcome 1 (formerly DAWE Outcome 3)	193,401	220,112
DAFF Outcome 2 (formerly DAWE Outcome 4)	27,818	91,272
DAWE Outcome 1 <sup>(k)</sup>	372,048	-
DAWE Outcome 5 <sup>(k)</sup>	59,556	-
Prior year appropriations available <sup>(b)</sup>	669,730	588,477
<b>Annual appropriations – other services – non-operating<sup>(g)</sup></b>		
Prior year appropriations available <sup>(b)</sup>	2,685,680	573,661
Administered assets and liabilities	181,831	236,499
<b><i>Total administered annual appropriations<sup>(h)</sup></i></b>	<b>4,190,064</b>	<b>1,710,021</b>
<b><i>Total administered special appropriations</i></b>	<b>1,099,010</b>	<b>1,129,430</b>
<b>Special accounts<sup>(i)</sup></b>		
Opening balance	2,216,406	2,199,085
Appropriation receipts <sup>(j)</sup>	304,468	-
Non-appropriation receipts	121,421	100,000
Adjustments <sup>(l)</sup>	-	(2,131,197)
<b><i>Total special account receipts<sup>(h)</sup></i></b>	<b>2,642,295</b>	<b>167,888</b>
<i>less administered appropriations drawn from annual appropriations and credited to special accounts</i>	(199,468)	-
<i>less payments to corporate entities from annual/special appropriations<sup>(m)</sup></i>	(496,029)	(456,737)
<b><i>Total administered resourcing<sup>(h)</sup></i></b>	<b>7,235,872</b>	<b>2,550,602</b>
<b>Total resourcing for the Department of Agriculture, Fisheries and Forestry<sup>(h)</sup></b>	<b>9,477,236</b>	<b>4,080,949</b>
	<b>2021–22</b>	<b>2022–23</b>
<b>Average staffing level (number)<sup>(h)</sup></b>	<b>6,230</b>	<b>5,005</b>

Continued on following pages

**Table 1.1: Department of Agriculture, Fisheries and Forestry – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022 (continued)**

- (a) Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1) 2022–23*.
- (b) Excludes \$1,097.175 million subject to administrative quarantine by Finance or withheld under section 51 of the PGPA Act.
- (c) Prior year appropriations partly include resourcing related to outcomes that have transferred to DCCEEW, this will be transferred through a future Section 75 Determination under the PGPA Act.
- (d) Excludes departmental capital budget (DCB).
- (e) Estimated external revenue under section 74 of the PGPA Act.
- (f) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) 2022–23 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) 2022–23, Supply Bill (No. 4) 2022–23 and *Supply Act (No. 2) 2022–23*.
- (h) As a result of AAO made on 23 June 2022 and commencing on 1 July 2022, the 2021–22 resourcing reflects the structure of DAWE. The AAO changes have moved the water and environment functions to DCCEEW. Refer to Portfolio overview for further information. These changes have resulted in significant reductions against these items in Table 1.1 in 2022–23.
- (i) 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 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.
- (j) Amounts credited to the special account(s) from the department's annual appropriations.
- (k) Responsibility for these outcomes and corporate entities were transferred to DCCEEW effective 1 July 2022 as a result of AAO changes published on 23 June 2022.
- (l) Adjustments reflect the transfer of environment and water related special account balances to DCCEEW from 1 July 2022 as a result of AAO changes. For further information on special accounts, please refer to October *Budget Paper No. 4 – Agency Resourcing*.
- (m) 'Corporate entities' are CCE and Commonwealth companies as defined under the PGPA Act.

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.

Continued on following pages

**Table 1.1: Department of Agriculture, Fisheries and Forestry – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022 (continued)**

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
Payments made by other entities on behalf of the Department of Agriculture, Fisheries and Forestry	102,926	92,989
Payments made to other entities for the provision of services (disclosed above)	65,664	61,669
<b><u>Draw-downs made on behalf of corporate entities within the portfolio</u></b>		
Australian Pesticides and Veterinary Medicines Authority		
Administered Appropriation Bill (No. 1)	1,631	1,638
Australian Pesticides and Veterinary Medicines Authority – Relocation		
Administered Appropriation Bill (No. 1)	292	-
Director of National Parks <sup>(n)</sup>		
Administered Appropriation Bill (No. 1)	104,725	-
Administered Appropriation Bill (No. 2)	126,241	-
Murray-Darling Basin Authority <sup>(n)</sup>		
Administered Appropriation Bill (No. 1)	80,770	-
Administered Appropriation Bill (No. 2)	12,189	-
Regional Investment Corporation		
Administered Appropriation Bill (No. 1)	26,317	22,057
Administered Appropriation Bill (No. 2)	337	-
Sydney Harbour Federation Trust <sup>(n)</sup>		
Administered Appropriation Bill (No. 1)	2,465	-
Administered Appropriation Bill (No. 2)	2,310	-
<b><u>Total draw-downs on behalf of corporate entities within the portfolio</u></b>	<b>357,277</b>	<b>23,695</b>

(n) Responsibility for these corporate entities were transferred to DCCEEW effective 1 July 2022 as a result of AAO changes published on 23 June 2022.

Continued on following page

**Table 1.1: Department of Agriculture, Fisheries and Forestry – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022 (continued)**

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
<b>Payments made to corporate entities within the Portfolio</b>		
AgriFutures Australia		
Administered Appropriation Bill (No. 1)	9,460	9,640
Special Appropriation	28,160	29,143
Australian Pesticides and Veterinary Medicines Authority		
Administered Appropriation Bill (No. 1)	136	138
Special Appropriation	42,037	38,418
Cotton R&D Corporation		
Special Appropriation	13,108	25,278
Fisheries R&D Corporation		
Administered Appropriation Bill (No. 1)	100	-
Special Appropriation	25,301	24,855
Grains R&D Corporation		
Special Appropriation	319,398	298,261
Murray-Darling Basin Authority <sup>(n)</sup>		
Administered Appropriation Bill (No. 1)	13,641	-
Wine Australia		
Administered Appropriation Bill (No. 1)	10,000	-
Special Appropriation	34,688	31,004
<b>Total payments made to corporate entities within the portfolio</b>	<b>496,029</b>	<b>456,737</b>

(n) Responsibility for these corporate entities were transferred to DCCEEW effective 1 July 2022 as a result of AAO changes published on 23 June 2022.



### 1.3 Budget measures

Budget measures in Part 1 relating to Department of Agriculture, Fisheries and Forestry are detailed in October *Budget Paper No. 2* and are summarised below.

**Table 1.2: Department of Agriculture, Fisheries and Forestry – October 2022–23 Budget Measures**

**Part 1: Measures announced since the March 2022–23 Budget**

Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Payment measures</b>					
<b><u>A Better Plan for Forestry and Forest Products</u></b>					
Australia-wide National Institute of Forest Products Innovation					
Administered payment 1.3	-	1,000	24,000	25,000	25,000
Departmental payment	-	-	-	-	-
<b>Total</b>	-	<b>1,000</b>	<b>24,000</b>	<b>25,000</b>	<b>25,000</b>
Extend Regional Forestry Hubs					
Administered payment 1.3	-	-	-	600	4,000
Departmental payment	-	-	-	-	-
<b>Total</b>	-	-	-	<b>600</b>	<b>4,000</b>
Forestry Workforce Training Program					
Administered payment 1.3	-	500	1,500	4,000	4,000
Departmental payment	-	-	-	-	-
<b>Total</b>	-	<b>500</b>	<b>1,500</b>	<b>4,000</b>	<b>4,000</b>
Support Plantation Establishment <sup>(a)</sup> 1.3					
Administered payment OC1	-	-	-	-	-
Departmental payment	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

Continued on following pages

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

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Payment measures (continued)</b>						
<b><u>Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks</u></b>						
Biosecurity Dogs and Trainers						
Administered payment	OC2	-	-	-	-	-
Departmental payment		-	1,730	3,811	3,076	3,102
<b>Total</b>		-	<b>1,730</b>	<b>3,811</b>	<b>3,076</b>	<b>3,102</b>
Emergency funding to manage the risk of foot-and-mouth disease and lumpy skin disease <sup>(b)</sup>	2.2					
Administered payment	OC2	-	3,830	-	-	-
Departmental payment		-	6,184	-	-	-
<b>Total</b>		-	<b>10,014</b>	-	-	-
National Livestock Traceability Reform to Enhance Agricultural Biosecurity and Exports <sup>(c)</sup>	2.1					
Administered payment	OC2	-	26,600	-	-	-
Departmental payment		-	-	-	-	-
<b>Total</b>		-	<b>26,600</b>	-	-	-
Protecting Australia from escalating exotic animal disease risks <sup>(d)</sup>	2.1					
Administered payment	OC2	-	-	-	-	-
Departmental payment		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b><u>Government Spending Audit – Agriculture, Fisheries and Forestry – efficiencies<sup>(e)</sup></u></b>						
National Agricultural Workforce Strategy						
Administered payment	1.10	-	(308)	-	-	-
Departmental payment		-	-	-	-	-
<b>Total</b>		-	<b>(308)</b>	-	-	-
Support Regional Agricultural Shows						
Administered payment	1.10	-	(8,000)	(6,000)	-	-
Departmental payment		-	-	-	-	-
<b>Total</b>		-	<b>(8,000)</b>	<b>(6,000)</b>	-	-
Supporting Agricultural Industries and Communities – Innovation – extend support for Agricultural Shows and Field Days						
Administered payment	1.10	-	(2,800)	-	-	-
Departmental payment		-	-	-	-	-
<b>Total</b>		-	<b>(2,800)</b>	-	-	-

Continued on following pages

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

Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Payment measures (continued)</b>					
<b><u>Improving Drought Readiness, Resilience and Preparedness</u></b>					
Future Drought Fund – Extension and Adoption of Drought Resilience Farming Practices – Grants Program <sup>(f)</sup>					
Administered payment 1.11	-	-	-	-	-
Departmental payment	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
Maintain existing capability for future drought preparedness and support delivery of the National Drought Agreement and National Drought Plan					
Administered payment OC1	-	-	-	-	-
Departmental payment	-	3,469	3,107	-	-
<b>Total</b>	-	<b>3,469</b>	<b>3,107</b>	-	-
Animal Welfare Strategy – Inspector-General of Animal Welfare – establishment					
Administered payment OC2	-	-	-	-	-
Departmental payment	-	997	971	991	998
<b>Total</b>	-	<b>997</b>	<b>971</b>	<b>991</b>	<b>998</b>
An Ambitious and Enduring APS Reform Plan <sup>(g)</sup>					
Administered payment OC1	-	-	-	-	-
Departmental payment OC2	-	(193)	(475)	(548)	-
<b>Total</b>	-	<b>(193)</b>	<b>(475)</b>	<b>(548)</b>	-
Powering Australia – Development of Australia's Seaweed Farming	1.4				
Administered payment OC1	-	2,400	3,600	2,000	-
Departmental payment	-	49	14	14	-
<b>Total</b>	-	<b>2,449</b>	<b>3,614</b>	<b>2,014</b>	-
Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses <sup>(h)</sup>					
Administered payment OC1	-	-	-	-	-
Departmental payment OC2	-	(13,049)	-	-	-
<b>Total</b>	-	<b>(13,049)</b>	-	-	-

Continued on following pages

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

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Payment measures (continued)</b>						
Support for Regional Trade Events <sup>(i)</sup>	1.10					
Administered payment	OC1	-	-	-	-	-
Departmental payment		-	110	73	89	-
<b>Total</b>		-	<b>110</b>	<b>73</b>	<b>89</b>	-
Support for the Aviation Sector <sup>(j)</sup>						
Administered payment	OC2	-	-	-	-	-
Departmental payment		-	1,320	1,247	-	-
<b>Total</b>		-	<b>1,320</b>	<b>1,247</b>	-	-
<b>Australian Pesticides and Veterinary Medicines Authority [Pass-through]</b>						
An Ambitious and Enduring APS Reform Plan <sup>(g)</sup>						
Administered payment	1.10	-	(1)	(2)	(2)	-
Departmental payment		-	-	-	-	-
<b>Total</b>		-	<b>(1)</b>	<b>(2)</b>	<b>(2)</b>	-
Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses <sup>(h)</sup>						
Administered payment	1.10	-	(24)	-	-	-
Departmental payment		-	-	-	-	-
<b>Total</b>		-	<b>(24)</b>	-	-	-
<b>Regional Investment Corporation [Pass-through]</b>						
Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses <sup>(h)</sup>						
Administered payment	1.11	-	(908)	-	-	-
Departmental payment		-	-	-	-	-
<b>Total</b>		-	<b>(908)</b>	-	-	-
<b>Total payment measures</b>						
Administered		-	22,289	23,098	31,598	33,000
Departmental		-	617	8,748	3,622	4,100
<b>Total</b>		-	<b>22,906</b>	<b>31,846</b>	<b>35,220</b>	<b>37,100</b>

Continued on following page

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

- (a) The measure A Better Plan for Forestry and Forest Products – Support Plantation Establishment has been reframed, the total package is \$86.209 million, with the following departmental impacts: 2022–23 \$0.300 million; 2023–24 \$3.242 million; 2024–25 \$2.778 million; 2025–26 \$2.797 million; 2026–27 \$3.038 million and with the following administered impacts; 2023–24 \$6.949 million; 2024–25 \$22.426 million; 2025–26 \$27.426 million; and 2026–27 \$16.959 million. An additional \$0.294 million is available in funding from the original measure. The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the DAFF portfolio.
- (b) This measure was announced on 15 July 2022. Total package is \$14.014 million in 2022–23, with \$4.000 million coming from existing funding within DAFF.
- (c) The measure Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks – National Livestock Traceability Reform to Enhance Agricultural Biosecurity and Exports has been reframed, the total package is \$46.732 million over three years with the following departmental impacts; 2022–23 \$0.080 million, 2024–25 \$0.052 million; and the following administered impact; 2022–23 \$26.600 million. This measure includes \$20.000 million funding to the National Partnership programs within the Department of the Treasury. Details appear in October *Budget Paper No. 3: Federal Financial Relations*.
- (d) The measure Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks has been reframed, the total package is \$61.587 million over two years, with the following departmental impacts: 2022–23 \$21.377 million; 2023–24 \$29.387 million; and the following administered impacts: 2022–23 \$1.213 million; 2023–24 \$6.810 million. This measure includes \$2.800 million funding to the National Partnership programs within the Department of the Treasury. Details appear in October *Budget Paper No. 3: Federal Financial Relations*.
- (e) The measure Government Spending Audit – Agriculture, Fisheries and Forestry – efficiencies contains a savings measure National Centre for Digital Agriculture Innovation and Adoption Hubs, this belongs to Department of Infrastructure, Transport, Regional Development, Communications and the Arts. The total savings is \$30.017 million over four years. The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the DAFF portfolio.
- (f) The measure Improving Drought Readiness, Resilience and Preparedness – Future Drought Fund – Extension and Adoption of Drought Resilience Farming Practices – Grants Program has been reframed; the total package is \$14.265 million over two years.
- (g) The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the Prime Minister and Cabinet Portfolio section.
- (h) The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the Cross Portfolio section.
- (i) The measure Support for Regional Trade Events has been reframed, the total package is \$12.272 million over three years.
- (j) The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the Infrastructure, Transport, Regional Development, Communications and the Arts Portfolio section.

Note: The Government has reviewed the remaining measures previously announced in the 2022–23 March Budget and has agreed to implement them as announced. These measures can be found in the March 2022–23 DAWE PBS for Outcome 3 and 4, under Table 1.2, 2.1 and also in National Partnership programs within the Department of the Treasury. Details also appear in March *Budget Paper No. 2: Budget Measures 2022–23* and *Budget Paper No. 3: Federal Financial Relations*.

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

Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Payment measures</b>					
Accelerate Adoption of Wood Processing Innovation <sup>(a)</sup>					
Administered payment	1.3				
Departmental payment	OC1				
	-	15,000	35,000	35,000	25,000
	387	900	517	509	602
<b>Total</b>	<b>387</b>	<b>15,900</b>	<b>35,517</b>	<b>35,509</b>	<b>25,602</b>
<b>Total payment measures</b>					
Administered	-	15,000	35,000	35,000	25,000
Departmental	387	900	517	509	602
<b>Total</b>	<b>387</b>	<b>15,900</b>	<b>35,517</b>	<b>35,509</b>	<b>25,602</b>

(a) This measure was published in the Pre-election Economic and Fiscal Outlook report (PEFO) 2022. This measure commits funding of \$112.938 million over six years from 2021–22. This measure was included as a 'Decisions Taken But Not Yet Announced' in the 2021–22 Mid-Year Economic and Fiscal Outlook (MYEFO) and 2021–22 Portfolio Additional Estimates Statements (PAES). The \$0.387 million in 2021–22 will be appropriated in the Appropriation Bill (No. 1) 2022–23.

Prepared on a Government Finance Statistics (Underlying Cash) basis.

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

## 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 criteria 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.

Our most recent corporate plan can be found at [agriculture.gov.au/about/reporting/corporate-plan](https://agriculture.gov.au/about/reporting/corporate-plan).

The most recent annual performance statements can be found at: [agriculture.gov.au/about/reporting/annual-report](https://agriculture.gov.au/about/reporting/annual-report).

2.1 Changes to Outcome and Program Structures since the last portfolio statement

The newly named DAFF has resulted in two existing outcome statements reordered to Outcome 1 and 2. They supersede the previous DAWE Outcomes 3 and 4 that were reported in the 2022–23 PBS, published in March 2022.

The creation of a new department has resulted in three outcomes from the former DAWE combining with one new outcome from the former Department of Industry, Science, Energy and Resources (DISER) going to DCCEEW.

Figure 2 shows the changes to the order of DAFF’s two outcome statements and the reordering of the program numbers.

In Figure 3, reporting of the 2021–22 actuals for the former three DAWE outcomes will be reported as Outcome 1, 2 and 5. The forward estimates will be published in the DCCEEW October 2022–23 PBS.

Figure 2: Changes to Outcome and Program Structures for DAFF

<b>DAFF Outcome 1</b>	<i>More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.</i>
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Description of change: As a result of the AAO, which took effect on 1 July 2022, the following changes occurred: 1. New outcome order has been allocated for October 2022–23 PBS for the newly named DAFF. 2. Outcome 3 from the former DAWE is now Outcome 1 to the renamed DAFF. 3. Transferred from former DISER National Carp Control Plan. 4. Transferred from Department of the Prime Minister and Cabinet (PM&C) National Soils Advocate. 5. Transferred to DCCEEW Agriculture Stewardship Package and Agriculture 2030 – Soil and Stewardship: Implement an Australian farm biodiversity certification scheme and Pilot stewardship program.	
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<b>DAFF Outcome 2</b>	<i>Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.</i>
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Description of change: As a result of the AAO, which took effect on 1 July 2022, the following changes occurred: 1. New outcome order has been allocated for October 2022–23 PBS for the newly named DAFF. 2. Outcome 4 from the former DAWE is now Outcome 2 to the renamed DAFF.	
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**Figure 2: Changes to Outcome and Program Structures for DAFF (continued)**

Program No.	Program and sub-program title	Description of change
<b>DAFF Program reference amendments, with effect from 1 July 2022</b>		
1.1	Agricultural Adaptation	DAWE program reference amended from 3.1
1.2	Sustainable Management – Natural Resources	DAWE program reference amended from 3.2
1.3	Forestry Industry	DAWE program reference amended from 3.3
1.4	Fishing Industry	DAWE program reference amended from 3.4
1.5	Horticulture Industry	DAWE program reference amended from 3.5
1.6	Wool Industry	DAWE program reference amended from 3.6
1.7	Grains Industry	DAWE program reference amended from 3.7
1.8	Dairy Industry	DAWE program reference amended from 3.8
1.9	Meat and Livestock Industry	DAWE program reference amended from 3.9
1.10	Agricultural Resources	DAWE program reference amended from 3.10
1.11	Drought Programs	DAWE program reference amended from 3.11
1.12	Rural Programs	DAWE program reference amended from 3.12
1.13	International Market Access	DAWE program reference amended from 3.13
2.1	Biosecurity and Export Services	DAWE program reference amended from 4.1
2.2	Plant and Animal Health	DAWE program reference amended from 4.2

Continued on following pages

**Figure 3: Changes to Outcome and Program Structures for DAWE to DCCEEW**

<b>DAWE Outcome 1</b>	<i>Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances, and coordination of climate change adaptation strategy and climate change science activities.</i>
<p>Description of change:</p> <p>As a result of the AAO, which took effect on 1 July 2022, the following changes occurred:</p> <ol style="list-style-type: none"> <li>Outcome 1 transferred to the new DCCEEW, it will be reported as Outcome 2 in the DCCEEW PBS.<sup>(a)</sup></li> <li>DAWE Outcome 1 will be reported in the DAFF October 2022–23 PBS, for the purposes of providing the 2021–22 actuals.</li> <li>Transferred from DAFF Agriculture Stewardship Package and Agriculture 2030 – Soil and Stewardship: Implement an Australian farm biodiversity certification scheme and Pilot stewardship program.</li> </ol> <p>Change of order and new Outcome 2 statement for DCCEEW:</p> <p>Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances.</p>	
<b>DAWE Outcome 2</b>	<i>Advance Australia's strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region.</i>
<p>Description of change:</p> <p>As a result of the AAO, which took effect on 1 July 2022, the following changes occurred:</p> <ol style="list-style-type: none"> <li>Outcome 2 transferred to the new DCCEEW, it will be reported as Outcome 3 in the DCCEEW PBS.<sup>(a)</sup></li> <li>DAWE Outcome 2 will be reported in the DAFF October 2022–23 PBS, for the purposes of providing the 2021–22 actuals.</li> </ol> <p>Change of order to Outcome 3 for DCCEEW:</p> <p>No change to Outcome Statement.</p>	
<b>DAWE Outcome 5</b>	<i>Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources.</i>
<p>Description of change:</p> <p>As a result of the AAO, which took effect on 1 July 2022, the following changes occurred:</p> <ol style="list-style-type: none"> <li>Outcome 5 transferred to the new DCCEEW, it will be reported as Outcome 4 in the DCCEEW PBS.<sup>(a)</sup></li> <li>DAWE Outcome 5 will be reported in the DAFF October 2022–23 PBS, for the purposes of providing the 2021–22 actuals.</li> </ol> <p>Change of order to Outcome 4 for DCCEEW:</p> <p>No change to Outcome Statement.</p>	

(a) Refer to DCCEEW October 2022–23 PBS.

Continued on following page

**Figure 3: Changes to Outcome and Program Structures for DAWE to DCCEEW (continued)**

Program No.	Program title	Description of change
<b>Transferred from DAWE to DCCEEW, with effect from 1 July 2022</b>		
2.1	Sustainable Management of Natural Resources and the Environment	DAWE program reference amended from 1.1
2.2	Environmental Information and Research	DAWE program reference amended from 1.2
2.3	Commonwealth Environmental Water	DAWE program reference amended from 1.3
2.4	Conservation of Australia's Heritage and Environment	DAWE program reference amended from 1.4
2.5	Environmental Regulation	DAWE program reference amended from 1.5
2.6	Management of Hazardous Wastes, Substances and Pollutants	DAWE program reference amended from 1.6
3.1	Antarctica: Science, Policy and Presence	DAWE program reference amended from 2.1
4.1	Water Reform	DAWE program reference amended from 5.1

2.2      **Budgeted expenses and performance measures for DAFF**  
**Outcome 1**

**Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.**

**2.2.1: Linked programs**

<p><b>Portfolio Agencies:</b></p> <p>AgriFutures Australia</p> <p>Australian Fisheries Management Authority</p> <p>Australian Pesticides and Veterinary Medicines Authority</p> <p>Cotton Research and Development Corporation</p> <p>Fisheries Research and Development Corporation</p> <p>Grains Research and Development Corporation</p> <p>Regional Investment Corporation</p> <p>Wine Australia</p>
<p>Program 1.1: Australian Fisheries Management Authority</p> <p>Program 1.1: Australian Pesticides and Veterinary Medicines Authority</p> <p>Program 1.1: Cotton Research and Development Corporation</p> <p>Program 1.1: Fisheries Research and Development Corporation</p> <p>Program 1.1: Grains Research and Development Corporation</p> <p>Program 1.1: Rural Industries Research and Development Corporation</p> <p>Program 1.1: Regional Investment Corporation</p> <p>Program 1.1: Wine Australia</p>
<p><b>Contribution to Outcome 1 made by linked program:</b></p> <p>DAFF works together with AgriFutures Australia, Australian Fisheries Management Authority, Australian Pesticides and Veterinary Medicines Authority, Cotton, Fisheries and Grains Research and Development Corporations, Regional Investment Corporation and Wine Australia to ensure sustainable, productive, and profitable agricultural industries.</p>

Continued on following pages

**2.2.1: Linked programs (continued)**

<b>Australian Trade and Investment Commission</b>
<p>Program 1.1: Promotion of Australia's export and other international economic interests</p> <p>Program 1.2: Programs to promote Australia's export and other international economic interests</p>
<p><b>Contribution to Outcome 1 made by linked program</b></p> <p>DAFF and the Australian Trade and Investment Commission (Austrade) work together to achieve the best outcomes for Australian agricultural, fisheries and forestry exports, including through improved market access and addressing non-tariff measures. The agencies also work cooperatively to deliver whole-of-government programs such as the Agri-Business Expansion Initiative and the Non-Tariff Barrier Action Plan.</p>
<b>Bureau of Meteorology</b>
<p>Program 1.1: Bureau of Meteorology</p>
<p><b>Contribution to Outcome 1 made by linked program</b></p> <p>The Bureau of Meteorology provides weather, climate and water modelling and information to DAFF.</p>
<b>Department of the Treasury</b>
<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 through the Federation Funding Agreement Framework on behalf of DAFF, for the following funding agreements:</p> <ul style="list-style-type: none"> <li>• Construction Softwood Transport Assistance (SPP880)</li> <li>• Fishing and Camping Facilities Program (SPP815)</li> <li>• Management of Established Pest and Weeds (SPP693)</li> <li>• Support Plantation Establishment (SPP895)</li> </ul> <p><u>Future Drought Fund</u></p> <ul style="list-style-type: none"> <li>• Farm Business Resilience (SPP840)</li> <li>• Regional Drought Resilience Planning (SPP838)</li> </ul>

Continued on following page

## 2.2.1: Linked programs (continued)

<b>National Indigenous Australians Agency</b>
Program 1.1: Indigenous Advancement – Jobs, Land and the Economy
<b>Contribution to Outcome 1 made by linked program:</b> DAFF and NIAA work together to provide opportunities for Indigenous communities and land managers to engage with the National Landcare Program.
<b>Services Australia</b>
Program 1.1: Strategy and Corporate Enabling Program 1.2: Customer Service Delivery Program 1.3: Technology and Transformation
<b>Contribution to Outcome 1 made by linked program</b> Services Australia manages payments under the <i>Farm Household Support Act 2014</i> on behalf of DAFF.

## 2.2.2: 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: Budgeted expenses for Outcome 1**

**Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.2: Sustainable Management – Natural Resources</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Agriculture 2030 – Biosecurity – for reduction and prevention activities to reduce the economic and environmental burden of established feral animals, pests and weeds	3,306	4,960	5,377	4,827	-
<b><u>Agriculture 2030 – Soil and Stewardship:</u></b>					
Develop and roll out an accreditation standard to enhance soil education and expertise	450	550	-	-	-
Enhance the National Soil Resources Information System	7,425	52,222	-	-	-
Implement a National Soils Science Challenge	3,203	6,797	5,000	5,000	-
Implement an Australian farm biodiversity certification scheme <sup>(a)</sup>	90	-	-	-	-
Pilot stewardship program <sup>(a)</sup>	718	-	-	-	-
Agriculture Stewardship Package <sup>(a)</sup>	1,989	-	-	-	-
National Carp Control Plan	100	1,838	1,839	-	-
Pest Animal and Weeds Management	4,899	5,473	2,767	-	-
<b><i>Administered total</i></b>	<b>22,180</b>	<b>71,840</b>	<b>14,983</b>	<b>9,827</b>	<b>-</b>
<b>Total Program expenses</b>	<b>22,180</b>	<b>71,840</b>	<b>14,983</b>	<b>9,827</b>	<b>-</b>

Continued on following pages

**Table 2.1: 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
<b>Program 1.3: Forestry Industry</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
<b><u>A Better Plan for Forestry and Forest Products:</u></b>					
Australia-wide National Institute of Forest Products Innovation	540	3,160	24,000	25,000	25,000
Forestry Workforce Training Program	-	500	1,500	4,000	4,000
Support Plantation Establishment	-	-	6,949	22,426	27,426
Accelerate Adoption of Wood Processing Innovation	-	15,000	35,000	35,000	25,000
Agriculture 2030 – Forestry and Fisheries – establish new, Regional Forestry Hubs	898	3,250	3,000	3,600	4,000
National Bushfire Recovery Fund – Forestry Recovery Development Fund	18,464	10,000	-	-	-
National Forestry Industry Plan	3,400	-	-	-	-
<b><i>Administered total</i></b>	<b>23,302</b>	<b>31,910</b>	<b>70,449</b>	<b>90,026</b>	<b>85,426</b>
<b><u>Special appropriation</u></b>					
<b><i>Forestry Marketing and Research and Development Services Act 2007, s. 9(1) – payments and matching payments to an industry services body and Commonwealth administration expenses</i></b>					
	11,391	12,688	14,081	15,527	18,491
<b><i>Special Appropriation total</i></b>	<b>11,391</b>	<b>12,688</b>	<b>14,081</b>	<b>15,527</b>	<b>18,491</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(b)</sup></u></b>					
Agriculture 2030 – Forestry and Fisheries – Plantation Development Concessional Loans	800	-	-	-	-
<b><i>Total</i></b>	<b>800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>35,493</b>	<b>44,598</b>	<b>84,530</b>	<b>105,553</b>	<b>103,917</b>

Continued on following pages



**Table 2.1: 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
<b>Program 1.4: Fishing Industry</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Agriculture 2030 – Forestry and Fisheries – extend and broaden the Tuna Champions program	400	200	200	-	-
Capacity Building for Fisheries Representatives	100	100	-	-	-
Powering Australia – Development of Australia's Seaweed Farming	-	2,400	3,600	2,000	-
Fisheries Habitat Restoration	1,841	5,926	-	-	-
Fisheries Resources Research Fund	261	638	2,574	2,633	2,683
Forestry and Fishing – supporting the forestry and fishery industry – Improve the Long-term Sustainability of the South East Trawl Fishery and Support Fishers	-	20,000	-	-	-
<b><i>Administered total</i></b>	<b>2,602</b>	<b>29,264</b>	<b>6,374</b>	<b>4,633</b>	<b>2,683</b>
<b><u>Special appropriations</u></b>					
<i>Primary Industries Research and Development Act 1989, s. 30A(3) &amp; s. 30B(9) – Fisheries R&amp;D Corporation</i>	25,301	24,855	25,533	26,142	26,664
<b><i>Special Appropriation total</i></b>	<b>25,301</b>	<b>24,855</b>	<b>25,533</b>	<b>26,142</b>	<b>26,664</b>
<b>Total Program expenses</b>	<b>27,903</b>	<b>54,119</b>	<b>31,907</b>	<b>30,775</b>	<b>29,347</b>

Continued on following pages

Table 2.1: 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
<b>Program 1.5: Horticulture Industry</b>					
<b>Administered expenses</b>					
<b><u>Special appropriation</u></b>					
<i>Horticulture Marketing and Research and Development Services Act 2000, s. 16(9) – payments to industry services body</i>	109,763	122,762	126,858	128,270	130,803
<b><i>Special Appropriation total</i></b>	<b>109,763</b>	<b>122,762</b>	<b>126,858</b>	<b>128,270</b>	<b>130,803</b>
<b>Total Program expenses</b>	<b>109,763</b>	<b>122,762</b>	<b>126,858</b>	<b>128,270</b>	<b>130,803</b>
<b>Program 1.6: Wool Industry</b>					
<b>Administered expenses</b>					
<b><u>Special appropriation</u></b>					
<i>Wool Services Privatisation Act 2000, s. 31(4) – funding contract with research body</i>	57,687	66,500	71,500	74,000	76,500
<b><i>Special Appropriation total</i></b>	<b>57,687</b>	<b>66,500</b>	<b>71,500</b>	<b>74,000</b>	<b>76,500</b>
<b>Total Program expenses</b>	<b>57,687</b>	<b>66,500</b>	<b>71,500</b>	<b>74,000</b>	<b>76,500</b>
<b>Program 1.7: Grains Industry</b>					
<b>Administered expenses</b>					
<b><u>Special appropriations</u></b>					
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Grains R&amp;D Corporation – Other Grains</i>	158,597	154,008	124,205	107,195	104,705
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Grains R&amp;D Corporation – Wheat</i>	160,801	144,253	119,460	100,675	95,892
<b><i>Special Appropriation total</i></b>	<b>319,398</b>	<b>298,261</b>	<b>243,665</b>	<b>207,870</b>	<b>200,597</b>
<b>Total Program expenses</b>	<b>319,398</b>	<b>298,261</b>	<b>243,665</b>	<b>207,870</b>	<b>200,597</b>
<b>Program 1.8: Dairy Industry</b>					
<b>Administered expenses</b>					
<b><u>Special appropriation</u></b>					
<i>Dairy Produce Act 1986, s. 6(1) – payments under funding contract</i>	53,943	54,291	55,408	56,405	57,419
<b><i>Special Appropriation total</i></b>	<b>53,943</b>	<b>54,291</b>	<b>55,408</b>	<b>56,405</b>	<b>57,419</b>
<b>Total Program expenses</b>	<b>53,943</b>	<b>54,291</b>	<b>55,408</b>	<b>56,405</b>	<b>57,419</b>

Continued on following pages

**Table 2.1: 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
<b>Program 1.9: Meat and Livestock Industry</b>					
<b>Administered expenses</b>					
<b><u>Special appropriations</u></b>					
<i>Australian Meat and Live-stock Industry Act 1997, s. 63(2) – payments to marketing body</i>	72,830	87,290	89,457	90,458	90,318
<i>Australian Meat and Live-stock Industry Act 1997, s. 64(2) – payments to research body</i>	24,993	29,628	30,618	31,148	31,136
<i>Australian Meat and Live-stock Industry Act 1997, s. 64A(2) – payments to marketing body</i>	2,427	2,227	3,026	3,299	3,649
<i>Australian Meat and Live-stock Industry Act 1997, s. 64B(2) – payments to research body</i>	485	446	605	660	730
<i>Australian Meat and Live-stock Industry Act 1997, s. 64C(2) – payments to marketing body</i>	6,302	7,138	7,687	7,905	7,886
<i>Australian Meat and Live-stock Industry Act 1997, s. 64D(2) – payments to research body</i>	9,452	10,707	11,531	11,858	11,828
<i>Australian Meat and Live-stock Industry Act 1997, s. 66(1) – Commonwealth contribution to research body</i>	108,567	98,917	98,802	105,706	109,802
<i>Pig Industry Act 2001, s. 10(1) – payments under funding contract</i>	23,805	23,588	23,800	24,013	24,225
<b><i>Special Appropriation total</i></b>	<b>248,861</b>	<b>259,941</b>	<b>265,526</b>	<b>275,047</b>	<b>279,574</b>
<b>Total Program expenses</b>	<b>248,861</b>	<b>259,941</b>	<b>265,526</b>	<b>275,047</b>	<b>279,574</b>

Continued on following pages

**Table 2.1: 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
<b>Program 1.10: Agricultural Resources</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
A Competitive Agriculture Sector: Boosting farm profits through rural research and development	12,555	5,595	-	-	-
Agricultural and Veterinary Chemicals Minor Use Program	136	138	144	147	149
<b><u>Agriculture 2030 – Improving employment opportunities:</u></b>					
Extend the Fair Farms program	700	1,027	801	710	-
Pilot AgCAREERSTART program	2,000	3,081	-	-	-
Pilot AgUP program	188	2,877	2,178	2,236	-
Research and development corporation to undertake research on the attraction and retention of agriculture sector workers	1,300	-	-	-	-
<b><u>Agriculture 2030 – Innovation:</u></b>					
Innovation – expanded Australian Farm Data Code	180	120	100	-	-
An initial investment into Australia's agricultural innovation system through the National Agricultural Innovation Agenda	1,500	-	-	-	-
<b><u>Agriculture 2030 – Supporting Trade:</u></b>					
Extend the Improved Access to Agricultural and Veterinary Chemicals program	2,000	2,000	2,000	2,000	-
Extend the Improved Access to Agricultural and Veterinary Chemicals program – Grants to Global Minor Use Foundation	50	50	50	50	-
Fund projects in collaboration with the perishable agriculture goods industry that improve market transparency in the sector	-	2,000	2,000	1,000	-

Continued on following pages

**Table 2.1: 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
<b>Program 1.10: Agricultural Resources</b>					
<b>Administered expenses (continued)</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
AgriFutures Australia	9,460	9,640	10,036	10,255	10,450
Beef Week and Beef Australia	400	-	-	-	-
Changes to the Seasonal Worker Program	400	-	-	-	-
Educating Kids about Agriculture	2,500	2,250	-	-	-
National Agricultural Workforce Strategy	19	-	-	-	-
National Farm Safety Education Fund	1,500	1,000	-	-	-
Supporting Agricultural Industries and Communities – Innovation – extend support for Agricultural Shows and Field Days	17,643	-	-	-	-
Supporting Agricultural Industries and Communities – Innovation – scaling up Agricultural Innovation Hubs	4,000	16,000	-	-	-
Supporting Agricultural Showmen and Women	8,274	-	-	-	-
Support for Regional Trade Events Wine Tourism and Cellar Door Grant	-	3,450	6,850	1,700	-
	10,000	10,000	10,000	10,000	10,000
<b>Administered total</b>	<b>74,805</b>	<b>59,228</b>	<b>34,159</b>	<b>28,098</b>	<b>20,599</b>

Continued on following pages

**Table 2.1: 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
<b>Program 1.10: Agricultural Resources</b>					
<b>Administered expenses (continued)</b>					
<b><u>Payments to corporate entities (Draw-down)<sup>(c)</sup></u></b>					
Australian Pesticides and Veterinary Medicines Authority	1,631	1,638	1,712	1,732	1,749
Relocation of the Australian Pesticides and Veterinary Medicines Authority	292	-	-	-	-
<b><i>Payments to corporate entities total</i></b>	<b>1,923</b>	<b>1,638</b>	<b>1,712</b>	<b>1,732</b>	<b>1,749</b>
<b><u>Special appropriations</u></b>					
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992, s. 58(6) – amounts payable to the APVMA</i>	42,037	38,418	38,727	39,042	39,365
<i>Egg Industry Service Provision Act 2002, s. 8(1) – payments under funding contract</i>	10,136	11,211	11,480	11,755	12,037
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Cotton R&amp;D Corporation</i>	13,108	25,278	25,740	21,758	19,732
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Rural Industries R&amp;D Corporation</i>	28,160	29,143	27,427	27,447	27,469
<i>Sugar Research and Development Services Act 2013, s. 7 – payment to industry services body</i>	27,956	29,353	29,911	30,479	31,058
<i>Wine Australia Act 2013, s. 32 – payments to the Authority</i>	34,688	31,003	30,710	30,846	30,917
<b><i>Special Appropriations total</i></b>	<b>156,085</b>	<b>164,406</b>	<b>163,995</b>	<b>161,327</b>	<b>160,578</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(b)</sup></u></b>					
Write-down and impairment of assets	776	-	-	-	-
<b><i>Total</i></b>	<b>776</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>233,589</b>	<b>225,272</b>	<b>199,866</b>	<b>191,157</b>	<b>182,926</b>

Continued on following pages

**Table 2.1: 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
<b>Program 1.11: Drought Programs</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Future Drought Fund – Administration Costs	57	179	203	203	203
<b><i>Administered total</i></b>	<b>57</b>	<b>179</b>	<b>203</b>	<b>203</b>	<b>203</b>
<b><u>Payments to corporate entities (Draw-down)<sup>(c)</sup></u></b>					
Regional Investment Corporation	16,007	18,274	15,739	15,952	16,695
Regional Investment Corporation – Drought Loans	9,219	3,489	6,813	6,866	6,927
Regional Investment Corporation – Agristarter Loans	291	294	305	308	310
<b><i>Payments to corporate entities total</i></b>	<b>25,517</b>	<b>22,057</b>	<b>22,857</b>	<b>23,126</b>	<b>23,932</b>
<b><u>Special account</u></b>					
Agriculture Future Drought Resilience Special Account	71,857	163,081	100,000	100,000	100,000
<b><i>Special account total</i></b>	<b>71,857</b>	<b>163,081</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(b)</sup></u></b>					
Drought Recovery Concessional Loans Scheme – state administration	234	234	234	234	-
Farm Business Concessional Loans Scheme – discount expenses	23,055	61,025	35,828	35,828	35,828
Farm Business Concessional Loans Scheme – state administration	980	980	980	980	980
Write-down and impairment of assets	206	-	-	-	-
Impairment Loss on Financial Instruments	29,881	-	-	-	-
<b><i>Total</i></b>	<b>54,356</b>	<b>62,239</b>	<b>37,042</b>	<b>37,042</b>	<b>36,808</b>
<b>Total Program expenses</b>	<b>151,787</b>	<b>247,556</b>	<b>160,102</b>	<b>160,371</b>	<b>160,943</b>

Continued on following pages

**Table 2.1: 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
<b>Program 1.12: Rural Programs</b>					
<b><u>Special appropriations</u></b>					
<i>Farm Household Support Act 2014, s. 105 – payments for Farm Household Allowance</i>	101,972	92,989	58,322	101,494	157,346
<b><i>Special Appropriations total</i></b>	<b>101,972</b>	<b>92,989</b>	<b>58,322</b>	<b>101,494</b>	<b>157,346</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(b)</sup></u></b>					
<i>Farm Household Support Act 2014, s. 105 – payments for Farm Household Allowance</i>	-	31,515	18,009	5,706	5,706
Write-down and impairment of assets	4,796	-	-	-	-
Impairment Loss on Financial Instruments	2,767	-	-	-	-
<b><i>Total</i></b>	<b>7,563</b>	<b>31,515</b>	<b>18,009</b>	<b>5,706</b>	<b>5,706</b>
<b>Total Program expenses</b>	<b>109,535</b>	<b>124,504</b>	<b>76,331</b>	<b>107,200</b>	<b>163,052</b>

Continued on following pages



**Table 2.1: 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
<b>Program 1.13: International Market Access</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Agriculture Trade and Market Access Cooperation Program	1,500	1,500	-	-	-
Expansion of the Agricultural Trade and Market Access program – support improved market diversification	12,000	6,000	-	-	-
Food and Agriculture Organization of the United Nations	14,931	17,665	19,921	19,921	19,922
Indonesia-Australia Red Meat and Cattle Partnership	500	500	-	-	-
International Agricultural Cooperation	492	-	-	-	-
International Organisations Contributions	2,271	2,026	2,108	2,155	2,195
<b><i>Administered total</i></b>	<b>31,694</b>	<b>27,691</b>	<b>22,029</b>	<b>22,076</b>	<b>22,117</b>
<b>Total Program expenses</b>	<b>31,694</b>	<b>27,691</b>	<b>22,029</b>	<b>22,076</b>	<b>22,117</b>
<b><u>Administered expenses</u></b>					
Administered appropriation	1,338,338	1,503,581	1,297,654	1,325,803	1,364,681
Expenses not requiring appropriation in the budget year <sup>(b)</sup>	63,495	93,754	55,051	42,748	42,514
<b><i>Administered total</i></b>	<b>1,401,833</b>	<b>1,597,335</b>	<b>1,352,705</b>	<b>1,368,551</b>	<b>1,407,195</b>
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(d)(e)</sup>	240,976	242,950	143,612	140,627	132,760
Expenses not requiring appropriation in the budget year <sup>(b)</sup>	22,183	23,405	24,515	24,956	25,897
<b><i>Departmental total</i></b>	<b>263,159</b>	<b>266,355</b>	<b>168,127</b>	<b>165,583</b>	<b>158,657</b>
<b>Total expenses for Outcome 1</b>	<b>1,664,992</b>	<b>1,863,690</b>	<b>1,520,832</b>	<b>1,534,134</b>	<b>1,565,852</b>

Continued on following pages

**Table 2.1: 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
<b>Outcome 1 Totals by appropriation type</b>					
<b><u>Administered expenses</u></b>					
Ordinary annual services (Appropriation Bill (No. 1))	154,640	220,112	148,197	154,863	131,028
Special appropriations	1,084,401	1,096,693	1,024,888	1,046,082	1,107,972
Special accounts	71,857	163,081	100,000	100,000	100,000
Payments to corporate entities (Draw-down)	27,440	23,695	24,569	24,858	25,681
Expenses not requiring appropriation in the budget year <sup>(b)</sup>	63,495	93,754	55,051	42,748	42,514
<b>Administered total</b>	<b>1,401,833</b>	<b>1,597,335</b>	<b>1,352,705</b>	<b>1,368,551</b>	<b>1,407,195</b>
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(d)(e)</sup>	240,976	242,950	143,612	140,627	132,760
Expenses not requiring appropriation in the budget year <sup>(b)</sup>	22,183	23,405	24,515	24,956	25,897
<b>Departmental total</b>	<b>263,159</b>	<b>266,355</b>	<b>168,127</b>	<b>165,583</b>	<b>158,657</b>
<b>Total expenses for Outcome 1</b>	<b>1,664,992</b>	<b>1,863,690</b>	<b>1,520,832</b>	<b>1,534,134</b>	<b>1,565,852</b>
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)<sup>(e)</sup></b>	685	995			

(a) The budget for 2022–23 and forward estimates for these programs has been transferred to DCCEEW.

(b) 'Expenses not requiring appropriation in the budget year' are made up of depreciation and amortisation expenses, resources received free of charge, concessional loan discount and balance sheet adjustments.

(c) APVMA and RIC are CCEs under the PGPA Act and do not receive direct appropriations. Instead, this funding passes through the department to these entities.

(d) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses are funded from both 'ordinary annual services' Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1) 2022–23* and 'revenue from independent sources' (receipts retained under section 74 of the PGPA Act).

(e) The budgeted departmental appropriation and ASL for 2022–23 additionally reflects the part-year impact of costs attributable to former DAWWE staff that were reported under Outcomes 1, 2 and 5, then transferred to DCCEEW on 29 September 2022, after the date of effect of the AAO on 1 July 2022.

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

Continued on following page

**Table 2.1: Budgeted expenses for Outcome 1 (continued)**

<b>Movements of administered funds between years<sup>(f)</sup></b>	<b>2021–22 \$'000</b>	<b>2022–23 \$'000</b>	<b>2023–24 \$'000</b>	<b>2024–25 \$'000</b>	<b>2025–26 \$'000</b>
<u>Movements of Funds:</u>					
Agriculture 2030 – Biosecurity – for reduction and prevention activities to reduce the economic and environmental burden of established feral animals, pests and weeds:					
Indigenous Rangers	(954)	-	477	477	-
Agriculture 2030 – Improving employment opportunities:					
Pilot AgUp program	(1,312)	1,312	-	-	-
<u>Agriculture 2030 – Soil and Stewardship:</u>					
Implement a National Soils Science Challenge	(1,797)	1,797	-	-	-
Pilot Stewardship Program <sup>(g)</sup>	(3,310)	3,310	-	-	-
Agriculture Stewardship Package <sup>(g)</sup>	(2,271)	2,271	-	-	-
Fisheries Habitat Restoration	(3,479)	3,479	-	-	-
National Institute for Forest Products Innovation	(660)	660	-	-	-
Pest Animal and Weeds Management: Pipeline	-	(1,767)	1,767	-	-
<u>Reclassification:</u>					
Fisheries Resources Research Fund to Departmental ABARES	-	(1,835)	-	-	-
<u>Movements of Funds – Special Account:</u>					
Agriculture Future Drought Resilience	(63,081)	63,081	-	-	-
<b>Total of funds moved</b>	<b>(76,864)</b>	<b>72,308</b>	<b>2,244</b>	<b>477</b>	<b>-</b>
<b>The Treasury</b>					
<u>Other Variations or Measure:</u>					
[SPP895] A future Grown in Australia – A better Plan for Forestry and Forest Products New Plantations for Wood Supply – Reframe	-	(10,000)	(25,000)	(30,000)	(20,000)
<u>Movements of Funds:</u>					
[SPP880] Construction Softwood Transport Assistance	(4,466)	4,466	-	-	-
[SPP840] Drought Resilience Special Account – Farm Business Resilience	(25,000)	25,000	-	-	-
[SPP838] Drought Resilience Special Account – Regional Drought Resilience Plan	(13,467)	13,467	-	-	-
[SPP815] Fishing and Camping Facilities Program	(4,644)	4,644	-	-	-
[SPP693] Pests Animal and Weeds Management	(3)	(321)	294	30	-
<b>Total of SPP funds moved</b>	<b>(47,580)</b>	<b>37,256</b>	<b>(24,706)</b>	<b>(29,970)</b>	<b>(20,000)</b>

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

(g) These programs have been transferred to DCCEEW.

**Table 2.2: Performance measure for Outcome 1**

Table 2.2 details the key activities and programs associated with Outcome 1. The PBS performance results for the prior year (2021–22) are detailed in the DAWE annual performance statements, which can be found in the DAWE Annual Report 2021–22.

DAFF is in the process of developing its 2022–23 Corporate Plan (due early 2023). This will involve setting the purpose, key activities and performance measures for 2022–23 and beyond, to align with current government priorities and commitments. Performance measures for budget year 2022–23 and forward estimates will be set out in the DAFF 2022–23 Corporate Plan.

<p><b>Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.</b></p>
<p><b>Program 1.1: Agricultural Adaptation</b></p> <p><b>Program 1.2: Sustainable Management – Natural Resources</b></p> <p><b>Program 1.3: Forestry Industry</b></p> <p><b>Program 1.4: Fishing Industry</b></p> <ul style="list-style-type: none"> <li>- Support food and fibre production by promoting the sustainable use and management of soils, water and vegetation.</li> </ul>
<p><b>Program 1.5: Horticulture Industry</b></p> <p><b>Program 1.6: Wool Industry</b></p> <p><b>Program 1.7: Grains Industry</b></p> <p><b>Program 1.8: Dairy Industry</b></p> <p><b>Program 1.9: Meat and Livestock Industry</b></p> <p><b>Program 1.10: Agricultural Resources</b></p> <p><b>Program 1.11: Drought Programs</b></p> <p><b>Program 1.12: Rural Programs</b></p> <ul style="list-style-type: none"> <li>- Improve farm gate returns for agriculture, fisheries, food and fibre industries.</li> <li>- Provide targeted assistance to help primary producers, their families and communities manage adjustment pressures.</li> </ul>
<p><b>Program 1.13: International Market Access</b></p> <p>Maximise returns to primary producers from selling into export markets.</p>

Continued on following page

**Table 2.2: Performance measure for Outcome 1 (continued)**

<b>Key Activities<sup>(a)</sup></b>	<ul style="list-style-type: none"> <li>- Regulate and support agricultural sector productivity and sustainability through policy and innovation.</li> <li>- Maintain, expand and improve agricultural export markets.</li> <li>- Streamline export regulations and compliance arrangements.</li> <li>- Support Australian farmers.</li> </ul>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	Performance measures from the 2021–22 DAWE PBS are listed in the DAWE Annual Report 2021–22.	As detailed in the DAWE Annual Report 2021–22.
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2022–23	Performance measures for budget year 2022–23 and forward estimates will be set out in the DAFF 2022–23 Corporate Plan.	Performance measures for budget year 2022–23 and forward estimates will be set out in the DAFF 2022–23 Corporate Plan.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.
Material changes to Programs 1.1 – 1.13 resulting from October 2022–23 Budget Measures: Nil		

(a) Performance criteria from the DAWE 2021–22 Corporate Plan were renamed as key activities in the DAWE Annual Report 2021–22, to better align with PGPA Act requirements.

2.3      **Budgeted expenses and performance measures for DAFF**  
**Outcome 2**

**Outcome 2: Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.**

**2.3.1: Linked programs**

<b>Australian Trade and Investment Commission</b>
Program 1.1: Promotion of Australia’s export and other international economic interests
<b>Contribution to Outcome 2 made by linked program:</b> DAFF and Austrade work together to achieve the best outcomes for Australian agricultural, fisheries and forestry exports.
<b>Commonwealth Scientific and Industrial Research Organisation</b>
Program 1: Scientific and Industrial Research and Infrastructure
<b>Contribution to Outcome 2 made by linked program:</b> DAFF contributes to the operating costs of the CSIRO’s Australian Centre for Disease Preparedness (formerly the Australian Animal Health Laboratory) for animal disease diagnosis, prevention, and research.
<b>Department of Health and Aged Care</b>
Program 1.8: Health Protection, Emergency Response and Regulation
<b>Contribution to Outcome 2 made by linked program:</b> DAFF provides the at-the-border services for the management of various human biosecurity risks on behalf of the Department of Health and Aged Care under the <i>Biosecurity Act 2015</i> pursuant to a memorandum of understanding.

Continued on following pages

**2.3.1: Linked programs (continued)**

<b>Department of Home Affairs</b>
Program 3.4: Border Enforcement Program 3.2: Border Management
<b>Contribution to Outcome 2 made by linked programs:</b> DAFF and the Department of Home Affairs work collaboratively to undertake screening and surveillance for all people and goods entering Australia.
<b>Department of Industry, Science and Resources</b>
Program 1.1: Investing in Science, Technology and Commercialisation Program 1.3: Supporting a Strong Resources Sector
<b>Contribution to Outcome 2 made by linked programs:</b> DAFF works collaboratively with the Department of Industry, Science and Resources (DISR) through the National Measurement Institute. DAFF access analytical laboratory services and expertise to support the National Residue Survey and Imported Food Inspection Scheme.
<b>Department of the Treasury</b>
Program 1.9: National Partnership Payments to the States
<b>Contribution to Outcome 2 made by linked program:</b> The Department of the Treasury contributes to Outcome 2 by making payments through the Federation Funding Agreement Framework on behalf of DAFF, for the following funding agreements: <ul style="list-style-type: none"> <li>• Bolstering Australia's Biosecurity System – Protecting Australia from Escalating Exotic Animal Disease Risks (SPP900)</li> <li>• Building Resilience to Manage Fruit Fly (SPP993)</li> <li>• Ehrlichia Canis Pilot Program (SPP876)</li> <li>• Horse Traceability (SPP875)</li> <li>• National Plant Health Surveillance Program (SPP857)</li> <li>• Pest and Disease Preparedness and Response Programs (SPP188)</li> <li>• Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector (SPP859)</li> <li>• Strengthen Australia's Frontline Biosecurity Capability and Domestic Preparedness (SPP913)</li> </ul>

Continued on following page

**2.3.1: Linked programs (continued)**

<b>Food Standards Australia New Zealand</b>
Program 1.1: Food Regulatory Activity and Services to the Minister and Parliament
<b>Contribution to Outcome 2 made by linked program:</b> Food Standards Australia New Zealand provides advice on whether foods pose a medium to high risk to public health to help DAFF to manage the food safety risks associated with imported food for human consumption.
<b>National Indigenous Australians Agency</b>
Program 2.1: Indigenous Advancement – Jobs, Land and Economy
<b>Contribution to Outcome 2 made by linked programs:</b> DAFF and NIAA partner with Aboriginal and Torres Strait Islander Ranger groups to deliver biosecurity work that protects Australian agriculture and the northern Australian environment.



### 2.3.2: 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 2.3: Budgeted expenses for Outcome 2**

**Outcome 2: Safeguard Australia's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 2.1: Biosecurity and Export Services</b>					
<b>Administered expenses</b>					
<b>Ordinary annual services (Appropriation Bill (No. 1))</b>					
<u>Agriculture 2030 – Biosecurity – To ensure Australia continues to have a robust biosecurity preparedness and response capability in the event of a pest and disease outbreak:</u>					
Foot-and-mouth Vaccine	-	-	-	1,680	-
Surveillance Animal	1,220	1,070	870	870	-
Surveillance Plant	200	500	200	500	-
Australian Trade System Support – Cultivating Australia's Traceability – Promoting and Protecting Australian Premium Agriculture	1,985	25,068	14,814	116	-
<u>Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks:</u>					
Protecting Australia from Escalating Exotic Animal Disease Risks	-	1,213	6,810	-	-
National Livestock Traceability Reform to Enhance Agricultural Biosecurity and Export	-	26,600	-	-	-
Centre of Excellence for Biosecurity Risk Analysis and Research	1,854	1,890	1,967	2,010	2,048
Enhancing Australia's Biosecurity System – Priority Pest and Disease Planning and Response	2,832	2,834	2,934	3,534	4,534
Modernising Agricultural Trade – Protecting Australia's Clean, Green Brand	-	2,000	2,000	2,000	2,000
Package Assisting Small Exporters	1,965	498	-	-	-

Continued on following pages

**Table 2.3: Budgeted expenses for Outcome 2 (continued)**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 2.1: Biosecurity and Export Services</b>					
<b>Administered expenses (continued)</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Priorities for Australia's Biosecurity System – Environmental Protection Officer	825	825	825	825	825
Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector	1,384	4,060	1,300	1,300	-
<b>Administered total</b>	<b>12,265</b>	<b>66,558</b>	<b>31,720</b>	<b>12,835</b>	<b>9,407</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(a)</sup></u></b>					
Write-down and impairment of assets	372	-	-	-	-
Other expenses	2,139	-	-	-	-
<b>Total</b>	<b>2,511</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>14,776</b>	<b>66,558</b>	<b>31,720</b>	<b>12,835</b>	<b>9,407</b>
<b>Program 2.2: Plant and Animal Health</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Agriculture 2030 – Biosecurity – continue to protect Australia from the biosecurity risk posed by African swine fever	29	392	212	194	-
Animal Biosecurity and Response Reform	854	1,024	1,066	1,089	1,110
Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks: Emergency funding to manage the risk of foot-and-mouth disease and lumpy skin disease	-	3,830	-	-	-
Commonwealth Membership of Animal Health Australia and Plant Health Australia	2,379	3,144	2,901	2,966	3,023
International Organisations Contribution – World Organisation for Animal Health	348	258	268	275	280
Other Exotic Disease Preparedness Program	610	616	722	737	749
Payment to CSIRO – contribution to the operating costs of the Australian Centre for Disease Preparedness	8,619	8,783	9,142	9,343	9,521
Plant Biosecurity and Response Reform	1,416	1,444	1,503	1,537	1,566

Continued on following pages

**Table 2.3: Budgeted expenses for Outcome 2 (continued)**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 2.2: Plant and Animal Health</b>					
<b>Administered expenses (continued)</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Smart Fruit Fly Management – Collaborative National Approach	1,200	-	-	-	-
Stronger Farmers, Stronger Economy – strengthening research, skills and management of natural resources – immediate assistance fund	-	5,223	2,151	3,844	3,917
<b>Administered total</b>	<b>15,455</b>	<b>24,714</b>	<b>17,965</b>	<b>19,985</b>	<b>20,166</b>
<b><u>Special appropriations</u></b>					
Australian Animal Health Council (Live-stock Industries) Funding Act 1996, s. 5 – appropriation	7,284	7,940	8,506	8,702	8,723
Plant Health Australia (Plant Industries) Funding Act 2002, s. 6 – appropriation	5,731	9,416	9,480	9,495	9,484
Plant Health Australia (Plant Industries) Funding Act 2002, s. 10B – payments to PHA from EPPR levies and charges	3,277	4,031	3,791	3,833	3,890
<b>Special Appropriation total</b>	<b>16,292</b>	<b>21,387</b>	<b>21,777</b>	<b>22,030</b>	<b>22,097</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(a)</sup></u></b>					
Other expenses	31	-	-	-	-
<b>Total</b>	<b>31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>31,778</b>	<b>46,101</b>	<b>39,742</b>	<b>42,015</b>	<b>42,263</b>
<b><u>Administered expenses</u></b>					
Administered appropriation	44,012	112,659	71,462	54,850	51,670
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	2,542	-	-	-	-
<b>Administered total</b>	<b>46,554</b>	<b>112,659</b>	<b>71,462</b>	<b>54,850</b>	<b>51,670</b>
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(b)</sup>	382,465	413,054	370,851	324,305	250,310
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	17,418	22,308	16,510	8,504	8,593
<b>Departmental total</b>	<b>399,883</b>	<b>435,362</b>	<b>387,361</b>	<b>332,809</b>	<b>258,903</b>
<b><u>Special accounts</u></b>					
Biosecurity, Imported Food and Export Certification Special Account 2020 <sup>(c)</sup>	440,575	436,471	468,533	471,000	471,000
National Residue Survey Account – s. 80, PGPA Act [s. 6(1), National Residue Survey Administration Act 1992]	11,571	12,692	11,967	12,088	12,141
<b>Special Account total</b>	<b>452,146</b>	<b>449,163</b>	<b>480,500</b>	<b>483,088</b>	<b>483,141</b>
<b>Total expenses for Outcome 2</b>	<b>898,583</b>	<b>997,184</b>	<b>939,323</b>	<b>870,747</b>	<b>793,714</b>

Continued on following pages

**Table 2.3: Budgeted expenses for Outcome 2 (continued)**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Outcome 2 Totals by appropriation type</b>					
<b><u>Administered expenses</u></b>					
Ordinary annual services (Appropriation Bill (No. 1))	27,720	91,272	49,685	32,820	29,573
Special appropriations	16,292	21,387	21,777	22,030	22,097
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	2,542	-	-	-	-
<b><i>Administered total</i></b>	<b>46,554</b>	<b>112,659</b>	<b>71,462</b>	<b>54,850</b>	<b>51,670</b>
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(b)</sup>	382,465	413,054	370,851	324,305	250,310
Special accounts	452,146	449,163	480,500	483,088	483,141
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	17,418	22,308	16,510	8,504	8,593
<b><i>Departmental total</i></b>	<b>852,029</b>	<b>884,525</b>	<b>867,861</b>	<b>815,897</b>	<b>742,044</b>
<b>Total expenses for Outcome 2</b>	<b>898,583</b>	<b>997,184</b>	<b>939,323</b>	<b>870,747</b>	<b>793,714</b>
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)</b>	3,853	4,010			

(a) 'Expenses not requiring appropriation in the budget year' are made up of depreciation and amortisation expenses, resources received free of charge, balance sheet adjustments and an approved operating loss.

(b) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses are funded from both 'ordinary annual services' Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1) 2022–23* and 'revenue from independent sources' (receipts retained under section 74 of the PGPA Act).

(c) The Biosecurity, Imported Food and Export Certification Special Account was formerly known as the Australian Quarantine and Inspection Service Special Account.

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

Continued on following page

**Table 2.3: Budgeted expenses for Outcome 2 (continued)**

<b>Movements of administered funds between years<sup>(d)</sup></b>	<b>2021–22 \$'000</b>	<b>2022–23 \$'000</b>	<b>2023–24 \$'000</b>	<b>2024–25 \$'000</b>	<b>2025–26 \$'000</b>
<u>Movement of Funds:</u>					
Agriculture 2030 – Biosecurity – continue to protect Australia from the biosecurity risk posed by African swine fever	(158)	158	-	-	-
Australian Trade System Support – Cultivating Australia's Traceability – Promoting and Protecting Australian Premium Agriculture	(2,556)	2,556	-	-	-
Commonwealth membership of Animal Health Australia and Plant Health Australia	(360)	360	-	-	-
Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector	(2,760)	2,760	-	-	-
Stronger Farmers, Stronger Economy – strengthening research, skills and management of natural resources – immediate assistance fund	(2,971)	2,971	-	-	-
<b>Total of funds moved</b>	<b>(8,805)</b>	<b>8,805</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>The Treasury</b>					
<u>Movement of Funds:</u>					
[SPP993] Building resilience to manage fruit fly	(1,000)	1,000	-	-	-
[SPP875] Horse Traceability	(50)	50	-	-	-
[SPP188] Pest and Disease Preparedness and Response	(27,666)	98,666	(18,000)	(24,000)	(29,000)
<u>Other Variation:</u>					
[SPP900] Agriculture – continuing to deliver Agriculture 2030 – boosting our northern biosecurity frontline – Reframe	-	-	(6,000)	(5,700)	(5,300)
[SPP913] Agriculture – continuing to deliver Agriculture 2030 – supporting farmers to maximise farm gate output through and on-farm biosecurity – Reframe	-	(6,000)	(8,000)	(6,000)	-
[SPP913] Strengthen Australia's frontline biosecurity capability and domestic preparedness	-	6,000	8,000	6,000	-
[SPP900] Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks	-	900	1,900	-	-
<u>[SPP188] Pest and Disease Preparedness and Response Programs:</u>					
Emergency Response Industry cost share	-	4,053	-	-	-
Parameter	-	-	818	1,083	1,175
<b>Total of SPP funds moved</b>	<b>(28,716)</b>	<b>104,669</b>	<b>(21,282)</b>	<b>(28,617)</b>	<b>(33,125)</b>

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

**Table 2.4: Performance measure for Outcome 2**

Table 2.4 details the key activities and programs associated with Outcome 2. The PBS performance results for the prior year (2021–22) are detailed in the DAWE annual performance statements, which can be found in the DAWE Annual Report 2021–22.

DAFF is in the process of developing its 2022–23 Corporate Plan (due early 2023). This will involve setting the purpose, key activities and performance measures for 2022–23 and beyond, to align with current government priorities and commitments. Performance measures for budget year 2022–23 and forward estimates will be set out in the DAFF 2022–23 Corporate Plan.

<b>Outcome 2: Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.</b>		
<b>Program 2.1: Biosecurity and Export Services</b>		
<b>Program 2.2: Plant and Animal Health</b>		
<ul style="list-style-type: none"><li>- Use evidence-based risk management to ensure the safe movement into Australia of people, animals, plants, food and cargo.</li><li>- Coordinate emergency responses to pest and disease incursions.</li></ul>		
<b>Key Activities<sup>(a)</sup></b>	<ul style="list-style-type: none"><li>- Reduce the likelihood of exotic pests and diseases entering and becoming established or spreading in Australia.</li><li>- Enhance awareness and understanding of biosecurity risks across business sectors and the Australian community.</li><li>- Regulate and collaborate to assure compliance with biosecurity requirements.</li><li>- Invest in partnerships, technology and innovation to advance the national biosecurity system.</li></ul>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	Performance measures from the 2021–22 DAWE PBS are listed in the DAWE Annual Report 2021–22.	As detailed in the DAWE Annual Report 2021–22.

Continued on following page

**Table 2.4: Performance measure for Outcome 2 (continued)**

<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2022–23	Performance measures for budget year 2022–23 and forward estimates will be set out in the DAFF 2022–23 Corporate Plan.	Performance measures for budget year 2022–23 and forward estimates will be set out in the DAFF 2022–23 Corporate Plan.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.
Material changes to Programs 2.1 and 2.2 resulting from October 2022–23 Budget Measures: Nil		

(a) Performance criteria from the DAWE 2021–22 Corporate Plan were renamed as key activities in the DAWE Annual Report 2021–22, to better align with PGPA Act requirements.

**2.4 Budgeted expenses for DAWE Outcome 1**

As a result of the AAO made on 23 June 2022 and commencing on 1 July 2022, the 2021–22 Estimated actuals are reported for DAWE.

**DAWE Outcome 1: Conserve, protect and sustainably manage Australia’s biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances, and coordination of climate change adaptation strategy and climate change science activities.**

**2.4.1: Linked programs**

Please refer to the DCCEEW October 2022–23 PBS for changes to linked programs.

**2.4.2: Budgeted expenses for DAWE 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.

This table reflects the actuals for DAWE Outcome 1 for 2021–22. This outcome will be reported as Outcome 2 in DCCEEW, please refer to their October 2022–23 PBS for forward years estimates.



**Table 2.5: Budgeted expenses for DAWE Outcome 1**

**DAWE Outcome 1: Conserve, protect and sustainably manage Australia's biodiversity, ecosystems, environment and heritage through research, information management, supporting natural resource management, establishing and managing Commonwealth protected areas, and reducing and regulating the use of pollutants and hazardous substances, and coordination of climate change adaptation strategy and climate change science activities.**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.1: Sustainable Management of Natural Resources and the Environment</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Australian Marine Parks	5,199	-	-	-	-
Biodiversity Recovery Package – Koala Conservation and Protection	-	-	-	-	-
Bushfire Recovery for Species and Landscapes	52,609	-	-	-	-
Environment Restoration Fund	29,582	-	-	-	-
Environment Restoration Fund – Bushfire Wildlife Recovery Program	2,395	-	-	-	-
Environmental Stewardship Program	8,248	-	-	-	-
<b><u>National Landcare Program:</u></b>					
Natural Heritage Trust (NHT) <sup>(a)</sup>	148,602	-	-	-	-
NHT – Agriculture 2030 – Biosecurity – for reduction and prevention activities to reduce the economic and environmental burden of established feral animals, pests and weeds	27	-	-	-	-
<i>Less special account</i>	(148,629)	-	-	-	-
<b><u>Oceans Leadership Package:</u></b>					
Australian Marine Parks Partnership – Indian Ocean Territories	-	-	-	-	-
Australian Marine Parks Partnership – Our Marine Parks	5,000	-	-	-	-
Expanding Indigenous Protected Areas to include Sea Country	-	-	-	-	-
Sustainable Ocean Action Plan	-	-	-	-	-
Ocean Accounting and On-the- Ground Restoration Activities to Restore Blue Carbon Ecosystems	2,042	-	-	-	-
Planting Trees for the Queen's Jubilee	7,723	-	-	-	-

Continued on following pages

**Table 2.5: Budgeted expenses for DAWE 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
<b>Program 1.1: Sustainable Management of Natural Resources and the Environment</b>					
<b>Administered expenses (continued)</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
<b><u>Reef Trust Program:</u></b>					
Reef 2050 Plan	15,000	-	-	-	-
Reef through Stewardship and Leadership	-	-	-	-	-
Less special account	(15,000)	-	-	-	-
<b>Administered total</b>	<b>112,798</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Payments to corporate entities (Draw-down)<sup>(b)</sup></u></b>					
Director of National Parks	104,725	-	-	-	-
<b>Payments to corporate entities total</b>	<b>104,725</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Special accounts</u></b>					
Natural Heritage Trust of Australia Account	160,532	-	-	-	-
Reef Trust Special Account	35,112	-	-	-	-
<b>Special account total</b>	<b>195,644</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(c)</sup></u></b>					
Resources received free of charge – NHT audit fee	60	-	-	-	-
Impairment loss on financial instruments	64	-	-	-	-
<b>Total</b>	<b>124</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>413,291</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Program 1.2: Environmental Information and Research**

<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Australian Biological Resources Study	2,015	-	-	-	-
Harry Butler Environment Education Centre	8,000	-	-	-	-
Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining	1,105	-	-	-	-
National Centre for Coasts, Environment and Climate	8,000	-	-	-	-
National Environmental Science Program	24,352	-	-	-	-
<b>Administered total</b>	<b>43,472</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>43,472</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Continued on following pages

**Table 2.5: Budgeted expenses for DAWE 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
<b>Program 1.3: Commonwealth Environmental Water</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Commonwealth Environmental Water Office	35,205	-	-	-	-
<i>Less special account</i>	(35,205)	-	-	-	-
Murray-Darling Basin Environmental Knowledge and Research	2,078	-	-	-	-
<b><i>Administered total</i></b>	<b>2,078</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Special account</u></b>					
Environmental Water Holdings Special Account	39,452	-	-	-	-
<b><i>Special account total</i></b>	<b>39,452</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(c)</sup></u></b>					
Write-down and impairment of assets	1,422	-	-	-	-
<b><i>Total</i></b>	<b>1,422</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>42,952</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Australian Heritage Grants Program	5,401	-	-	-	-
<b><i>Administered total</i></b>	<b>5,401</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Payments to corporate entities (Draw-down)<sup>(b)</sup></u></b>					
Sydney Harbour Federation Trust	2,465	-	-	-	-
<b><i>Payments to corporate entities total</i></b>	<b>2,465</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>7,866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Program 1.5: Environmental Regulation**

<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
<i>Environment Protection and Biodiversity Conservation Act 1999</i>					
– Water Resources Amendment	44	-	-	-	-
<b><i>Administered total</i></b>	<b>44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Continued on following pages

**Table 2.5: Budgeted expenses for DAWE 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
<b>Program 1.6: Management of Hazardous Wastes, Substances and Pollutants</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Agriculture 2030 – Soil and Stewardship – deliver a community and education program on the benefits of processed organic waste	-	-	-	-	-
Building Australia's Circular Waste Economy – Implementing a Remade in Australia Scheme	-	-	-	-	-
Expanding Australia's Recycling Sector – National Recycling Campaign	18,708	-	-	-	-
Incentivising Recycling Behaviours – supporting small business to adopt the Australasian recycling label	2,000	-	-	-	-
National Environment Protection Council	440	-	-	-	-
<i>Less special account</i>	(440)	-	-	-	-
Per-and-Poly-Fluorinated Alkyl Substances Research Grant	496	-	-	-	-
Product Stewardship Investment Fund	9,780	-	-	-	-
Securing the Future of Jabiru Township	-	-	-	-	-
<b><i>Administered total</i></b>	<b>30,984</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Special accounts</u></b>					
Ozone Protection and Synthetic Greenhouse Gas Account	12,171	-	-	-	-
National Environment Protection Council Special Account	691	-	-	-	-
<b><i>Special account total</i></b>	<b>12,862</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(d)</sup></u></b>					
Increase in remediation provision	15,057	-	-	-	-
<b><i>Total</i></b>	<b>15,057</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>58,903</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Continued on following page

**Table 2.5 Budgeted expenses for DAWE 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
<b>Outcome 1 Totals by appropriation type</b>					
<b><u>Administered expenses</u></b>					
Ordinary annual services (Appropriation Bill (No. 1))	394,051	-	-	-	-
Special accounts	247,958	-	-	-	-
Payments to corporate entities	107,190	-	-	-	-
Expenses not requiring appropriation in the budget year <sup>(c)</sup>	16,603	-	-	-	-
Less amounts transferred within the department	(199,274)	-	-	-	-
<b>Administered total</b>	<b>566,528</b>	-	-	-	-
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(d)</sup>	339,694	-	-	-	-
Expenses not requiring appropriation in the budget year <sup>(c)</sup>	40,537	-	-	-	-
<b>Departmental total</b>	<b>380,231</b>	-	-	-	-
<b>Total expenses for Outcome 1</b>	<b>946,759</b>	-	-	-	-
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)</b>	1,080	-			

(a) Funding for components of the National Landcare Program are directly appropriated to the Department of the Treasury and the Department of the Prime Minister and Cabinet.

(b) The Director of National Parks and Sydney Harbour Federation Trust are CCEs under the PGPA Act and do not receive direct appropriations. Instead, their funding passes through the department and is drawn down on their behalf.

(c) 'Expenses not requiring appropriation in the budget year' are made up of depreciation and amortisation expenses, audit fees and an approved operating loss.

(d) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses are funded from both 'Ordinary annual services (*Appropriation Act (No. 1) and (No. 3) 2021–22*)' and 'External Revenue' under section 74 of the PGPA Act.

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

**Table 2.6: Performance measure for DAWE Outcome 1**

DAWE Outcome 1, 2 and 5 2021–22 Expected Performance Results and 2022–23 budget year and forward estimates are found in the DCCEEW October 2022–23 PBS under the performance measures section within Outcome 2, 3 and 4.

2.5 Budgeted expenses for DAWE Outcome 2

As a result of the AAO made on 23 June 2022 and commencing on 1 July 2022, the 2021–22 Estimated actuals are reported for DAWE.

**DAWE Outcome 2: Advance Australia’s strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region.**

2.5.1: Linked programs

Please refer to the DCCEEW October 2022–23 PBS for changes to linked programs.

2.5.2: Budgeted expenses for DAWE 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.

This table reflects the actuals for DAWE Outcome 2 for 2021–22. This outcome will be reported as Outcome 3 in DCCEEW, please refer to their October 2022–23 PBS for forward years estimates.

Table 2.7: Budgeted expenses for DAWE Outcome 2

DAWE Outcome 2: Advance Australia’s strategic, scientific, environmental and economic interests in the Antarctic region by protecting, administering and researching the region.					
	2021–22 Estimated actual \$’000	2022–23 Budget \$’000	2023–24 Forward estimate \$’000	2024–25 Forward estimate \$’000	2025–26 Forward estimate \$’000
<b>Program 2.1: Antarctica: Science, Policy and Presence</b>					
<b><u>Administered expenses</u></b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	11	-	-	-	-
<b>Administered total</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(b)</sup>	199,120	-	-	-	-
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	81,859	-	-	-	-
<b>Departmental total</b>	<b>280,979</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>280,990</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Continued on following page

**Table 2.7: Budgeted expenses for DAWE Outcome 2 (continued)**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Outcome 2 Totals by appropriation type</b>					
<b><u>Administered expenses</u></b>					
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	11	-	-	-	-
<b><i>Administered total</i></b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(b)</sup>	199,120	-	-	-	-
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	81,859	-	-	-	-
<b><i>Departmental total</i></b>	<b>280,979</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenses for Outcome 2</b>	<b>280,990</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	2021–22	2022–23
<b>Average staffing level (number)</b>	448	-

(a) 'Expenses not requiring appropriation in the budget year' are made up of depreciation and amortisation expenses, audit fees and an approved operating loss.

(b) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses are funded from both 'Ordinary annual services (*Appropriation Act (No. 1) and (No. 3) 2021–22*)' and 'External Revenue' under section 74 of the PGPA Act.

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

**Table 2.8: Performance measure for DAWE Outcome 2**

DAWE Outcome 1, 2 and 5 2021–22 Expected Performance Results and 2022–23 budget year and forward estimates are found in the DCCEE October 2022–23 PBS under the performance measures section within Outcome 2, 3 and 4.

## 2.6 Budgeted expenses for DAWE Outcome 5

As a result of the AAO made on 23 June 2022 and commencing on 1 July 2022, the 2021–22 Estimated actuals are reported for DAWE.

**DAWE Outcome 5: Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources.**

### 2.6.1 Linked programs

Please refer to the DCCEEW October 2022–23 PBS for changes to linked programs.

### 2.6.2: Budgeted expenses for DAWE Outcome 5

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.

This table reflects the actuals for DAWE Outcome 5 for 2021–22. This outcome will be reported as Outcome 4 in DCCEEW, please refer to their October 2022–23 PBS for forward years estimates.

**Table 2.9: Budgeted expenses for DAWE Outcome 5**

**DAWE Outcome 5: Improve the health of rivers and freshwater ecosystems and water use efficiency through implementing water reforms, and ensuring enhanced sustainability, efficiency and productivity in the management and use of water resources.**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 5.1: Water Reform</b>					
<b>Administered expenses</b>					
<b><u>Ordinary annual services (Appropriation Bill (No. 1))</u></b>					
Commonwealth Contribution under the Murray-Darling Basin Agreement	13,641	-	-	-	-
Sustainable Rural Water Use and Infrastructure Program	49,416	-	-	-	-
Water Research Goyder Institute	-	-	-	-	-
<b>Administered total</b>	<b>63,057</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Payments to corporate entities (Draw-down)<sup>(a)</sup></u></b>					
Murray-Darling Basin Authority	38,363	-	-	-	-
Murray-Darling Basin Authority – Murray-Darling Communities Investment Package	42,407	-	-	-	-
<b>Payments to corporate entities total</b>	<b>80,770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**Table 2.9: Budgeted expenses for DAWE Outcome 5 (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
<b>Program 5.1: Water Reform</b>					
<b>Administered expenses (continued)</b>					
<b><u>Special accounts</u></b>					
Water Efficiency Labelling Scheme Account	2,607	-	-	-	-
Water for the Environment Special Account	140,601	-	-	-	-
Water Resources Special Account	485	-	-	-	-
<b><i>Special account total</i></b>	<b>143,693</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Expenses not requiring appropriation in the budget year<sup>(b)</sup></u></b>					
Other expenses	8,347	-	-	-	-
Write-down and impairment of assets	15	-	-	-	-
<b><i>Total</i></b>	<b>8,362</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program expenses</b>	<b>295,882</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Administered expenses</u></b>					
Administered appropriation	287,520	-	-	-	-
Expenses not requiring appropriation in the budget year <sup>(b)</sup>	8,362	-	-	-	-
<b><i>Administered total</i></b>	<b>295,882</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(c)</sup>	42,245	-	-	-	-
Expenses not requiring appropriation in the budget year <sup>(b)</sup>	2,634	-	-	-	-
<b><i>Departmental total</i></b>	<b>44,879</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenses for Outcome 5</b>	<b>340,761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Continued on following page

**Table 2.9: Budgeted expenses for DAWE Outcome 5 (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
<b>Outcome 5 Totals by appropriation type</b>					
<b><u>Administered expenses</u></b>					
Ordinary annual services (Appropriation Bill (No. 1))	63,057	-	-	-	-
Special accounts	143,693	-	-	-	-
Payments to corporate entities (Draw-down)	80,770	-	-	-	-
Expenses not requiring appropriation in the budget year <sup>(b)</sup>	8,362	-	-	-	-
<b>Administered total</b>	<b>295,882</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(c)</sup>	42,245	-	-	-	-
Expenses not requiring appropriation in the budget year <sup>(b)</sup>	2,634	-	-	-	-
<b>Departmental total</b>	<b>44,879</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenses for Outcome 5</b>	<b>340,761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)</b>	164	-			

(a) The MDBA is a CCE under the PGPA Act and does not receive direct appropriations. Instead, this funding passes through the department to the MDBA.

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

(c) Departmental appropriation allocations are notional and reflect the current structure of the department. Expenses are funded from both 'Ordinary annual services (*Appropriation Act (No. 1) and (No. 3) 2021–22*)' and 'External Revenue' under section 74 of the PGPA Act.

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

**Table 2.10: Performance measure for DAWE Outcome 5**

DAWE Outcome 1, 2 and 5 2021–22 Expected Performance Results and 2022–23 budget year and forward estimates are found in the DCCEEW October 2022–23 PBS under the performance measures section within Outcome 2, 3 and 4.

## 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

An analysis of the primary causes of movements in the budgeted departmental financial statements and administered schedules is provided in the relevant sections. The March 2022–23 PBS is used as comparative figures in the analysis.

#### 3.1.2: Budgeted comprehensive departmental income statement

The changes in departmental expense, income and revenue estimates are primarily attributable to the:

- Transfer of responsibility of functions between entities as a result of the Administrative Arrangements Order (AAO) changes, as outlined in Table 1.1 (implementation of the AAO changes in this context is referred to as a Machinery of Government [MoG] change)
- New measures as outlined in Table 1.2
- Estimate variations.

Since the March 2022–23 PBS, estimated revenue from Government in 2022–23 has decreased by \$520.1 million. The decrease is due to MoG changes, which is partly offset by October 2022–23 Budget measures listed in Table 1.2.

The own source revenue estimate in 2022–23 has decreased by \$30.8 million since the March 2022–23 PBS, driven by MoG changes and lower than anticipated external revenue receipts.

The expense estimate in 2022–23 has decreased by \$638.8 million and is due to MoG changes and partly offset by decreased employee expenses.

The department is budgeting for a \$14.0 million net operating loss in 2022–23. The budgeted operating loss has decreased because the loss attributable to the Antarctica function has moved to DCCEEW arising from the AAO.

#### 3.1.3: Budgeted departmental balance sheet

The budgeted departmental balance sheet has been updated for the impact of 2021–22 actuals which changes the opening balances for 2022–23 and includes the impact of transfer of functions between DAFF and DCCEEW arising from the AAO.

The value of departmental net assets as at 30 June 2023 is anticipated to be \$613.6 million lower than the estimate published in the March 2022–23 PBS. The reduced estimate is mainly as a result of the MoG changes.

### **3.1.4: Schedule of budgeted income and expenses administered on behalf of the Government**

The revised schedule reflects the impact to administered expenses due to changes in entity responsibilities arising from the AAO.

It is estimated that the department will receive non-appropriation revenue on behalf of Government of \$836.6 million in 2022–23, an increase of \$20.1 million since the March 2022–23 Budget. The increase is largely due to higher levy revenue estimates and offset by other non-taxation revenue.

Administered expenses are estimated to be \$1,710.0 million in 2022–23, a decrease of \$1,692.3 million since the March 2022–23 Budget. The decrease largely relates to MoG changes and is partly offset by October 2022–23 Budget measures detailed in Table 1.2, movements of funds and reclassifications of funds detailed in Table 2.1 Budgeted expenses for each Outcome.

### **3.1.5: Schedule of budgeted assets and liabilities administered on behalf of the Government**

The value of administered net assets as at 30 June 2023 is anticipated to be \$6,704.8 million lower than the estimate published in the March 2022–23 PBS. The decrease in net assets primarily consists of transferring \$4,023.9 million in water assets, \$959.8 million of investments in portfolio agencies, \$908.6 million in special account balances and \$537.0 million in other non-financial assets to DCCEEW as entity responsibilities have changed as a result of the AAO.

### 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
<b>EXPENSES</b>					
Employee benefits	802,757	616,639	540,036	536,290	539,448
Suppliers	799,443	450,686	410,825	358,460	272,888
Grants	11,516	4,924	4,931	4,938	4,945
Depreciation and amortisation	191,530	77,036	78,577	80,148	81,751
Finance costs	11,618	676	700	725	750
Impairment loss on financial instruments	222	-	-	-	-
Write-down and impairment of assets	3,970	919	919	919	919
Other expenses	221	-	-	-	-
<b>Total expenses</b>	<b>1,821,277</b>	<b>1,150,880</b>	<b>1,035,988</b>	<b>981,480</b>	<b>900,701</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	435,683	443,143	475,317	476,532	476,191
Interest	86	439	439	439	439
Other revenue	33,994	33,283	18,784	18,589	18,646
<b>Total own-source revenue</b>	<b>469,763</b>	<b>476,865</b>	<b>494,540</b>	<b>495,560</b>	<b>495,276</b>
<b>Gains</b>					
Other	119,811	1,618	1,618	1,618	1,618
<b>Total gains</b>	<b>119,811</b>	<b>1,618</b>	<b>1,618</b>	<b>1,618</b>	<b>1,618</b>
<b>Total own-source income</b>	<b>589,574</b>	<b>478,483</b>	<b>496,158</b>	<b>497,178</b>	<b>496,894</b>
<b>Net cost of (contribution by) services</b>	<b>1,231,703</b>	<b>672,397</b>	<b>539,830</b>	<b>484,302</b>	<b>403,807</b>
Revenue from Government	1,130,684	638,151	511,596	464,301	383,961
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(101,019)</b>	<b>(34,246)</b>	<b>(28,234)</b>	<b>(20,001)</b>	<b>(19,846)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	88,403	-	-	-	-
<b>Total other comprehensive income</b>	<b>88,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss)</b>	<b>(12,616)</b>	<b>(34,246)</b>	<b>(28,234)</b>	<b>(20,001)</b>	<b>(19,846)</b>
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(12,616)</b>	<b>(34,246)</b>	<b>(28,234)</b>	<b>(20,001)</b>	<b>(19,846)</b>

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

**Note: Impact of Net Cash Appropriation Arrangements**

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>88,352</b>	<b>(14,000)</b>	<b>(8,100)</b>	<b>-</b>	<b>-</b>
less depreciation/amortisation expenses previously funded through revenue appropriations <sup>(a)</sup>	107,456	29,166	29,749	30,345	30,952
less depreciation/amortisation expenses for ROU <sup>(b)</sup>	52,476	25,583	26,095	26,616	27,148
add principal repayments on leased assets <sup>(b)</sup>	58,964	34,503	35,710	36,960	38,254
<b>Total comprehensive income (loss) – as per the statement of comprehensive income</b>	<b>(12,616)</b>	<b>(34,246)</b>	<b>(28,234)</b>	<b>(20,001)</b>	<b>(19,846)</b>

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation Bill (No. 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 Appropriation Bill (No. 1) equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	53,711	56,778	56,578	56,578	56,578
Trade and other receivables	363,468	80,730	60,054	47,419	33,425
Other investments	16,000	15,500	15,500	15,500	15,500
<b>Total financial assets</b>	<b>433,179</b>	<b>153,008</b>	<b>132,132</b>	<b>119,497</b>	<b>105,503</b>
<b>Non-financial assets</b>					
Land and buildings	495,701	276,372	258,187	242,695	225,902
Property, plant and equipment	756,236	71,883	73,110	74,277	75,127
Heritage and cultural assets	72,500	-	-	-	-
Intangibles & computer software	185,880	231,082	289,018	326,359	341,000
Inventories	12,441	2,225	2,225	2,225	2,225
Prepayments	12,308	8,133	8,133	8,133	8,133
<b>Total non-financial assets</b>	<b>1,535,066</b>	<b>589,695</b>	<b>630,673</b>	<b>653,689</b>	<b>652,387</b>
<b>Total assets</b>	<b>1,968,245</b>	<b>742,703</b>	<b>762,805</b>	<b>773,186</b>	<b>757,890</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	118,663	86,074	87,574	89,074	89,074
Grants	215	215	215	215	215
Other payables	45,569	32,142	32,142	32,142	32,142
<b>Total payables</b>	<b>164,447</b>	<b>118,431</b>	<b>119,931</b>	<b>121,431</b>	<b>121,431</b>
<b>Interest bearing liabilities</b>					
Leases	302,143	278,474	274,953	270,576	264,582
<b>Total interest bearing liabilities</b>	<b>302,143</b>	<b>278,474</b>	<b>274,953</b>	<b>270,576</b>	<b>264,582</b>
<b>Provisions</b>					
Employee provisions	255,265	180,813	180,813	180,813	180,813
Other provisions	465,425	5,358	5,358	5,358	5,358
<b>Total provisions</b>	<b>720,690</b>	<b>186,171</b>	<b>186,171</b>	<b>186,171</b>	<b>186,171</b>
<b>Total liabilities</b>	<b>1,187,280</b>	<b>583,076</b>	<b>581,055</b>	<b>578,178</b>	<b>572,184</b>
<b>Net assets</b>	<b>780,965</b>	<b>159,627</b>	<b>181,750</b>	<b>195,008</b>	<b>185,706</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	1,345,983	376,816	427,173	460,432	470,976
Reserves	679,952	75,463	75,463	75,463	75,463
Retained surplus (accumulated deficit)	(1,244,970)	(292,652)	(320,886)	(340,887)	(360,733)
<b>Total parent entity interest</b>	<b>780,965</b>	<b>159,627</b>	<b>181,750</b>	<b>195,008</b>	<b>185,706</b>
<b>Total equity</b>	<b>780,965</b>	<b>159,627</b>	<b>181,750</b>	<b>195,008</b>	<b>185,706</b>

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

Prepared on Australian Accounting Standards basis.

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

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2022</b>					
Balance carried forward from previous period	(1,244,970)	631,147	48,805	1,345,983	780,965
<b>Adjusted opening balance</b>	<b>(1,244,970)</b>	<b>631,147</b>	<b>48,805</b>	<b>1,345,983</b>	<b>780,965</b>
<b>Comprehensive income</b>					
Surplus (deficit) for the period	(34,246)	-	-	-	(34,246)
<b>Total comprehensive income</b>	<b>(34,246)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(34,246)</b>
of which:					
Attributable to the Australian Government	(34,246)	-	-	-	(34,246)
<b>Transactions with owners</b>					
<b>Contributions by owners</b>					
Equity Injection – Appropriation	-	-	-	62,996	62,996
Departmental Capital Budget (DCB)	-	-	-	12,637	12,637
Restructuring	986,564	(604,489)	-	(1,044,800)	(662,725)
<b>Sub-total transactions with owners</b>	<b>986,564</b>	<b>(604,489)</b>	<b>-</b>	<b>(969,167)</b>	<b>(587,092)</b>
<b>Estimated closing balance as at 30 June 2023</b>	<b>(292,652)</b>	<b>26,658</b>	<b>48,805</b>	<b>376,816</b>	<b>159,627</b>
<b>Closing balance attributable to the Australian Government</b>	<b>(292,652)</b>	<b>26,658</b>	<b>48,805</b>	<b>376,816</b>	<b>159,627</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	1,245,527	671,929	531,553	476,936	397,036
Sale of goods and rendering of services	444,123	442,024	475,117	475,613	476,191
Interest	-	439	439	439	439
Net GST received	87,300	25,550	25,550	25,550	25,550
Other	98,266	32,753	18,254	18,059	18,116
<b>Total cash received</b>	<b>1,875,216</b>	<b>1,172,695</b>	<b>1,050,913</b>	<b>996,597</b>	<b>917,332</b>
<b>Cash used</b>					
Employees	821,394	616,639	540,036	536,290	539,448
Suppliers	941,954	472,588	432,727	380,362	296,290
Grants	12,025	4,924	4,931	4,938	4,945
Borrowing costs	3,892	676	700	725	750
<b>Total cash used</b>	<b>1,779,265</b>	<b>1,094,827</b>	<b>978,394</b>	<b>922,315</b>	<b>841,433</b>
<b>Net cash from (used by) operating activities</b>	<b>95,951</b>	<b>77,868</b>	<b>72,519</b>	<b>74,282</b>	<b>75,899</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of financial instruments	16,000	15,000	14,500	14,500	14,500
Proceeds from sales of property, plant and equipment	204	-	-	-	-
Interest	83	-	-	-	-
<b>Total cash received</b>	<b>16,287</b>	<b>15,000</b>	<b>14,500</b>	<b>14,500</b>	<b>14,500</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	194,452	103,715	78,439	61,341	38,626
Purchase of financial instruments	16,000	14,500	14,500	14,500	14,500
<b>Total cash used</b>	<b>210,452</b>	<b>118,215</b>	<b>92,939</b>	<b>75,841</b>	<b>53,126</b>
<b>Net cash from (used by) investing activities</b>	<b>(194,165)</b>	<b>(103,215)</b>	<b>(78,439)</b>	<b>(61,341)</b>	<b>(38,626)</b>

Continued on following page

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	109,046	62,996	40,271	23,054	250
Departmental Capital Budget (DCB)	55,730	12,637	10,086	10,205	10,294
<b>Total cash received</b>	<b>164,776</b>	<b>75,633</b>	<b>50,357</b>	<b>33,259</b>	<b>10,544</b>
<b>Cash used</b>					
Lease liability – principal payments	70,614	43,129	44,637	46,200	47,817
Other financing	-	4,090	-	-	-
<b>Total cash used</b>	<b>70,614</b>	<b>47,219</b>	<b>44,637</b>	<b>46,200</b>	<b>47,817</b>
<b>Net cash from (used by) financing activities</b>	<b>94,162</b>	<b>28,414</b>	<b>5,720</b>	<b>(12,941)</b>	<b>(37,273)</b>
<b>Net increase (decrease) in cash held</b>	<b>(4,052)</b>	<b>3,067</b>	<b>(200)</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	57,763	53,711	56,778	56,578	56,578
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>53,711</b>	<b>56,778</b>	<b>56,578</b>	<b>56,578</b>	<b>56,578</b>

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
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget – Bill (No. 1) (DCB)	67,723	12,637	10,086	10,205	10,294
Equity injections – Bill (No. 2)	77,396	38,948	40,271	23,054	250
<b>Total new capital appropriations</b>	<b>145,119</b>	<b>51,585</b>	<b>50,357</b>	<b>33,259</b>	<b>10,544</b>
<b>Provided for:</b>					
Purchase of non-financial assets	145,119	51,585	50,357	33,259	10,544
<b>Total items</b>	<b>145,119</b>	<b>51,585</b>	<b>50,357</b>	<b>33,259</b>	<b>10,544</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations <sup>(a)</sup>	56,721	62,996	40,271	23,054	250
Funded by capital appropriation – DCB <sup>(b)</sup>	109,047	12,637	10,086	10,205	10,294
Funded internally from departmental resources <sup>(c)</sup>	28,684	28,082	28,082	28,082	28,082
<b>TOTAL</b>	<b>194,452</b>	<b>103,715</b>	<b>78,439</b>	<b>61,341</b>	<b>38,626</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	194,452	103,715	78,439	61,341	38,626
<b>Total cash used to acquire assets</b>	<b>194,452</b>	<b>103,715</b>	<b>78,439</b>	<b>61,341</b>	<b>38,626</b>

(a) Includes both current Bill (No. 2) and prior Act (No. 2/4/6) 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 (No. 1) and prior year Act (No. 1/3/5) appropriations (excluding amounts from the DCB);
- internally developed assets;
- section 74 external revenue; and
- proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

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

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2022</b>						
Gross book value	2,146	252,707	787,559	72,500	352,865	1,467,777
Gross book value – ROU <sup>(a)</sup>	-	450,743	51,406	-	-	502,149
Accumulated depreciation/amortisation	-	(38,552)	(49,829)	-	(166,985)	(255,366)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	-	(171,343)	(32,900)	-	-	(204,243)
<b>Opening net book balance</b>	<b>2,146</b>	<b>493,555</b>	<b>756,236</b>	<b>72,500</b>	<b>185,880</b>	<b>1,510,317</b>
<b>CAPITAL ASSET ADDITIONS</b>						
<b>Estimated expenditure on new or replacement assets</b>						
By purchase – appropriation equity <sup>(b)</sup>	-	-	16,068	-	46,928	62,996
By purchase – appropriation ordinary annual services <sup>(c)</sup>	-	980	2,184	-	9,473	12,637
By purchase – Other	-	3,510	3,510	-	21,062	28,082
By purchase – appropriation ordinary annual services – ROU <sup>(a)</sup>	-	38,754	1,666	-	-	40,420
<b>Total additions</b>	<b>-</b>	<b>43,244</b>	<b>23,428</b>	<b>-</b>	<b>77,463</b>	<b>144,135</b>

Continued on following page

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

	Land	Buildings	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Other movements</b>						
Depreciation/amortisation expense	-	(25,181)	(2,724)	-	(11,509)	(39,414)
Accumulated depreciation/amortisation – ROU – (excluding other intangibles) <sup>(a)</sup>	-	(35,700)	(1,922)	-	-	(37,622)
<b>Disposals</b>						
From disposal of entities or operations (including restructuring)	-	(219,270)	(726,249)	(72,500)	(74,781)	(1,092,800)
From disposal of entities or operations (including restructuring) on ROU assets	-	(24,908)	(42,640)	-	-	(67,548)
From disposal of entities or operations (including restructuring) – Depreciation	-	29,159	38,359	-	54,029	121,547
From disposal of entities or operations (including restructuring) on ROU assets – Depreciation	-	13,327	27,395	-	-	40,722
<b>Total other movements</b>	<b>-</b>	<b>(262,573)</b>	<b>(707,781)</b>	<b>(72,500)</b>	<b>(32,261)</b>	<b>(1,075,115)</b>
<b>As at 30 June 2023</b>						
Gross book value	2,146	37,927	83,072	-	355,547	478,692
Gross book value – ROU <sup>(a)</sup>	-	464,589	10,432	-	-	475,021
Accumulated depreciation/amortisation and impairment	-	(34,574)	(14,194)	-	(124,465)	(173,233)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	-	(193,716)	(7,427)	-	-	(201,143)
<b>Closing net book balance</b>	<b>2,146</b>	<b>274,226</b>	<b>71,883</b>	<b>-</b>	<b>231,082</b>	<b>579,337</b>

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation equity' refers to equity injections, appropriations provided through Appropriation Bill (No. 2) 2021–22.

(c) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2021–22 for depreciation / amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

**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
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Suppliers	319,117	113,423	43,541	33,431	29,111
Personal benefits	101,972	92,989	58,322	101,494	157,346
Grants	552,545	400,674	294,282	294,508	271,835
Levy disbursements and Commonwealth contributions	1,000,895	986,673	949,616	927,576	933,358
Depreciation	8,358	-	-	-	-
Borrowing costs	23,055	58,606	35,828	35,828	35,828
Write down and impairment of assets	40,300	33,934	18,009	5,706	5,706
Payments to corporate entities	249,537	23,695	24,569	24,858	25,681
Other Expenses	15,057	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	<b>2,310,836</b>	<b>1,709,994</b>	<b>1,424,167</b>	<b>1,423,401</b>	<b>1,458,865</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
<b>Taxation revenue</b>					
Other taxes	652,330	622,922	591,435	582,263	594,210
<b>Total taxation revenue</b>	<b>652,330</b>	<b>622,922</b>	<b>591,435</b>	<b>582,263</b>	<b>594,210</b>
<b>Non-taxation revenue</b>					
Sales of goods and rendering of services	22,693	-	-	-	-
Interest	83,650	78,998	128,218	152,675	162,513
Agriculture Future Drought Resilience Special Account	100,000	100,000	100,000	100,000	100,000
Other revenue	13,395	34,645	21,139	8,836	8,836
<b>Total non-taxation revenue</b>	<b>219,738</b>	<b>213,643</b>	<b>249,357</b>	<b>261,511</b>	<b>271,349</b>
<b>Total own-source revenue administered on behalf of Government</b>	<b>872,068</b>	<b>836,565</b>	<b>840,792</b>	<b>843,774</b>	<b>865,559</b>
<b>Gains</b>					
Reversals of impairment losses	1,897	-	-	-	-
Other Gains	19,836	-	-	-	-
<b>Total gains administered on behalf of Government</b>	<b>21,733</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source revenues administered on behalf of Government</b>	<b>893,801</b>	<b>836,565</b>	<b>840,792</b>	<b>843,774</b>	<b>865,559</b>
<b>Net cost of (contribution by) services</b>	<b>1,417,035</b>	<b>873,429</b>	<b>583,375</b>	<b>579,627</b>	<b>593,306</b>
<b>Surplus (Deficit) after income tax</b>	<b>(1,417,035)</b>	<b>(873,429)</b>	<b>(583,375)</b>	<b>(579,627)</b>	<b>(593,306)</b>

Continued on following page

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items not subject of subsequent reclassification to net cost of services</b>					
Changes in asset revaluation surplus	84,731	-	-	-	-
<b>Items subject of subsequent reclassification to net cost of services</b>					
Gains/(losses) on financial assets at fair value through other comprehensive income	192,994	-	-	-	-
<b>Total other comprehensive income</b>	<b>277,725</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(1,139,310)</b>	<b>(873,429)</b>	<b>(583,375)</b>	<b>(579,627)</b>	<b>(593,306)</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)**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	2,209,143	14,865	14,865	14,865	14,865
Trade and other receivables	2,618,075	2,978,345	3,194,842	3,402,823	3,573,986
Investments accounted for using the equity method	1,663,211	584,496	584,496	584,496	584,834
Other financial assets	140,625	86,280	86,280	86,280	86,280
<b>Total financial assets</b>	<b>6,631,054</b>	<b>3,663,986</b>	<b>3,880,483</b>	<b>4,088,464</b>	<b>4,259,965</b>
<b>Non-financial assets</b>					
Land and buildings	618	-	-	-	-
Property, plant and equipment	616,854	-	-	-	-
Heritage and cultural	985	-	-	-	-
Water assets and intangibles	4,025,540	-	-	-	-
Inventories	10,755	-	-	-	-
Other non-financial assets	6,371	5,157	3,943	2,729	1,749
<b>Total non-financial assets</b>	<b>4,661,123</b>	<b>5,157</b>	<b>3,943</b>	<b>2,729</b>	<b>1,749</b>
<b>Total assets administered on behalf of Government</b>	<b>11,292,177</b>	<b>3,669,143</b>	<b>3,884,426</b>	<b>4,091,193</b>	<b>4,261,714</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	93,472	1,638	1,638	1,638	1,638
Grants	170,514	133,075	118,613	109,997	121,261
Personal benefits	2,052	2,052	2,052	2,052	2,052
Other payables	439	-	-	-	-
<b>Total payables</b>	<b>266,477</b>	<b>136,765</b>	<b>122,303</b>	<b>113,687</b>	<b>124,951</b>
<b>Provisions</b>					
Loans commitments to Farm Business	10,658	-	-	-	-
Remediation provision	47,888	-	-	-	-
<b>Total provisions</b>	<b>58,546</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities administered on behalf of Government</b>	<b>325,023</b>	<b>136,765</b>	<b>122,303</b>	<b>113,687</b>	<b>124,951</b>
<b>Net assets/(liabilities)</b>	<b>10,967,154</b>	<b>3,532,378</b>	<b>3,762,123</b>	<b>3,977,506</b>	<b>4,136,763</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Taxes	632,194	622,922	591,435	582,263	594,210
Sales of goods and rendering of services	23,858	-	-	-	-
Special account transfers	100,000	100,000	100,000	100,000	100,000
Net GST received	96,559	68,859	68,859	68,859	68,859
Interest	340	-	-	-	-
Other	8,884	1,254	8,836	8,836	8,836
<b>Total cash received</b>	<b>861,835</b>	<b>793,035</b>	<b>769,130</b>	<b>759,958</b>	<b>771,905</b>
<b>Cash used</b>					
Grants	1,618,487	1,464,556	1,327,219	1,299,559	1,262,788
Personal benefits	102,926	92,989	65,904	109,076	164,928
Suppliers	321,284	111,012	42,327	32,217	28,131
Payments to corporate entities	246,127	23,695	24,569	24,858	25,681
Other	9,092	1,197	-	-	-
<b>Total cash used</b>	<b>2,297,916</b>	<b>1,693,449</b>	<b>1,460,019</b>	<b>1,465,710</b>	<b>1,481,528</b>
<b>Net cash from (used by) operating activities</b>	<b>(1,436,081)</b>	<b>(900,414)</b>	<b>(690,889)</b>	<b>(705,752)</b>	<b>(709,623)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Interest received from advances and loans	7,037	28,234	71,550	89,634	92,987
Repayments of advances and loans	263,802	13,731	24,433	39,322	82,625
<b>Total cash received</b>	<b>270,839</b>	<b>41,965</b>	<b>95,983</b>	<b>128,956</b>	<b>175,612</b>
<b>Cash used</b>					
Advances and loans made	1,659,458	354,917	218,214	218,214	218,214
Corporate entity investments	141,077	-	-	-	338
Purchase of entitlements	13	-	-	-	-
<b>Total cash used</b>	<b>1,800,548</b>	<b>354,917</b>	<b>218,214</b>	<b>218,214</b>	<b>218,552</b>
<b>Net cash from (used by) investing activities</b>	<b>(1,529,709)</b>	<b>(312,952)</b>	<b>(122,231)</b>	<b>(89,258)</b>	<b>(42,940)</b>
<b>Net increase (decrease) in cash held</b>	<b>(2,965,790)</b>	<b>(1,213,366)</b>	<b>(813,120)</b>	<b>(795,010)</b>	<b>(752,563)</b>

Continued on following page

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
Cash and cash equivalents at beginning of reporting period	2,223,061	2,209,143	14,865	14,865	14,865
<b>Cash from Official Public Account for:</b>					
– Appropriations	3,856,206	1,819,426	1,504,792	1,510,483	1,523,639
– Special Accounts	105,000	-	-	-	-
<b>Total cash from Official Public Account</b>	<b>3,961,206</b>	<b>1,819,426</b>	<b>1,504,792</b>	<b>1,510,483</b>	<b>1,523,639</b>
<b>Cash to Official Public Account for:</b>					
– Appropriations	(1,009,334)	(669,141)	(691,672)	(715,473)	(771,076)
– Transfers to other entities due to restructure	-	(2,131,197)	-	-	-
<b>Total cash to Official Public Account</b>	<b>(1,009,334)</b>	<b>(2,800,338)</b>	<b>(691,672)</b>	<b>(715,473)</b>	<b>(771,076)</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>2,209,143</b>	<b>14,865</b>	<b>14,865</b>	<b>14,865</b>	<b>14,865</b>

Prepared on Australian Accounting Standards basis.

**Table 3.10: 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
<b>NEW CAPITAL APPROPRIATIONS</b>					
Administered Assets and Liabilities – Bill (No. 2)	454,000	236,499	218,214	218,214	218,214
<b>Total new capital appropriations</b>	<b>454,000</b>	<b>236,499</b>	<b>218,214</b>	<b>218,214</b>	<b>218,214</b>
<i>Provided for:</i>					
Other Items	454,000	236,499	218,214	218,214	218,214
<b>Total Items</b>	<b>454,000</b>	<b>236,499</b>	<b>218,214</b>	<b>218,214</b>	<b>218,214</b>

Prepared on Australian Accounting Standards basis.

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

	Land	Other property, plant and equipment	Heritage and cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2022</b>					
Gross book value	618	982,630	998	4,064,561	5,048,807
Accumulated depreciation/amortisation	-	(365,776)	(13)	(39,021)	(404,810)
<b>Opening net book balance</b>	<b>618</b>	<b>616,854</b>	<b>985</b>	<b>4,025,540</b>	<b>4,643,997</b>
<b>CAPITAL ASSET ADDITIONS</b>					
<b>Other movements</b>					
<b>Disposals</b>					
From disposal of operations (including restructuring)	(618)	(616,854)	(985)	(4,025,540)	(4,643,997)
<b>Total other movements</b>	<b>(618)</b>	<b>(616,854)</b>	<b>(985)</b>	<b>(4,025,540)</b>	<b>(4,643,997)</b>
<b>As at 30 June 2023</b>					
Gross book value	-	-	-	-	-
Accumulated depreciation/amortisation and impairment	-	-	-	-	-
<b>Closing net book balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

# AgriFutures Australia

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# AgriFutures Australia

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

AgriFutures Australia (AgriFutures) is the trading name for the Rural Industries Research and Development Corporation (RIRDC). AgriFutures plays a unique role in Australian agriculture by investing in research and development (R&D) to maintain and create profitable and sustainable rural industries. AgriFutures knows that the key to developing real and lasting solutions for rural industries is to take a shared approach to shared challenges. That is why AgriFutures works in collaboration with a range of stakeholders to develop and implement its initiatives.

AgriFutures' vision is to grow the long-term prosperity of Australian rural industries. AgriFutures' mission is to collaborate with its partners to create lasting value for its stakeholders, through investing in research, innovation and learning initiatives that enhance the prosperity, profitability, and sustainability of the agricultural, fisheries and forestry sectors. AgriFutures' approach is guided by an ambition to be an organisation that places people, rural industries, and regional communities at the centre of all its activities.

AgriFutures supports rural industries that do not have their own research and development corporation (RDC) and invests in R&D to accelerate the establishment of new and emerging rural industries.

AgriFutures' cross-sectoral mandate supports it to focus on national opportunities and challenges that affect multiple rural industries, not just the industries it traditionally serves. AgriFutures' future orientation enables it to not only tackle the challenges and opportunities that rural industries face today, but to identify and unearth the challenges and opportunities of tomorrow. AgriFutures does this by listening and collaborating with the emerging leaders in agriculture, industries bodies, other RDCs and government.

As outlined in AgriFutures Australia Research and Innovation Strategic Plan 2022–2027 published on Monday, 23 August 2022, AgriFutures has designed the “AgriFutures’ 16:5:5 Roadmap” – a simple, decisive set of priorities, centred around two important audiences – our levied industries and Australian rural industries. The plan sets out sixteen priorities within five focus areas over five years (2022–2027).

### **AgriFutures’ 16:5:5 Roadmap**

#### **Focus Area: Our Industries**

In partnership with each of our industries, create value by:

1. Maximising the return on investment for R&D levies.
2. Listening to, engaging, collaborating, and consulting with our industries.
3. Delivering research and innovation that addresses the specific needs of each of our industries.
4. Supporting our industries to prepare for and thrive into the future.
5. Identifying, linking, and testing new technologies, practices, and innovations with the potential for our industries to uptake and adopt.
6. Assisting our industries to enhance their industry stewardship to build community and consumer confidence.

#### **Focus Area: Emerging Industries**

Grow the value and diversity of Australia’s rural economy by:

7. Driving the growth of emerging, high-potential rural industries.
8. Identifying new revenue streams.

#### **Focus Area: Workforce and Leadership**

Assist in the development of the agricultural workforce by:

9. Understanding and responding to the future workforce needs of Australia’s rural industries.
10. Attracting and retaining a workforce that will ensure Australia’s rural industries are future ready.
11. Supporting people in Australia’s rural industries to build their motivation and skills to lead change.



12. Responding to the specific workforce and leadership needs of our levied and emerging industries.

**Focus Area: National Challenges and Opportunities**

Future proof Australian rural industries by:

13. Identifying, understanding, and responding to national challenges and opportunities impacting Australian rural industries.
14. Facilitating collaboration across sectors and organisations including other RDCs and Agricultural Innovation Australia (AIA).
15. Fostering responsible industry stewardship and building community trust.

**Focus Area: Global Innovation Networks**

Engage with the global agrifood innovation system by:

16. Ensuring Australia is a leader in accessing and adopting, as well as developing and exporting agrifood technologies and innovation.

**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 October *Budget Paper No. 4: Agency Resourcing*.

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

**Table 1.1: AgriFutures Australia – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022**

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
<b>Opening balance/cash reserves at 1 July</b>	<b>55,751</b>	<b>56,701</b>
<b>Funds from Government</b>		
<b>Special appropriations<sup>(a)</sup></b>		
<i>Primary Industries Research and Development Act 1989, s. 30(3) –     Rural Industries R&amp;D Corporation</i>	29,868	36,787
<b>Total special appropriations</b>	<b>29,868</b>	<b>36,787</b>
<b>Amounts received from related entities</b>		
Amounts from portfolio department <sup>(b)</sup>	9,460	9,640
<b>Total amounts received from related entities</b>	<b>9,460</b>	<b>9,640</b>
<b>Total funds from Government</b>	<b>39,328</b>	<b>46,427</b>
<b>Funds from industry sources</b>		
Levies <sup>(c)</sup>	6,106	7,293
<i>less amounts paid to the CRF</i>	(6,106)	(7,293)
<b>Total funds from industry sources</b>	<b>-</b>	<b>-</b>
<b>Funds from other sources</b>		
Interest	182	309
Royalties	533	315
Grants	5,298	2,356
Other	187	1,293
<b>Total funds from other sources</b>	<b>6,200</b>	<b>4,273</b>
<b>Total net resourcing for AgriFutures</b>	<b>101,279</b>	<b>107,401</b>
	<b>2021–22</b>	<b>2022–23</b>
<b>Average staffing level (number)</b>	<b>25</b>	<b>25</b>

(a) AgriFutures' special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to AgriFutures and are considered departmental for all purposes.

(b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

(c) The levies are imposed by the *Primary Industries (Excise) Levies Act 1999*. The levies are collected by DAFF under the *Primary Industries Levies and Charges Collection Act 1991* and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to AgriFutures under the *Primary Industries Research and Development Act 1989* (PIRD Act) s. 30(3) – Rural Industries R&D Corporation.

Please note: 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.

**1.3 Budget measures**

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

**Table 1.2: AgriFutures Australia – October 2022–23 Budget Measures**

**Part 1: Measures announced since the March 2022–23 Budget**

AgriFutures does not have any October 2022–23 Budget 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 criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan and annual performance statement for AgriFutures can be found at:

<http://www.agrifutures.com.au/about/corporate-documents/>.

**2.1 Budgeted expenses and performance for Outcome 1**

**Outcome 1: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.**

**2.1.1: Linked programs**

<b>Department of Agriculture, Fisheries and Forestry</b>
Program 1.10: Agricultural Resources
<b>Contribution to Outcome 1 made by linked program:</b> AgriFutures works together with DAFF to ensure sustainable, productive and profitable rural industries.

## 2.1.2: 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: Budgeted expenses for Outcome 1**

**Outcome 1: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.1: Rural Industries Research and Development Corporation</b>					
<b><u>Revenue from Government</u></b>					
Payment from related entities	9,460	9,640	10,036	10,255	10,450
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Rural Industries R&amp;D Corporation</i>	31,552	32,703	31,084	30,910	30,741
Revenues from industry sources	3,689	4,115	4,000	4,000	4,000
Revenues from other independent sources	974	1,889	1,930	1,930	1,930
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	1,358	6,000	6,000	6,000	6,000
<b>Total expenses for program 1.1</b>	<b>47,033</b>	<b>54,347</b>	<b>53,050</b>	<b>53,095</b>	<b>53,121</b>
<b>Outcome 1 totals by resource type</b>					
<b><u>Revenue from Government</u></b>					
Payment from related entities	9,460	9,640	10,036	10,255	10,450
Special appropriations	31,552	32,703	31,084	30,910	30,741
Revenues from industry sources	3,689	4,115	4,000	4,000	4,000
Revenues from other independent sources	974	1,889	1,930	1,930	1,930
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	1,358	6,000	6,000	6,000	6,000
<b>Total expenses for Outcome 1</b>	<b>47,033</b>	<b>54,347</b>	<b>53,050</b>	<b>53,095</b>	<b>53,121</b>
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)</b>	25	25			

(a) Expenses not requiring appropriation in the budget year are made up of make good expenses, audit fees, and can include depreciation / amortisation expenses not requiring an appropriation.

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

Prepared on Australian Accounting Standards basis.

Table 2.2: Performance measure for Outcome 1

Table 2.2 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, the October 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

As an entity established under the *Primary Industries Research and Development Act 1989* (PIRD Act), AgriFutures does not produce a corporate plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges.	
Program 1.1: Rural Industries Research and Development Corporation	
Objective	Through research and development create thriving rural industries and vibrant regional communities.
Key Activities	<b>Focus Area: Our Industries</b>  In partnership with each of our industries, create value by: <ol style="list-style-type: none"><li>1. Maximising the return on investment for R&amp;D levies.</li><li>2. Listening to, engaging, collaborating, and consulting with our industries.</li><li>3. Delivering research and innovation that addresses the specific needs of each of our industries.</li><li>4. Supporting our industries to prepare for and thrive into the future.</li><li>5. Identifying, linking, and testing new technologies, practices, and innovations with the potential for our industries to uptake and adopt.</li><li>6. Assisting our industries to enhance their industry stewardship to build community and consumer confidence.</li></ol>
	<b>Focus Area: Emerging Industries</b>  Grow the value and diversity of Australia's rural economy by: <ol style="list-style-type: none"><li>7. Driving the growth of emerging, high-potential rural industries.</li><li>8. Identifying new revenue streams.</li></ol>

Continued on following pages



**Table 2.2: Performance measure for Outcome 1 (continued)**

<b>Key Activities (continued)</b>	<b>Focus Area: Workforce and Leadership</b>  Assist in the development of the agricultural workforce by: <ol style="list-style-type: none"> <li>9. Understanding and responding to the future workforce needs of Australia's rural industries.</li> <li>10. Attracting and retaining a workforce that will ensure Australia's rural industries are future ready.</li> <li>11. Supporting people in Australia's rural industries to build their motivation and skills to lead change.</li> <li>12. Responding to the specific workforce and leadership needs of our levied and emerging industries.</li> </ol>	
	<b>Focus Area: National Challenges and Opportunities</b>  Future proof Australian rural industries by: <ol style="list-style-type: none"> <li>13. Identifying, understanding, and responding to national challenges and opportunities impacting on Australian rural industries.</li> <li>14. Facilitating collaboration across sectors and organisations including other RDCs and AIA.</li> <li>15. Fostering responsible industry stewardship and building community trust.</li> </ol>	
	<b>Focus Area: Global Agrifood Innovation</b>  Engage with the global agrifood innovation system by: <ol style="list-style-type: none"> <li>16. Ensuring Australia is a leader in accessing and adopting, as well as, developing and exporting agrifood technologies and innovation.</li> </ol>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	1,800 graduates per annum of an agriculture or agriculture science course at Australian universities.	N/A*  *The official figures will not be released until mid-2023.
	Percentage of participants who feel their confidence as a leader has increased significantly or very significantly as a result of participation in an AgriFutures sponsored activity.	83 per cent of surveyed participants.
	Impact of AgriFutures sponsored studies on debates of national significance to rural industries.	17 studies published.

Continued on following pages

**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22 (continued)	New technologies adapted for use in Australian rural industries.	One new technology adapted for use.
	Evidence of collaboration between RDCs in cross sector investment initiatives.	18 collaborative initiatives involving other RDCs.
	Percentage of growers comfortable or very comfortable paying the R&D levy.	62 per cent of surveyed participants.
	Degree to which the objectives of the industry-based R&D plans are being achieved.	74 per cent.
	Stakeholders rate the value of AgriFutures' information products and services as high or very high.	53 per cent of surveyed participants.
	Number of new rural industries reaching or exceeding \$10 million per annum threshold.	15*  *Develop clear and prioritised industry investment plans for Research, Development and Extension (RD&E) in rural industries with potential to grow and exceed a value of \$10 million per annum (GVP).
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	Maximising the return of investment for our levy industries.	Benefit cost ratio of 4:1.
	Percentage of industry representative bodies and our panel members that believe that AgriFutures' engagement with our industries has been effective.	70 per cent.
	Degree to which the Key Performance Indicators (KPI) in each of the individual levied industries RD&E Plans are achieved.	80 per cent of KPIs achieved in each of the levied industries.

Continued on following pages

**Table 2.2: Performance measure for Outcome 1 (continued)**

<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2022–23 (continued)	Percentage of our industry representative bodies and panel members that feel that AgriFutures' engagement with industry has supported them to prepare for the future.	70 per cent.
	Number of new technologies or innovations trials per annum relevant to our levied industries.	Five new technologies or innovations tested.
	Percentage of industry representative bodies and panel members that believe that AgriFutures' has assisted their industry to build community and consumer confidence.	70 per cent.
	Deliver five investments across emerging industries that enables them to address the highest priorities identified in their RD&E Plans.	Five investments over five years.
	Identify new potential revenue streams post farm-gate or ecosystem* market opportunities that have the potential to return additional revenue streams.	Five potential revenue streams identified over five years.
	Deliver and extend to stakeholders the key findings of a study that addresses national workforce needs.	One study per annum.
	Percentage of participants in AgriFutures leadership and capacity building programs that feel equipped and confident to contribute to the future of Australia's rural industries.	80 per cent.

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**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Planned Performance Results
Budget Year 2022–23 (continued)	Percentage of participants in AgriFutures leadership and capacity building programs that feel their motivation and skills to lead change have increased due to their participation.	80 per cent.
	Percentage of participants in levied and emerging industries capacity building programs that feel they are better equipped to address workforce needs within their industry.	80 per cent.
	Deliver and extend to stakeholders the key findings of studies addressing national challenges and opportunities impacting Australian rural industries.	Four studies per annum.
	Deliver one Emerging National Rural Issues Forum per annum that results in national collaborative projects or programs.	Five or more collaborative projects/programs.
	Deliver and extend to stakeholders the key findings of studies that address responsible industry stewardship and build community trust.	One study per annum.
	Deliver events, networks and/or platforms that support the positioning of Australia as a global leader in agrifood tech.	Three events, networks or platforms.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

## Section 3: Budgeted financial statements

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

### 3.1 Budgeted financial statements

#### 3.1.1: Differences between entity resourcing and financial statements

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises the cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

#### 3.1.2: Explanatory notes and analysis of budgeted financial statements

AgriFutures is budgeting for a deficit of \$6.0 million in 2022–23.

AgriFutures' balance sheet remains strong with estimated total assets of \$57.8 million in 2022–23. Of the total assets, approximately \$51.8 million is represented by cash and investments.

Total liabilities of \$7.7 million are mostly represented by payables to R&D providers and suppliers of \$3.1 million and employee entitlements of \$0.8 million over the same period.

### 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
<b>EXPENSES</b>					
Employee benefits	4,177	4,600	4,600	4,600	4,600
Suppliers	13,152	16,557	14,930	14,930	14,934
Grants	29,410	32,908	33,241	33,286	33,311
Depreciation and amortisation	277	270	270	273	273
Finance costs	17	12	9	6	3
<b>Total expenses</b>	<b>47,033</b>	<b>54,347</b>	<b>53,050</b>	<b>53,095</b>	<b>53,121</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Interest	226	281	280	280	280
Other Grants	3,689	4,115	4,000	4,000	4,000
Royalties	533	315	350	350	350
Other	215	1,293	1,300	1,300	1,300
<b>Total own-source revenue</b>	<b>4,663</b>	<b>6,004</b>	<b>5,930</b>	<b>5,930</b>	<b>5,930</b>
<b>Total own-source income</b>	<b>4,663</b>	<b>6,004</b>	<b>5,930</b>	<b>5,930</b>	<b>5,930</b>
<b>Net cost of (contribution by) services</b>	<b>42,370</b>	<b>48,343</b>	<b>47,120</b>	<b>47,165</b>	<b>47,191</b>
Revenue from Government <sup>(a)</sup>					
Commonwealth contribution	34,906	35,050	35,620	35,665	35,691
Industry contributions	6,106	7,293	5,500	5,500	5,500
<b>Total revenue from Government</b>	<b>41,012</b>	<b>42,343</b>	<b>41,120</b>	<b>41,165</b>	<b>41,191</b>
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(1,358)</b>	<b>(6,000)</b>	<b>(6,000)</b>	<b>(6,000)</b>	<b>(6,000)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(1,358)</b>	<b>(6,000)</b>	<b>(6,000)</b>	<b>(6,000)</b>	<b>(6,000)</b>

Continued on following page

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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>(1,402)</b>	<b>(5,999)</b>	<b>(6,003)</b>	<b>(6,000)</b>	<b>(6,000)</b>
less depreciation/amortisation expenses for ROU <sup>(b)</sup>	179	170	170	173	173
add principal repayments on leased assets <sup>(b)</sup>	223	169	173	173	173
<b>Total comprehensive income/(loss) – as per the Statement of comprehensive income</b>	<b>(1,358)</b>	<b>(6,000)</b>	<b>(6,000)</b>	<b>(6,000)</b>	<b>(6,000)</b>

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by DAFF for R&D activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	5,801	6,000	6,000	6,000	6,000
Trade and other receivables	10,074	4,800	4,800	4,800	4,800
Investments – Deposits	50,900	45,759	39,726	33,711	27,661
<b>Total financial assets</b>	<b>66,775</b>	<b>56,559</b>	<b>50,526</b>	<b>44,511</b>	<b>38,461</b>
<b>Non-financial assets</b>					
Land and buildings	768	598	428	255	82
Property, plant and equipment	156	206	256	306	356
Other non-financial assets	1,255	400	400	400	400
<b>Total non-financial assets</b>	<b>2,179</b>	<b>1,204</b>	<b>1,084</b>	<b>961</b>	<b>838</b>
<b>Total assets</b>	<b>68,954</b>	<b>57,763</b>	<b>51,610</b>	<b>45,472</b>	<b>39,299</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	1,058	600	600	600	600
Grants	4,402	2,500	2,500	2,500	2,500
Other payables	5,641	3,000	3,000	3,000	3,000
<b>Total payables</b>	<b>11,101</b>	<b>6,100</b>	<b>6,100</b>	<b>6,100</b>	<b>6,100</b>
<b>Interest bearing liabilities</b>					
Leases	724	555	382	209	36
<b>Total interest bearing-liabilities</b>	<b>724</b>	<b>555</b>	<b>382</b>	<b>209</b>	<b>36</b>
<b>Provisions</b>					
Employee provisions	800	750	750	750	750
Other provisions	218	247	267	302	302
<b>Total provisions</b>	<b>1,018</b>	<b>997</b>	<b>1,017</b>	<b>1,052</b>	<b>1,052</b>
<b>Total liabilities</b>	<b>12,843</b>	<b>7,652</b>	<b>7,499</b>	<b>7,361</b>	<b>7,188</b>
<b>Net assets</b>	<b>56,111</b>	<b>50,111</b>	<b>44,111</b>	<b>38,111</b>	<b>32,111</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Retained surplus/(accumulated deficit)	56,111	50,111	44,111	38,111	32,111
<b>Total parent entity interest</b>	<b>56,111</b>	<b>50,111</b>	<b>44,111</b>	<b>38,111</b>	<b>32,111</b>
<b>Total Equity</b>	<b>56,111</b>	<b>50,111</b>	<b>44,111</b>	<b>38,111</b>	<b>32,111</b>

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

Prepared on Australian Accounting Standards basis.



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

	Retained earnings	Total equity
	\$'000	\$'000
<b>Opening balance as at 1 July 2022</b>		
Balance carried forward from previous period	56,111	56,111
<b>Adjusted opening balance</b>	<b>56,111</b>	<b>56,111</b>
<b>Comprehensive income</b>		
Surplus/(deficit) for the period	(6,000)	(6,000)
<b>Total comprehensive income</b>	<b>(6,000)</b>	<b>(6,000)</b>
of which:		
Attributable to the Australian Government	(6,000)	(6,000)
<b>Estimated closing balance as at 30 June 2023</b>	<b>50,111</b>	<b>50,111</b>
<b>Closing balance attributable to the Australian Government</b>	<b>50,111</b>	<b>50,111</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Revenue from Government	39,328	46,427	41,120	41,165	41,191
Interest	182	309	280	280	280
Net GST received	-	382	-	-	-
Other	6,046	3,964	5,650	5,650	5,650
<b>Total cash received</b>	<b>45,556</b>	<b>51,082</b>	<b>47,050</b>	<b>47,095</b>	<b>47,121</b>
<b>Cash used</b>					
Employees	4,069	4,752	4,600	4,600	4,600
Suppliers	13,363	16,131	14,910	14,895	14,934
Grants	26,833	34,810	33,241	33,286	33,311
Interest payments on lease liability	16	12	9	6	3
Net GST paid	11	-	-	-	-
<b>Total cash used</b>	<b>44,292</b>	<b>55,705</b>	<b>52,760</b>	<b>52,787</b>	<b>52,848</b>
<b>Net cash from (used by) operating activities</b>	<b>1,264</b>	<b>(4,623)</b>	<b>(5,710)</b>	<b>(5,692)</b>	<b>(5,727)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Investments	500	5,141	6,033	6,015	6,050
<b>Total cash received</b>	<b>500</b>	<b>5,141</b>	<b>6,033</b>	<b>6,015</b>	<b>6,050</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	91	150	150	150	150
<b>Total cash used</b>	<b>91</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>
<b>Net cash from (used by) investing activities</b>	<b>409</b>	<b>4,991</b>	<b>5,883</b>	<b>5,865</b>	<b>5,900</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash used</b>					
Principal payments on lease liability	223	169	173	173	173
<b>Total cash used</b>	<b>223</b>	<b>169</b>	<b>173</b>	<b>173</b>	<b>173</b>
<b>Net cash from (used by) financing activities</b>	<b>(223)</b>	<b>(169)</b>	<b>(173)</b>	<b>(173)</b>	<b>(173)</b>
<b>Net increase (decrease) in cash held</b>	<b>1,450</b>	<b>199</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	4,351	5,801	6,000	6,000	6,000
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>5,801</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for 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
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources <sup>(a)</sup>	91	150	150	150	150
<b>TOTAL</b>	<b>91</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	91	150	150	150	150
<b>Total cash used to acquire assets</b>	<b>91</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>

(a) Includes the following s74 external revenue:

- internally developed assets; and
- proceeds from the sale of assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Buildings \$'000	Other property, plant and equipment \$'000	Total \$'000
<b>As at 1 July 2022</b>			
Gross book value	-	526	526
Gross book value – ROU <sup>(a)</sup>	918	-	918
Accumulated depreciation/amortisation and impairment	-	(370)	(370)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	(150)	-	(150)
<b>Opening net book balance</b>	<b>768</b>	<b>156</b>	<b>924</b>
<b>CAPITAL ASSET ADDITIONS</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase – other <sup>(b)</sup>	-	150	150
<b>Total additions</b>	<b>-</b>	<b>150</b>	<b>150</b>
<b>Other movements</b>			
Depreciation/amortisation expense	-	(100)	(100)
Depreciation/amortisation expense – ROU <sup>(a)</sup>	(170)	-	(170)
<b>Total other movements</b>	<b>(170)</b>	<b>(100)</b>	<b>(270)</b>
<b>As at 30 June 2023</b>			
Gross book value	-	676	676
Gross book value – ROU <sup>(a)</sup>	918	-	918
Accumulated depreciation/amortisation and impairment	-	(470)	(470)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	(320)	-	(320)
<b>Closing net book balance</b>	<b>598</b>	<b>206</b>	<b>804</b>

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.

# Australian Fisheries Management Authority

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# Australian Fisheries Management Authority

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Fisheries Management Authority (AFMA) was established under the *Fisheries Administration Act 1991* (FAA) to manage Commonwealth fisheries on behalf of the Australian community in accordance with the *Fisheries Management Act 1991* (FMA).

The AFMA Commission is responsible for exercising AFMA's domestic fisheries management functions and powers under the FAA and FMA. The Chief Executive Officer (CEO) of AFMA is also a Commissioner and is responsible for assisting the Commission, including giving effect to its decisions. The CEO is also responsible for exercising AFMA's foreign compliance functions, is the accountable authority under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the agency head for the purposes of the *Public Service Act 1999*.

AFMA pursues four overarching goals, drawn from our legislated functions and objectives:

- Management of Commonwealth fisheries consistent with principles of ecologically sustainable development
- Maximise net economic returns to the Australian community from the management of Commonwealth fisheries
- Compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards
- Deliver effective, cost efficient and accountable management of Commonwealth fisheries resources.

We have regard to the impact of fishing on non-target species and on the long-term sustainability of the marine environment as well as taking into account the interests of commercial and recreational fishers. We are committed to better understanding Indigenous fishing interests as they relate to Commonwealth fisheries so that these too can be considered properly.

Climate change challenges our understanding of, and ability to, influence fish stocks and marine ecosystems. We continue to improve our understanding of and response to the impacts of climate change through a number of projects, which are progressing from research to implementation.

We commission and place high importance on scientific and economic research and ecological risk assessments to inform decision making. AFMA uses these tools and our

own monitoring activities to identify Australian marine living resources potentially affected by Commonwealth managed commercial fishing and implement measures to pursue sustainable fishing.

Our risk-based domestic compliance programs, participation in the Australian Government's civil maritime surveillance and response arrangements and engaging internationally are all integral activities to improve the management of fish stocks within and beyond the Australian Fishing Zone. Our activities include education, monitoring and enforcement to protect Commonwealth fisheries from illegal fishing and engaging internationally to provide specialist advice and delivering capacity building programs to deter illegal, unreported and unregulated (IUU) fishing beyond Australia's borders.

AFMA also provides fisheries management, licensing and domestic compliance services for the Protected Zone Joint Authority (PZJA) under the *Torres Strait Fisheries Act 1984*. Decisions under this legislation are made by the PZJA, which comprises the Commonwealth Fisheries Minister as Chair, with the Torres Strait Regional Authority and the Queensland Government as other members. Management and policy reform is of growing importance to the PZJA to ensure that the objectives of sustainable fisheries, economic development, and employment opportunities for traditional inhabitants and protection of the traditional way of life and traditional fishing can be achieved.

AFMA works in partnership with stakeholders, including commercial fishing operators, prescribed peak industry bodies, sectoral industry associations, Indigenous Australian communities, recreational and charter fishing representatives, researchers, environment/conservation organisations, state and territory agencies and others with an interest in Commonwealth fisheries management. We engage with stakeholder groups through management advisory committees, resource assessment groups, scientific panels, working groups, liaison meetings, port visits, and electronic newsletters to concession holders in Commonwealth fisheries. We consult with the public using contemporary digital, web and social media communication channels.

AFMA applies the Australian Government's cost recovery policy through its Cost Recovery Implementation Statement (CRIS). The commercial fishing industry operating in Commonwealth fisheries pay for activities directly attributed to it, while the Commonwealth pays for activities that benefit the broader community, including compliance and enforcement. Delivering on government and community expectations in a cost-efficient manner is a growing challenge in some Commonwealth fisheries. We have a strong record of applying technological and other solutions to reduce and help minimise costs and improve efficiency in the delivery of our regulatory services to the Commonwealth managed commercial fishing industry.

### **Our purpose**

The ecologically sustainable development of Commonwealth fisheries for the benefit of the Australian 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 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’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Australian Fisheries Management Authority – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022**

	2021–22 Estimated actual \$'000	2022–23 Estimate \$'000
<b><u>Departmental</u></b>		
<b>Annual appropriations – ordinary annual services<sup>(a)</sup></b>		
Departmental appropriation <sup>(b)</sup>	21,035	22,066
Departmental capital budget <sup>(c)</sup>	4,418	4,722
Prior year appropriations available	61	3,569
<b>Total departmental annual appropriations</b>	<b>25,514</b>	<b>30,357</b>
<b>Special accounts<sup>(d)</sup></b>		
Opening Balance	12,066	14,054
Appropriation receipts <sup>(e)</sup>	21,945	26,788
Non-appropriation receipts	17,358	18,960
Adjustment <sup>(f)</sup>	1,300	-
<b>Total special account receipts</b>	<b>52,669</b>	<b>59,802</b>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>(21,945)</i>	<i>(26,788)</i>
<b>Total departmental resourcing</b>	<b>56,238</b>	<b>63,371</b>
<b><u>Administered</u></b>		
<b>Annual appropriations – ordinary annual services<sup>(a)</sup></b>		
Outcome 1	5,792	5,839
<b>Total administered annual appropriations</b>	<b>5,792</b>	<b>5,839</b>
<b>Total administered resourcing</b>	<b>5,792</b>	<b>5,839</b>
<b>Total resourcing for AFMA</b>	<b>62,030</b>	<b>69,210</b>
	<b>2021–22</b>	<b>2022–23</b>
<b>Average staffing level (number)</b>	<b>151</b>	<b>177</b>

(a) Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1) 2022–23*.

(b) Excludes departmental capital budget (DCB).

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

(d) For further information on special appropriations and special accounts, please refer to October *Budget Paper No. 4: Agency Resourcing 2022–23*. 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.

(e) Amounts credited to the special account from the Authority's annual appropriations.

(f) Adjustment reflects net GST receipts to the special account.

Please note: 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.

### 1.3 Budget measures

Budget measures in Part 1 relating to the Australian Fisheries Management Authority are detailed in October *Budget Paper No. 2* and are summarised below.

**Table 1.2: Australian Fisheries Management Authority – October 2022–23 Budget Measures**

**Part 1: Measures announced since the March 2022–23 Budget**

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Payment measures</b>						
An Ambitious and Enduring APS Reform Plan <sup>(a)</sup>	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	(8)	(23)	(28)	-
<b>Total</b>		-	(8)	(23)	(28)	-
Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses <sup>(b)</sup>	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	(535)	-	-	-
<b>Total</b>		-	(535)	-	-	-
<b>Total payment measures</b>						
Administered		-	-	-	-	-
Departmental		-	(543)	(23)	(28)	-
<b>Total</b>		-	(543)	(23)	(28)	-

(a) The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the Prime Minister and Cabinet Portfolio section.

(b) The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the Cross Portfolio section.

Note: The measure Forestry and Fishing – supporting the forestry and fishery industry – Improve the long term sustainability of the South East Trawl Fishery and Support Fisheries will be implemented as announced and can be found in the March 2022–23 Department of Agriculture, Water and the Environment Portfolio Budget Statements within the AFMA chapter.

Prepared on a Government Finance Statistics (Underlying Cash) basis.

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

## 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 PGPA Act. It is anticipated that the performance criteria 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.

AFMA's most recent corporate plan can be found at:

[https://www.afma.gov.au/sites/default/files/afma\\_corporate\\_plan\\_2022-25.pdf](https://www.afma.gov.au/sites/default/files/afma_corporate_plan_2022-25.pdf).

AFMA's most recent annual performance statement can be found at:

[https://www.afma.gov.au/sites/default/files/afma\\_annual\\_report\\_2020-21\\_fa-tagged.pdf](https://www.afma.gov.au/sites/default/files/afma_annual_report_2020-21_fa-tagged.pdf).

## 2.1 Budgeted expenses and performance for Outcome 1

**Outcome 1: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.**

### 2.1.1: Linked programs

<b>Department of Agriculture, Fisheries and Forestry</b>
Program 1.4: Fishing Industry Program 2.1: Biosecurity and Export Services
<b>Contribution to Outcome 1 made by linked program:</b> AFMA and DAFF engage on fisheries management to ensure a sustainable, productive and profitable fishing industry.
<b>Department of Climate Change, Energy, the Environment and Water</b>
Program 2.4: Conservation of Australia's Heritage and Environment
<b>Contribution to Outcome 1 made by linked program:</b> AFMA and DCCEEW engage on fisheries management to ensure a sustainable, productive and profitable fishing industry.
<b>Department of Home Affairs</b>
Program 3.4: Border Enforcement
<b>Contribution to Outcome 1 made by linked program:</b> AFMA provides the fisheries focus within the Australian Government Civil Maritime Surveillance and Response Program and is responsible for the administration of legislation on illegal fishing in the Australian Fishing Zone. AFMA deters and prevents illegal foreign fishing by carrying out education programs, cooperative enforcement operations, prosecution of offenders, confiscation of boats and capacity building projects.

## 2.1.2: 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: Budgeted expenses for Outcome 1**

<b>Outcome 1: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.</b>					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.1: Australian Fisheries Management Authority</b>					
<b><u>Administered expenses</u></b>					
Ordinary annual services (Appropriation Bill (No. 1))					
Illegal Foreign Fishing Vessel Caretaking and Disposal	1,267	5,839	6,025	6,157	6,272
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(a)</sup>	21,035	22,066	24,180	26,534	22,920
<b><u>Special account</u></b>					
AFMA Special Account	13,986	19,005	19,195	19,363	20,855
Expenses not requiring appropriation in the Budget year <sup>(b)</sup>	2,208	2,045	2,649	3,021	3,469
<b>Total expenses for program 1.1</b>	<b>38,496</b>	<b>48,955</b>	<b>52,049</b>	<b>55,075</b>	<b>53,516</b>
<b>Outcome 1 Totals by appropriation type</b>					
<b><u>Administered expenses</u></b>					
Ordinary annual services (Appropriation Bill (No. 1))	1,267	5,839	6,025	6,157	6,272
<b><u>Departmental expenses</u></b>					
Departmental appropriation <sup>(a)</sup>	21,035	22,066	24,180	26,534	22,920
<b><u>Special account</u></b>					
Expenses not requiring appropriation in the Budget year <sup>(b)</sup>	2,208	2,045	2,649	3,021	3,469
<b>Total expenses for Outcome 1</b>	<b>38,496</b>	<b>48,955</b>	<b>52,049</b>	<b>55,075</b>	<b>53,516</b>
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)</b>	151	177			

(a) Expenses are funded from both 'ordinary annual services' Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1) 2022–23* and 'revenue from independent sources' (receipts retained under section 74 of the PGPA Act).

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

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

Prepared on Australian Accounting Standards basis.

**Table 2.2: Performance measure for Outcome 1**

Table 2.2 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, the October 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

<b>Outcome 1: Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing.</b>	
<b>Program 1.1: Australian Fisheries Management Authority</b>	
<b>Objective 1</b>	Management of Commonwealth fisheries consistent with principles of ecological sustainable development.
<b>Key Activities<sup>(a)</sup></b>	<ul style="list-style-type: none"> <li>Developing management arrangements that:               <ul style="list-style-type: none"> <li>Support the implementation of Commonwealth fisheries policies including the Harvest Strategy and Bycatch Policies</li> <li>Implement AFMA's Ecological Risk Management Framework</li> <li>Recover overfished stocks and prevent overfishing</li> <li>Ensure commercial, recreational and Indigenous fishing information is used to the extent possible in decision making.</li> </ul> </li> <li>Investing in and applying monitoring, scientific and economic research to decision making on fish stocks, sub-stocks, species (target and non-target species) and the impact of fishing on the marine environment.</li> </ul>
<b>Objective 2</b>	Maximise net economic returns to the Australian community from the management of Commonwealth fisheries.
<b>Key Activities<sup>(a)</sup></b>	<ul style="list-style-type: none"> <li>Reviewing management arrangements to take into account commercial, recreational and Indigenous fishing interests when maximising net economic returns from the commercial sector.</li> <li>Increasing catch levels within sustainable total allowable catches (TACs) by conducting and considering implementation of research focussed on under caught TACs.</li> <li>Managing exploratory fisheries (potentially underutilised fisheries).</li> <li>Understanding impacts of resource allocation between commercial, recreational, and Indigenous fishers.</li> </ul>

Continued on following pages

**Table 2.2: Performance measure for Outcome 1 (continued)**

<b>Objective 3</b>	Compliance with Commonwealth fisheries laws and policies and relevant international fishing obligations and standards.
<b>Key Activities<sup>(a)</sup></b>	<ul style="list-style-type: none"> <li>Operating an effective compliance and enforcement regime encompassing: <ul style="list-style-type: none"> <li>Measures to maximise voluntary compliance</li> <li>Risk-based, intelligence driven, and targeted domestic operations</li> <li>Building and maintaining strategic links and relationships with relevant law enforcement agencies.</li> </ul> </li> <li>Operating effective foreign fisheries compliance enforcement and capacity building by: <ul style="list-style-type: none"> <li>Implementing strategies to deter and eliminate IUU foreign fishing in Australian waters and on the high seas where Australia has an interest</li> <li>Delivering capacity building programs internationally and providing technical input to support key regional and international fishing bodies.</li> </ul> </li> </ul>
<b>Objective 4</b>	Deliver effective, cost efficient and accountable management of Commonwealth fisheries resources.
<b>Key Activities<sup>(a)</sup></b>	<ul style="list-style-type: none"> <li>Pursuing initiatives to improve regulation and administration generally in the Australian Government sector including: <ul style="list-style-type: none"> <li>Exploring opportunities to streamline fisheries assessment and management processes</li> <li>Implementing new fisheries policies for harvest strategies and bycatch to improve fishery management performance.</li> </ul> </li> <li>Reviewing business processes and systems, information flows and financial management arrangements through: <ul style="list-style-type: none"> <li>Assessing and mitigating high financial and operating risks</li> <li>Implementing a digital first service delivery policy that provides electronic service delivery for all relevant programs (E-logs, Electronic Catch Disposal Records, licencing, data requests, etc.).<sup>(a)</sup></li> </ul> </li> <li>Increasing AFMA accountability and stakeholder engagement through: <ul style="list-style-type: none"> <li>Expanded membership of management advisory committees (MACs) and resource assessment groups (RAGs)</li> <li>Capability development for recreational and Indigenous stakeholders.</li> </ul> </li> </ul>

Continued on following pages



**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22	1. The number of stocks for which management measures are based on species-appropriate scientific assessment.	Performance results of no change or an increase are on track.
	2. The percentage of species assessed as “residual High Risk” under Ecological Risk Assessment.	Performance results of no change or an increase are on track.
	3. The number of AFMA-only stocks assessed as “subject to overfishing” in the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), Fishery Status Report.	Zero target is not on track.
	4. AFMA advocates measures to address stocks shared with states and territories that are assessed as “overfished” or “subject to overfishing” in the ABARES Fishery Status Report in relevant negotiations.	Qualitative assessment is on track.
	5. Status of Wildlife Trade Operations (WTOs) under the <i>Environmental Protection and Biodiversity Conservation Act 1999</i> .	All WTOs are maintained on track.
	6. The number of stocks with target reference points based on Maximum Economic Yield, an agreed proxy thereof or a multi-stock harvest strategy.	Performance results of no change or an increase are on track.
	7. Net Economic Return, as assessed in the ABARES Status of Fish Stocks Report.	Positive trend over 3-year window is on track.
	8. Treatment of identified domestic compliance risks as outlined in the National Compliance and Enforcement Program (NCEP).	>90 per cent of NCEP performance targets met is not on track.
	9. Incidence level of illegal foreign fishing vessels operating in the Australian Fishing Zone.	Lower than the previous 10-year average is not on track to be met.

Continued on following pages

**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22 (continued)	10. Compliance rate with international obligations as assessed in Regional Fisheries Management Organisation (implemented by AFMA).	>90 per cent is on track.
	11. Cost recover budget.	At or below 2005–06 once adjusted for CPI is on track.
	12. Corporate overheads compared to total budget.	<20 per cent is not on track.
	13. Engagement with legislated peak body.	Commonwealth Fisheries Association is satisfied that meaningful opportunity is given to contribute to planning, delivery and reporting is on track.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	1. As per 2021–22.	No change or an increase.
	2. As per 2021–22.	No change or a decrease.
	3. As per 2021–22.	Zero.
	4. As per 2021–22.	Qualitative assessment.
	5. As per 2021–22.	All WTOs are maintained.
	6. As per 2021–22.	No change or an increase.
	7. As per 2021–22.	Positive trend over rolling 3-year average.
	8. As per 2021–22.	>90 per cent of NCEP performance targets met.
	9. As per 2021–22.	Lower than the previous 3-year average.
	10. As per 2021–22.	>90 per cent.
	11. As per 2021–22.	At or below 2005–06 once adjusted for CPI.
	12. As per 2021–22.	<25 per cent.

Continued on following page

**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Planned Performance Results
Budget Year 2022–23 (continued)	13. As per 2021–22.	Commonwealth Fisheries Association is satisfied that meaningful opportunity is given to contribute to planning, delivery, and reporting.
	14. Number of services offered digitally. <sup>(b)</sup>	Increased trend in the number of empirical data collection services offered electronically.
Forward Estimates 2023–26	15. As per 2022–23.	As per 2022–23.

(a) Refers to updated key activities that will be reflected in the 2022–23 Corporate Plan.

(b) New performance measures 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 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 financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

#### 3.1.2: Explanatory notes and analysis of budgeted financial statements

AFMA expects to maintain a balanced budget position over the forward years, before depreciation and amortisation.

AFMA collects levies via regulations under the *Fishing Levy Act 1991*, in accordance with the *Fisheries Management Act 1991*, *Fisheries Administration Act 1991*, Australian Government cost recovery policy and AFMA's Cost Recovery Implementation Statement.

Administered income reflects the fines imposed by AFMA for domestic and international illegal fishing activities and the receipt of administered revenue for expenditure incurred.

Administered expenditure reflects payments to the providers of illegal foreign fishing vessel caretaking and disposal services.

### 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
<b>EXPENSES</b>					
Employee benefits	19,295	22,693	23,147	23,610	24,082
Suppliers	15,243	16,876	18,817	20,785	18,060
Finance costs	90	76	76	76	76
Depreciation and amortisation	2,565	3,471	3,984	4,447	5,026
Write-down and impairment of assets	9	-	-	-	-
Net Foreign Exchange Losses	27	-	-	-	-
<b>Total expenses</b>	<b>37,229</b>	<b>43,116</b>	<b>46,024</b>	<b>48,918</b>	<b>47,244</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	3,494	3,980	4,027	4,051	4,075
Rental income	161	135	135	136	137
Interest	5	-	-	-	-
Levies and licence fees provided via crediting right to special account	14,004	14,845	14,988	15,131	16,598
<b>Total own-source revenue</b>	<b>17,664</b>	<b>18,960</b>	<b>19,150</b>	<b>19,318</b>	<b>20,810</b>
<b>Gains</b>					
Other	45	45	45	45	45
<b>Total gains</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>
<b>Total own-source income</b>	<b>17,709</b>	<b>19,005</b>	<b>19,195</b>	<b>19,363</b>	<b>20,855</b>
<b>Net cost of (contribution by) services</b>	<b>19,520</b>	<b>24,111</b>	<b>26,829</b>	<b>29,555</b>	<b>26,389</b>
Revenue from Government	21,035	22,066	24,180	26,534	22,920
<b>Surplus (deficit) attributable to the Australian Government</b>	<b>1,515</b>	<b>(2,045)</b>	<b>(2,649)</b>	<b>(3,021)</b>	<b>(3,469)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation surplus	(17)	-	-	-	-
<b>Total other comprehensive income</b>	<b>(17)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>1,498</b>	<b>(2,045)</b>	<b>(2,649)</b>	<b>(3,021)</b>	<b>(3,469)</b>

Continued on following page

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

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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>2,430</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
less depreciation/amortisation expenses previously funded through revenue appropriations <sup>(a)</sup>	795	2,050	2,494	3,060	3,560
less: depreciation/amortisation expenses for ROU assets <sup>(b)</sup>	1,413	1,421	1,490	1,387	1,466
add: Principal repayments on leased assets <sup>(b)</sup>	1,276	1,426	1,335	1,426	1,557
<b>Total comprehensive income (loss) – as per the statement of comprehensive income</b>	<b>1,498</b>	<b>(2,045)</b>	<b>(2,649)</b>	<b>(3,021)</b>	<b>(3,469)</b>

(a) From 2010–11, the Government introduced net cash appropriation arrangements where Appropriation Bill (No. 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 Appropriation Bill (No. 1) equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	14,054	13,672	13,372	13,072	12,772
Trade and other receivables	4,472	4,472	4,472	4,472	4,472
Other non-financial assets	373	373	373	373	373
<b>Total financial assets</b>	<b>18,899</b>	<b>18,517</b>	<b>18,217</b>	<b>17,917</b>	<b>17,617</b>
<b>Non-financial assets</b>					
Land and buildings	13,369	11,562	9,522	7,585	5,569
Property, plant and equipment	1,416	1,853	2,247	2,466	2,285
Intangibles	1,208	4,411	6,267	5,495	3,451
Other	301	301	301	301	301
<b>Total non-financial assets</b>	<b>16,294</b>	<b>18,127</b>	<b>18,337</b>	<b>15,847</b>	<b>11,606</b>
<b>Total assets</b>	<b>35,193</b>	<b>36,644</b>	<b>36,554</b>	<b>33,764</b>	<b>29,223</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Supplier payables	2,229	2,229	2,229	2,229	2,229
Other payables	1,241	1,241	1,241	1,241	1,241
<b>Total payables</b>	<b>3,470</b>	<b>3,470</b>	<b>3,470</b>	<b>3,470</b>	<b>3,470</b>
<b>Provisions</b>					
Employee provisions	5,174	5,174	5,174	5,174	5,174
Other provisions	185	185	185	185	185
<b>Total provisions</b>	<b>5,359</b>	<b>5,359</b>	<b>5,359</b>	<b>5,359</b>	<b>5,359</b>
<b>Interest bearing liabilities</b>					
Leases	7,537	6,311	4,976	3,550	1,993
<b>Total interest bearing liabilities</b>	<b>7,537</b>	<b>6,311</b>	<b>4,976</b>	<b>3,550</b>	<b>1,993</b>
<b>Total liabilities</b>	<b>16,366</b>	<b>15,140</b>	<b>13,805</b>	<b>12,379</b>	<b>10,822</b>
<b>Net assets</b>	<b>18,827</b>	<b>21,504</b>	<b>22,749</b>	<b>21,385</b>	<b>18,401</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	18,139	22,861	26,755	28,412	28,897
Reserves	3,564	3,564	3,564	3,564	3,564
Retained surplus/(accumulated deficit)	(2,876)	(4,921)	(7,570)	(10,591)	(14,060)
<b>Total parent entity interest</b>	<b>18,827</b>	<b>21,504</b>	<b>22,749</b>	<b>21,385</b>	<b>18,401</b>
<b>Total Equity</b>	<b>18,827</b>	<b>21,504</b>	<b>22,749</b>	<b>21,385</b>	<b>18,401</b>

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

Prepared on Australian Accounting Standards basis.

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

	Retained earnings \$'000	Revaluation Asset Reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2022</b>				
Balance carried forward from previous period	(2,876)	3,564	18,139	18,827
<b>Adjusted opening balance</b>	<b>(2,876)</b>	<b>3,564</b>	<b>18,139</b>	<b>18,827</b>
<b>Comprehensive income</b>				
Surplus (deficit) for the period	(2,045)	-	-	(2,045)
<b>Total comprehensive income</b>	<b>(2,045)</b>	<b>-</b>	<b>-</b>	<b>(2,045)</b>
of which:				
Attributable to the Australian Government	(2,045)	-	-	(2,045)
<b>Transactions with owners</b>				
<b>Contributions by owners</b>				
Departmental Capital Budget (DCBs)	-	-	4,722	4,722
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>4,722</b>	<b>4,722</b>
<b>Estimated closing balance as at 30 June 2023</b>	<b>(4,921)</b>	<b>3,564</b>	<b>22,861</b>	<b>21,504</b>
<b>Closing balance attributable to the Australian Government</b>	<b>(4,921)</b>	<b>3,564</b>	<b>22,861</b>	<b>21,504</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sale of goods and rendering of services	3,360	4,115	4,162	4,187	4,212
Appropriations	21,035	22,066	24,180	26,534	22,920
Net GST received	1,300	-	-	-	-
Other	13,998	14,845	14,988	15,131	16,598
<b>Total cash received</b>	<b>39,693</b>	<b>41,026</b>	<b>43,330</b>	<b>45,852</b>	<b>43,730</b>
<b>Cash used</b>					
Employees	19,782	22,693	23,147	23,610	24,082
Suppliers	16,075	16,831	18,772	20,740	18,015
Borrowing costs	88	76	76	76	76
<b>Total cash used</b>	<b>35,945</b>	<b>39,600</b>	<b>41,995</b>	<b>44,426</b>	<b>42,173</b>
<b>Net cash from (used by) operating activities</b>	<b>3,748</b>	<b>1,426</b>	<b>1,335</b>	<b>1,426</b>	<b>1,557</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant, equipment and intangibles	1,394	5,104	4,194	1,957	785
<b>Total cash used</b>	<b>1,394</b>	<b>5,104</b>	<b>4,194</b>	<b>1,957</b>	<b>785</b>
<b>Net cash from (used by) investing activities</b>	<b>(1,394)</b>	<b>(5,104)</b>	<b>(4,194)</b>	<b>(1,957)</b>	<b>(785)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	910	4,722	3,894	1,657	485
<b>Total cash received</b>	<b>910</b>	<b>4,722</b>	<b>3,894</b>	<b>1,657</b>	<b>485</b>
<b>Cash used</b>					
Lease liability – principal payments	1,276	1,426	1,335	1,426	1,557
<b>Total cash used</b>	<b>1,276</b>	<b>1,426</b>	<b>1,335</b>	<b>1,426</b>	<b>1,557</b>
<b>Net cash from (used by) financing activities</b>	<b>(366)</b>	<b>3,296</b>	<b>2,559</b>	<b>231</b>	<b>(1,072)</b>
<b>Net increase (decrease) in cash held</b>	<b>1,988</b>	<b>(382)</b>	<b>(300)</b>	<b>(300)</b>	<b>(300)</b>
Cash and cash equivalents at the beginning of the reporting period	12,066	14,054	13,672	13,372	13,072
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>14,054</b>	<b>13,672</b>	<b>13,372</b>	<b>13,072</b>	<b>12,772</b>

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
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget – Bill (No. 1) (DCB)	4,418	4,722	3,894	1,657	485
<b>Total capital appropriations represented by:</b>	<b>4,418</b>	<b>4,722</b>	<b>3,894</b>	<b>1,657</b>	<b>485</b>
<b>Total new capital appropriations represented by:</b>					
Purchase of non-financial assets	4,418	4,722	3,894	1,657	485
<b>Total items</b>	<b>4,418</b>	<b>4,722</b>	<b>3,894</b>	<b>1,657</b>	<b>485</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation – DCB <sup>(a)</sup>	910	4,722	3,894	1,657	485
Funded internally from departmental resources <sup>(b)</sup>	484	382	300	300	300
<b>TOTAL</b>	<b>1,394</b>	<b>5,104</b>	<b>4,194</b>	<b>1,957</b>	<b>785</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	1,394	5,104	4,194	1,957	785
<b>Total cash used to acquire assets</b>	<b>1,394</b>	<b>5,104</b>	<b>4,194</b>	<b>1,957</b>	<b>785</b>

(a) Does not include annual finance lease costs. Include purchases from current and previous years Departmental Capital Budgets (DCBs).

(b) Includes the following s74 external revenue:

- current Bill (No. 1) and prior year Act/Bill (No. 1/3/5) appropriations (excluding amounts from the DCBs);
- sponsorship, subsidy, gifts or similar contribution;
- internally developed assets;
- proceeds from the sale of assets; and
- the AFMA Special Account under s 94B of the *Fisheries Administration Act 1991*.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.<sup>1</sup>

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

	Land	Buildings	Other property, plant and equipment	Intangibles	L&B, IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2022</b>						
Gross book value	1,775	5,630	2,100	7,467	-	16,972
Gross book value – ROU <sup>(a)</sup>	-	10,766	-	-	-	10,766
Accumulated depreciation/amortisation and impairment	-	(1,155)	(684)	(6,259)	-	(8,098)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	-	(3,647)	-	-	-	(3,647)
<b>Opening net book balance</b>	<b>1,775</b>	<b>11,594</b>	<b>1,416</b>	<b>1,208</b>	<b>-</b>	<b>15,993</b>
<b>CAPITAL ASSET ADDITIONS</b>						
<b>Estimated expenditure on new or replacement assets</b>						
By purchase – appropriation ordinary annual services <sup>(b)</sup>	-	-	884	4,220	-	5,104
By purchase – other – ROU assets <sup>(a)</sup>	-	200	-	-	-	200
<b>Total additions</b>	<b>-</b>	<b>200</b>	<b>884</b>	<b>4,220</b>	<b>-</b>	<b>5,304</b>
<b>Other movements</b>						
Depreciation/ amortisation expense	-	(586)	(447)	(1,017)	-	(2,050)
Depreciation/ amortisation expense – ROU <sup>(a)</sup>	-	(1,421)	-	-	-	(1,421)
<b>Total other movements</b>	<b>-</b>	<b>(2,007)</b>	<b>(447)</b>	<b>(1,017)</b>	<b>-</b>	<b>(3,471)</b>
<b>As at 30 June 2023</b>						
Gross book value	1,775	5,630	2,984	11,687	-	22,076
Gross book value – ROU <sup>(a)</sup>	-	10,966	-	-	-	10,966
Accumulated depreciation/amortisation and impairment	-	(1,741)	(1,131)	(7,276)	-	(10,148)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	-	(5,068)	-	-	-	(5,068)
<b>Closing net book balance</b>	<b>1,775</b>	<b>9,787</b>	<b>1,853</b>	<b>4,411</b>	<b>-</b>	<b>17,826</b>

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2022–23 for Departmental Capital Budget or other operational expenses.

Prepared on Australian Accounting Standards basis.

**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
<b>EXPENSES</b>					
Suppliers	1,267	5,839	6,025	6,157	6,272
<b>Total expenses administered on behalf of Government</b>	<b>1,267</b>	<b>5,839</b>	<b>6,025</b>	<b>6,157</b>	<b>6,272</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	99	-	-	-	-
<b>Total non-taxation revenue</b>	<b>99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source revenue administered on behalf of Government</b>	<b>99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-sourced income administered on behalf of Government</b>	<b>99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cost of (contribution by) services</b>	<b>1,168</b>	<b>5,839</b>	<b>6,025</b>	<b>6,157</b>	<b>6,272</b>
<b>Surplus (Deficit)</b>	<b>(1,168)</b>	<b>(5,839)</b>	<b>(6,025)</b>	<b>(6,157)</b>	<b>(6,272)</b>
<b>Total comprehensive income (loss)</b>	<b>(1,168)</b>	<b>(5,839)</b>	<b>(6,025)</b>	<b>(6,157)</b>	<b>(6,272)</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)**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Receivables	185	185	185	185	185
<b>Total financial assets</b>	<b>185</b>	<b>185</b>	<b>185</b>	<b>185</b>	<b>185</b>
<b>Total assets administered on behalf of Government</b>	<b>185</b>	<b>185</b>	<b>185</b>	<b>185</b>	<b>185</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	254	254	254	254	254
<b>Total payables</b>	<b>254</b>	<b>254</b>	<b>254</b>	<b>254</b>	<b>254</b>
<b>Total liabilities administered on behalf of Government</b>	<b>254</b>	<b>254</b>	<b>254</b>	<b>254</b>	<b>254</b>
<b>Net assets/(liabilities)</b>	<b>(69)</b>	<b>(69)</b>	<b>(69)</b>	<b>(69)</b>	<b>(69)</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sales of goods and rendering of services	99	-	-	-	-
<b>Total cash received</b>	<b>99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Suppliers	1,183	5,839	6,025	6,157	6,272
<b>Total cash used</b>	<b>1,183</b>	<b>5,839</b>	<b>6,025</b>	<b>6,157</b>	<b>6,272</b>
<b>Net cash from (used by) operating activities</b>	<b>(1,084)</b>	<b>(5,839)</b>	<b>(6,025)</b>	<b>(6,157)</b>	<b>(6,272)</b>
<b>Net increase (decrease) in cash held</b>	<b>(1,084)</b>	<b>(5,839)</b>	<b>(6,025)</b>	<b>(6,157)</b>	<b>(6,272)</b>
Cash from Official Public Account for:					
– Appropriations	1,149	5,839	6,025	6,157	6,272
<b>Total cash from Official Public Account</b>	<b>1,149</b>	<b>5,839</b>	<b>6,025</b>	<b>6,157</b>	<b>6,272</b>
Cash to Official Public Account for:					
– Appropriations	65	-	-	-	-
<b>Total cash to Official Public Account</b>	<b>65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<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.

**Table 3.10: Statement of administered asset movements (Budget year 2022–23)**

The schedule of administered asset movements on behalf of Government is nil.



# Australian Pesticides and Veterinary Medicines Authority

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# Australian Pesticides and Veterinary Medicines Authority

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Australian Pesticides and Veterinary Medicines Authority (APVMA) is established under the *Agricultural and Veterinary Chemicals (Administration) Act 1992* (Administration Act). The APVMA's principal responsibilities are described in the Administration Act and the *Agricultural and Veterinary Chemicals Code Act 1994*.

APVMA regulates the supply of safe and effective agricultural and veterinary (agvet) chemicals in Australia. Robust risk assessment methods are used to scientifically evaluate new and existing pesticides and veterinary medicines. Through efficient and effective regulation, the APVMA ensures the registration of agvet chemical products, delivers appropriate protections for human health and safety, animals and the environment, and supports international trade.

APVMA's regulatory responsibility extends from registration and manufacturing through to the point of sale. By agreement, the states and territories are then responsible for regulating and monitoring how agvet chemicals are used.

We will build on the adaptive and flexible response adopted during the COVID-19 pandemic and continue to deliver regulatory services through collaborative and innovative work practices.

We will work to minimise cost recovery charges, consistent with the Australian Government Cost Recovery Guidelines, through the efficient implementation of cost recovered activities.

**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 October *Budget Paper No. 4: Agency Resourcing*.

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

**Table 1.1: Australian Pesticides and Veterinary Medicines Authority – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022**

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
<b>Opening balance/cash reserves at 1 July</b>	<b>1,117</b>	<b>148</b>
<b>Funds from Government</b>		
<b>Annual appropriations – ordinary annual services<sup>(a)</sup></b>		
Outcome 1	1,923	1,638
<b>Total annual appropriations</b>	<b>1,923</b>	<b>1,638</b>
<b>Special appropriations<sup>(b)</sup></b>		
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992 ,     s. 58 (6)</i>	31,542	38,713
<b>Total special appropriations</b>	<b>31,542</b>	<b>38,713</b>
<b>Amounts received from related entities</b>		
Amounts from portfolio department <sup>(c)</sup>	136	138
<b>Total amounts received from related entities</b>	<b>136</b>	<b>138</b>
<b>Total funds from Government</b>	<b>33,601</b>	<b>40,489</b>
<b>Funds from industry sources</b>		
Levies, fees and charges <sup>(d)</sup>	31,542	38,713
<i>less amounts paid to the CRF</i>	(31,542)	(38,713)
<b>Total funds from industry sources</b>	<b>-</b>	<b>-</b>
<b>Funds from other sources</b>		
Other	144	3
<b>Total funds from other sources</b>	<b>144</b>	<b>3</b>
<b>Total net resourcing for APVMA</b>	<b>34,862</b>	<b>40,640</b>
	<b>2021–22</b>	<b>2022–23</b>
<b>Average staffing level (number)</b>	<b>176</b>	<b>180</b>

(a) Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1) 2022–23*. Appropriation is provided through the Department of Agriculture, Fisheries and Forestry (DAFF) and is specified within the Annual Appropriation Bills as a payment to APVMA and is considered departmental for all purposes.

(b) APVMA's special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to DAFF and are then paid to APVMA and are considered departmental for all purposes.

(c) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

(d) These charges are imposed by the *Agricultural and Veterinary Chemicals Code Act 1994* and the *Agricultural and Veterinary Chemical Products (Collection of Levy) Act 1994*. They are collected by APVMA and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation under the Administration Act.

Please note: 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.

### 1.3 Budget measures

Budget measures in Part 1 relating to the Australian Pesticides and Veterinary Medicines Authority are detailed in October *Budget Paper No. 2* and are summarised below.

**Table 1.2: Australian Pesticides and Veterinary Medicines Authority – October 2022–23 Budget Measures**

**Part 1: Measures announced since the March 2022–23 Budget**

	Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Payment measures</b>						
An Ambitious and Enduring APS Reform Plan <sup>(a)(b)</sup>	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	(1)	(2)	(2)	-
<b>Total</b>		-	(1)	(2)	(2)	-
Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses <sup>(b)(c)</sup>	1.1					
Administered payment		-	-	-	-	-
Departmental payment		-	(24)	-	-	-
<b>Total</b>		-	(24)	-	-	-
<b>Total payment measures</b>						
Administered		-	-	-	-	-
Departmental		-	(25)	(2)	(2)	-
<b>Total</b>		-	(25)	(2)	(2)	-

(a) The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the Prime Minister and Cabinet Portfolio section.

(b) Funding for this measure passes through DAFF to APVMA.

(c) The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the Cross Portfolio section.

Prepared on a Government Finance Statistics (Underlying Cash) basis.

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

## 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 criteria 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.

APVMA's most recent corporate plan can be found at:

<https://apvma.gov.au/node/101686>.

APVMA's most recent annual performance statement can be found at:

<https://apvma.gov.au/node/92371> in chapter 3.

**2.1 Budgeted expenses and performance for Outcome 1**

**Outcome 1: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.**

**2.1.1: Linked programs**

<b>Department of Agriculture, Fisheries and Forestry</b>
Program 1.10: Agricultural Resources
<b>Contribution to Outcome 1 made by linked programs:</b> APVMA and DAFF work together to ensure the protection of the health and safety of humans, animals and the environment.

## 2.1.2: 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: Budgeted expenses for Outcome 1**

<b>Outcome 1: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.</b>					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.1: Australian Pesticides and Veterinary Medicines Authority</b>					
<b><u>Revenue from Government</u></b>					
Ordinary annual services (Appropriation Bill (No. 1)) <sup>(a)</sup>	1,923	1,638	1,712	1,732	1,749
Payment from related entities	136	138	144	147	149
Special appropriations					
<i>Agricultural and Veterinary Chemicals     (Administration) Act 1992, s. 58 (6) –     amount payable to the APVMA</i>	41,570	38,418	38,727	39,042	39,365
Revenues from other independent sources	58	58	59	60	61
Expenses not requiring appropriation in the Budget year <sup>(b)</sup>	(7,671)	193	136	91	66
<b>Total expenses for program 1.1</b>	<b>36,016</b>	<b>40,445</b>	<b>40,778</b>	<b>41,072</b>	<b>41,390</b>
<b>Outcome 1 totals by resource type</b>					
<b><u>Revenue from Government</u></b>					
Ordinary annual services (Appropriation Bill (No. 1)) <sup>(a)</sup>	1,923	1,638	1,712	1,732	1,749
Payment from related entities	136	138	144	147	149
Special appropriations	41,570	38,418	38,727	39,042	39,365
Revenues from other independent sources	58	58	59	60	61
Expenses not requiring appropriation in the Budget year <sup>(b)</sup>	(7,671)	193	136	91	66
<b>Total expenses for Outcome 1</b>	<b>36,016</b>	<b>40,445</b>	<b>40,778</b>	<b>41,072</b>	<b>41,390</b>
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)</b>	176	180			

(a) Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1)* 2022–23. APVMA is CCE under the PGPA Act and does not receive direct appropriations. Appropriation is provided through DAFF and is specified with the Annual Appropriation Bills as payment to APVMA and is considered departmental for all purposes.

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

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

Prepared on Australian Accounting Standards basis.

**Table 2.2: Performance measure for Outcome 1**

Table 2.2 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, the October 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

<b>Outcome 1: Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines.</b>		
<b>Program 1.1: Australian Pesticides and Veterinary Medicines Authority</b>		
<b>Objective</b>	APVMA regulates agricultural and veterinary chemicals to manage the risks of pests and diseases for the Australian community and to protect Australia's trade and the health and safety of people, animals and the environment.	
<b>Key Activities</b>	Regulation of agricultural and veterinary chemicals is delivered through 4 mechanisms:  Risk-based assessment and registration of pesticides and veterinary chemicals <ul style="list-style-type: none"><li>• Identification and resolution of non-compliance up to and including the point of retail sale</li><li>• Licence and audit veterinary manufacturers</li><li>• Identification and review of the safety of existing chemicals of regulatory concern.</li></ul>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	Percentage of applications finalised within statutory timeframes.	97 per cent.
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2022–23	As per 2021–22.	100 per cent.
Forward Estimates 2023–26	As per 2022–23.	100 per cent.



## 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 resourcing statement is prepared on a cash basis. The financial statements are prepared on an accrual basis. Differences between the resourcing and financial statements represent timing differences between revenue recognition and cash received.

#### 3.1.2: Explanatory notes and analysis of budgeted financial statements

No significant updates have been made to the budget or forward estimates since the March Budget. The following tables now present the final results for the 2021–22 financial year.

### 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
<b>EXPENSES</b>					
Employee benefits	23,656	26,186	26,685	27,220	27,755
Suppliers	9,479	11,257	11,075	10,911	10,675
Depreciation and amortisation	2,701	2,827	2,858	2,797	2,828
Finance costs	180	175	160	144	132
<b>Total expenses</b>	<b>36,016</b>	<b>40,445</b>	<b>40,778</b>	<b>41,072</b>	<b>41,390</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Other	58	58	59	60	61
<b>Total own-source revenue</b>	<b>58</b>	<b>58</b>	<b>59</b>	<b>60</b>	<b>61</b>
<b>Total own-source income</b>	<b>58</b>	<b>58</b>	<b>59</b>	<b>60</b>	<b>61</b>
<b>Net cost of (contribution by) services</b>	<b>35,958</b>	<b>40,387</b>	<b>40,719</b>	<b>41,012</b>	<b>41,329</b>
Revenue from Government					
Commonwealth contribution	1,923	1,638	1,712	1,732	1,749
Industry contributions	41,570	38,418	38,727	39,042	39,365
Payment from related entities	136	138	144	147	149
<b>Total revenue from Government</b>	<b>43,629</b>	<b>40,194</b>	<b>40,583</b>	<b>40,921</b>	<b>41,263</b>
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>7,671</b>	<b>(193)</b>	<b>(136)</b>	<b>(91)</b>	<b>(66)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>7,671</b>	<b>(193)</b>	<b>(136)</b>	<b>(91)</b>	<b>(66)</b>
<b>Note: Impact of net cash appropriation arrangements</b>					
	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>7,813</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
less depreciation/amortisation expenses for ROU <sup>(a)</sup>	1,255	1,301	1,301	1,209	987
add principal repayments on leased assets <sup>(a)</sup>	1,113	1,108	1,165	1,118	921
<b>Total comprehensive income/(loss) – as per the Statement of comprehensive income</b>	<b>7,671</b>	<b>(193)</b>	<b>(136)</b>	<b>(91)</b>	<b>(66)</b>

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	148	55	345	675	585
Trade and other receivables	32,469	32,174	32,381	33,489	35,270
<b>Total financial assets</b>	<b>32,617</b>	<b>32,229</b>	<b>32,726</b>	<b>34,164</b>	<b>35,855</b>
<b>Non-financial assets</b>					
Land and buildings	15,228	13,618	12,000	10,468	8,930
Property, plant and equipment	867	630	389	232	69
Intangibles	1,443	2,522	2,583	1,625	648
Other non-financial assets	825	825	825	825	825
<b>Total non-financial assets</b>	<b>18,363</b>	<b>17,595</b>	<b>15,797</b>	<b>13,150</b>	<b>10,472</b>
<b>Total assets</b>	<b>50,980</b>	<b>49,824</b>	<b>48,523</b>	<b>47,314</b>	<b>46,327</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	1,582	1,104	1,104	1,104	1,104
Other payables	546	1,151	1,151	1,151	1,151
<b>Total payables</b>	<b>2,128</b>	<b>2,255</b>	<b>2,255</b>	<b>2,255</b>	<b>2,255</b>
<b>Interest bearing liabilities</b>					
Leases	13,176	12,068	10,903	9,785	8,864
<b>Total interest bearing liabilities</b>	<b>13,176</b>	<b>12,068</b>	<b>10,903</b>	<b>9,785</b>	<b>8,864</b>
<b>Provisions</b>					
Employee provisions	5,394	5,412	5,412	5,412	5,412
<b>Total provisions</b>	<b>5,394</b>	<b>5,412</b>	<b>5,412</b>	<b>5,412</b>	<b>5,412</b>
<b>Total liabilities</b>	<b>20,698</b>	<b>19,735</b>	<b>18,570</b>	<b>17,452</b>	<b>16,531</b>
<b>Net assets</b>	<b>30,282</b>	<b>30,089</b>	<b>29,953</b>	<b>29,862</b>	<b>29,796</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Reserves	279	279	279	279	279
Retained surplus/(accumulated deficit)	30,003	29,810	29,674	29,583	29,517
<b>Total parent entity interest</b>	<b>30,282</b>	<b>30,089</b>	<b>29,953</b>	<b>29,862</b>	<b>29,796</b>
<b>Total Equity</b>	<b>30,282</b>	<b>30,089</b>	<b>29,953</b>	<b>29,862</b>	<b>29,796</b>

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

Prepared on Australian Accounting Standards basis.

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

	Retained earnings	Asset revaluation reserve	Total equity
	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2022</b>			
Balance carried forward from previous period	30,003	279	30,282
<b>Adjusted opening balance</b>	<b>30,003</b>	<b>279</b>	<b>30,282</b>
<b>Comprehensive income</b>			
Surplus/(deficit) for the period	(193)	-	(193)
<b>Total comprehensive income</b>	<b>(193)</b>	<b>-</b>	<b>(193)</b>
of which:			
Attributable to the Australian Government	(193)	-	(193)
<b>Estimated closing balance as at 30 June 2023</b>	<b>29,810</b>	<b>279</b>	<b>30,089</b>
<b>Closing balance attributable to the Australian Government</b>	<b>29,810</b>	<b>279</b>	<b>30,089</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Revenue from Government	33,584	40,489	40,376	39,813	39,482
Net GST received	890	1,414	1,365	1,082	1,056
Other	199	3	3	3	3
<b>Total cash received</b>	<b>34,673</b>	<b>41,906</b>	<b>41,744</b>	<b>40,898</b>	<b>40,541</b>
<b>Cash used</b>					
Employees	23,560	26,158	26,685	27,220	27,755
Suppliers	10,295	12,498	12,384	11,936	11,673
Interest payments on lease liability	180	175	160	144	132
<b>Total cash used</b>	<b>34,035</b>	<b>38,831</b>	<b>39,229</b>	<b>39,300</b>	<b>39,560</b>
<b>Net cash from (used by) operating activities</b>	<b>638</b>	<b>3,075</b>	<b>2,515</b>	<b>1,598</b>	<b>981</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	494	2,060	1,060	150	150
<b>Total cash used</b>	<b>494</b>	<b>2,060</b>	<b>1,060</b>	<b>150</b>	<b>150</b>
<b>Net cash from (used by) investing activities</b>	<b>(494)</b>	<b>(2,060)</b>	<b>(1,060)</b>	<b>(150)</b>	<b>(150)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash used</b>					
Principal payments on lease liability	1,113	1,108	1,165	1,118	921
<b>Total cash used</b>	<b>1,113</b>	<b>1,108</b>	<b>1,165</b>	<b>1,118</b>	<b>921</b>
<b>Net cash from (used by) financing activities</b>	<b>(1,113)</b>	<b>(1,108)</b>	<b>(1,165)</b>	<b>(1,118)</b>	<b>(921)</b>
<b>Net increase (decrease) in cash held</b>	<b>(969)</b>	<b>(93)</b>	<b>290</b>	<b>330</b>	<b>(90)</b>
Cash and cash equivalents at the beginning of the reporting period	1,117	148	55	345	675
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>148</b>	<b>55</b>	<b>345</b>	<b>675</b>	<b>585</b>

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
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources <sup>(a)</sup>	494	2,060	1,060	150	150
<b>TOTAL</b>	<b>494</b>	<b>2,060</b>	<b>1,060</b>	<b>150</b>	<b>150</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	494	2,060	1,060	150	150
<b>Total cash used to acquire assets</b>	<b>494</b>	<b>2,060</b>	<b>1,060</b>	<b>150</b>	<b>150</b>

(a) Includes the following s74 external revenue:

- internally developed assets;
- proceeds from the sale of assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Building	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2022</b>				
Gross book value	19,390	1,606	9,441	30,437
Accumulated depreciation/amortisation and impairment	(4,161)	(741)	(7,998)	(12,900)
<b>Opening net book balance</b>	<b>15,229</b>	<b>865</b>	<b>1,443</b>	<b>17,537</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase – other <sup>(a)</sup>	-	60	2,000	2,060
<b>Total additions</b>	<b>-</b>	<b>60</b>	<b>2,000</b>	<b>2,060</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(310)	(295)	(921)	(1,526)
Depreciation/amortisation expense – ROU <sup>(b)</sup>	(1,301)	-	-	(1,301)
<b>Total other movements</b>	<b>(1,611)</b>	<b>(295)</b>	<b>(921)</b>	<b>(2,827)</b>
<b>As at 30 June 2023</b>				
Gross book value	19,390	1,666	11,441	32,497
Accumulated depreciation/amortisation and impairment	(4,471)	(1,036)	(8,919)	(14,426)
Accumulated depreciation/amortisation and impairment – ROU <sup>(b)</sup>	(1,301)	-	-	(1,301)
<b>Closing net book balance</b>	<b>13,618</b>	<b>630</b>	<b>2,522</b>	<b>16,770</b>

(a) 'By purchase – other' refers to funding provided through other internal funding sources.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

Prepared on Australian Accounting Standards basis.





# Cotton Research and Development Corporation

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# Cotton Research and Development Corporation

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Cotton Research and Development Corporation (CRDC) delivers outcomes in cotton research, development and extension (RD&E) on behalf of Australia's cotton growers and the Australian Government.

Established in October 1990 and operating under the *Primary Industries Research and Development Act 1989* (PIRD Act), CRDC exists to power the success of Australian cotton through investment in, and delivery of, cotton RD&E. CRDC is based in Narrabri, New South Wales: the heart of one of Australia's major cotton-growing regions and home to the Australian Cotton Research Institute.

Cotton is a major contributor to the economic, environmental and social fabric of rural Australia. Predominately grown in New South Wales and Queensland, with expansion into northern Australia, cotton is a major employer and contributor to the local, state and national economy. The industry generates significant wealth and provides an economic foundation to these regions and their communities, employing some 10,000 people. Cotton is a valuable agricultural export commodity, generating an average of \$2.3 billion in export revenue annually over the last five years.

CRDC's role is to invest in RD&E on behalf of cotton growers and the Government, with the outcomes boosting the productivity and profitability of industry. RD&E, and its resulting innovations, are a key driving force behind the cotton industry's continued success. CRDC's ultimate aim is to deliver increased economic, social and environmental benefits for the Australian cotton industry, and the wider community, by investing in knowledge, innovation and its adoption.

CRDC's investments are governed by a five-year strategic plan, with 2022–23 being the fifth year under CRDC's 2018–23 Strategic Plan. The strategic plan provides an ambitious roadmap for CRDC's investments.

CRDC's aim through the plan is to contribute to creating \$2 billion in additional gross value of cotton production for the benefit of Australian cotton growers and the wider community.

The plan has five key areas of focus:

- Increasing productivity and profitability on Australian cotton farms
- Improving cotton farming sustainability and value chain competitiveness
- Building the adaptive capacity of the Australian cotton industry
- Strengthening partnerships and adoption
- Driving RD&E impact.

To help achieve this, Australia cotton growers and the Australia Government will co-invest \$18.8 million into cotton RD&E during 2022–23, across these key focus areas.

## 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 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' table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Cotton Research and Development Corporation – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022**

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
<b>Opening balance/cash reserves at 1 July</b>	<b>22,130</b>	<b>23,404</b>
<b>Funds from Government</b>		
<b>Special appropriations<sup>(a)</sup></b>		
<i>Primary Industries Research and Development Act 1989, s.30(3) –     Cotton R&amp;D Corporation</i>	12,776	21,980
<b>Total special appropriations</b>	<b>12,776</b>	<b>21,980</b>
<b>Amounts received from related entities</b>		
Amounts from portfolio department <sup>(b)</sup>	2,152	713
<b>Total amounts received from related entities</b>	<b>2,152</b>	<b>713</b>
<b>Total funds from Government</b>	<b>14,928</b>	<b>22,693</b>
<b>Funds from industry sources</b>		
Levies <sup>(c)</sup>	6,552	11,930
<i>less amounts paid to the CRF</i>	(6,552)	(11,930)
<b>Total funds from industry sources</b>	<b>-</b>	<b>-</b>
<b>Funds from other sources</b>		
Interest	68	76
Royalties	49	33
Other	2,394	280
<b>Total funds from other sources</b>	<b>2,511</b>	<b>389</b>
<b>Total net resourcing for CRDC</b>	<b>39,569</b>	<b>46,486</b>
	<b>2021–22</b>	<b>2022–23</b>
<b>Average staffing level (number)</b>	<b>15</b>	<b>15</b>

(a) CRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to the Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to CRDC and are considered departmental for all purposes.

(b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

(c) The levies are imposed by the *Primary Industries (Excise) Levies Act 1999*. The levies are collected by DAFF under the *Primary Industries Levies and Charges Collection Act 1991* and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to CRDC under the *Primary Industries Research and Development Act 1989* (PIRD Act), s. 30(3) – Cotton R&D Corporation.

Please note: 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.

### 1.3 Budget measures

Budget measures in Part 1 relating to the Cotton Research and Development Corporation are detailed in October *Budget Paper No. 2* and are summarised below.

#### **Table 1.2: Cotton Research and Development Corporation – October 2022–23 Budget Measures**

##### **Part 1: Measures announced since the March 2022–23 Budget**

CRDC does not have any October 2022–23 Budget 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 criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the Cotton Research and Development Corporation can be found at: [www.crdc.com.au/publications/crdc-strategic-plan](http://www.crdc.com.au/publications/crdc-strategic-plan).

The most recent annual performance statement for the Cotton Research and Development Corporation can be found at: [www.crdc.com.au/publications/crdc-annual-report](http://www.crdc.com.au/publications/crdc-annual-report).



## 2.1 Budgeted expenses and performance for Outcome 1

**Outcome 1: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.**

### 2.1.1: Linked programs

<b>Department of Agriculture, Fisheries and Forestry</b>
Program 1.10: Agricultural Resources
<p><b>Contribution to Outcome 1 made by linked program:</b></p> <p>CRDC works together with DAFF to ensure a sustainable, productive and profitable cotton industry.</p>

## 2.1.2: 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: Budgeted expenses for Outcome 1**

<b>Outcome 1: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.</b>					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.1: Cotton Research and Development Corporation</b>					
<b><u>Revenue from Government</u></b>					
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30(3) –</i>					
Cotton R&D Corporation	6,552	11,930	12,870	10,879	9,866
Industry contribution	6,556	13,348	12,870	10,879	9,866
Revenues from other independent sources	4,604	1,171	470	380	390
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	597	(7,689)	(2,833)	(611)	(1,371)
<b>Total expenses for program 1.1</b>	<b>18,309</b>	<b>18,760</b>	<b>23,377</b>	<b>21,527</b>	<b>18,751</b>
<b>Outcome 1 totals by resource type</b>					
<b><u>Revenue from Government</u></b>					
Special appropriations	6,552	11,930	12,870	10,879	9,866
Revenues from industry sources	6,556	13,348	12,870	10,879	9,866
Revenues from other independent sources	4,604	1,171	470	380	390
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	597	(7,689)	(2,833)	(611)	(1,371)
<b>Total expenses for Outcome 1</b>	<b>18,309</b>	<b>18,760</b>	<b>23,377</b>	<b>21,527</b>	<b>18,751</b>
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)</b>	15	15			

(a) Expenses not requiring appropriation in the budget year are made up of make good expenses, audit fees, and can include depreciation / amortisation expenses not requiring an appropriation.

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

Prepared on Australian Accounting Standards basis.

**Table 2.2: Performance measure for Outcome 1**

Table 2.2 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, the October 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

As an entity established under the PIRD Act, CRDC does not produce a Corporate Plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

<b>Outcome 1: Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community.</b>		
<b>Program 1.1: Cotton Research and Development Corporation</b>		
<b>Objective 1</b>	<b>Increase productivity and profitability on cotton farms</b> Deliver RD&E for cotton producers to increase productivity, successfully protect crops from biotic threats and environmental stresses, adopt transformative technologies and innovate for improved profitability.	
<b>Key Activities 1</b>	Strategically prioritise investment in basic, applied and blue-sky research collaboratively with research and cross-sectoral partners to develop new knowledge, practices and adapt transformative technologies for on-farm application that also protect industry from biotic threats and environmental stresses.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	Improved yield and quality.	Annual increase of 0.35 bales per hectare for irrigated cotton and 0.14 bales per hectare for dryland cotton.  <i>On target for irrigated cotton. The rolling five-year target for dryland cotton is less than the target due to the influence of drought however the 2021–22 yield was above target.</i>

Continued on following pages

**Table 2.2: Performance measure for Outcome 1 (continued)**

<b>Objective 1</b>	(continued)	
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

<b>Objective 2</b>	<b>Improve cotton farming sustainability and value chain competitiveness</b> Deliver RD&E and innovation to create higher value uses for cotton and assist the industry achieve its ambition to be the highest yielding, finest, cleanest and most responsibly produced cotton in the world.	
<b>Key Activities 2</b>	Strategically prioritise investment in basic, applied and blue-sky research collaboratively with research, industry and cross-sectoral partners to develop new knowledge, practices, processes, higher value products and innovative approaches to improve the sustainability of cotton farming and strengthen value chain competitiveness.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	CRDC collaborates in global leadership for sustainability initiatives.	Participates in six global initiatives. <i>On target.</i>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

Continued on following pages

**Table 2.2: Performance measure for Outcome 1 (continued)**

<b>Objective 3</b>	<b>Build adaptive capacity of the cotton industry</b> Deliver RD&E to develop science and innovation capacity as well as new knowledge to strengthen adaptive capacity.	
<b>Key Activities 3</b>	Strategically prioritise investment in RD&E collaboratively with research, industry and cross-sectoral partners to develop new knowledge, future thinking, science and innovation capability.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	Science and innovation capacity is strengthened and strategically fit for a digital future.	Eight honours, eight PhD and two Post-doctoral researchers were supported in 2021–22. <i>On target.</i>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

<b>Objective 4</b>	<b>Strengthening partnerships and adoption</b> Deliver RD&E and innovation through collaborative partnerships to ensure adoption of best practice, new knowledge, products and services.	
<b>Key Activities 4</b>	Strategically prioritise investment in the effective adoption of research by strengthening partnerships and collaboration, development of best practice and supporting innovation and commercialisation.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	Partnerships are strengthened to engage multi-disciplinary and multi-institutional resources.	42 per cent of annual RD&E investments are through cross sectoral partnerships. <i>On target.</i>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

**Table 2.2: Performance measure for Outcome 1 (continued)**

<b>Objective 5</b>	<b>Driving RD&amp;E impact</b> Deliver assessments of the impact of CRDC’s RD&E investments that inform future investment direction and continuous improvement.	
<b>Key Activities 5</b>	Strategically prioritise investment in research, data capture, analysis and reviews with stakeholders and partners to demonstrate that RD&E investments deliver impact.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	CRDC monitors and evaluates RD&E impact.	One RD&E impact report per annum. <i>On target.</i>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

## Section 3: Budgeted financial statements

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

### 3.1 Budgeted financial statements

#### 3.1.1: Differences between entity resourcing and financial statements

The resourcing statement is prepared on a cash basis. The financial statements are prepared on an accrual basis. Differences between the resourcing and financial statements represent timing differences between revenue recognition and cash received.

#### 3.1.2: Explanatory notes and analysis of budgeted financial statements

##### Budgeted Comprehensive Income Statement

Variability in CRDC's revenue and expenditure is a result of significant fluctuations in the production of Australian cotton each year. Cotton production has been as low as 0.6 million bales in 2008 and 2020, as high as 5.4 million bales in 2012 and is estimated to be 5.5 million bales in 2022–23.

Revenue from industry levies and matching contributions from the Australian Government are determined by the level of cotton production and represent more than 74 per cent of total revenue. Since 2008–09 CRDC's revenue has fluctuated between \$7.7 million and \$31.4 million per annum.

The impact of a highly variable revenue stream on CRDC's investment in RD&E is minimised by managing cash reserves. During periods of high revenue CRDC builds up reserves by operating in surplus. During periods of low revenue CRDC draws on reserves by operating under approved deficits. This financial strategy allows CRDC to maintain a more consistent level of RD&E expenditure each year.

Matching contributions from the Australian Government are determined by either the value of industry levies collected or 0.5 per cent of the cotton industry's three-year average gross value of production. Which limit will apply depends on the price of cotton, timing of the harvest and ginning and the variability of the crop size. Royalties, interest on investments, external grant revenue and research project refunds make up the balance of the CRDC's income.

To achieve the strategic priorities of the research and development (R&D) plan for the period 2018–23, CRDC planned to invest a total of \$125.0 million for the five-year R&D plan. The 2019 to 2020 drought reduced cotton production in most of the major cotton growing regions and impacted CRDC's revenues and ability to invest \$125 million over the five-year R&D plan. The current forward estimate is for a total investment of \$98.2 million.

CRDCs investments during drought have focused on supporting core research activities to support industry needs and building research and innovation skills that will provide the foundation for the future of the cotton industry.

In 2022–23 CRDC has budgeted for a surplus of \$7.7 million based on revenues of \$26.4 million and RD&E expenditure of \$18.8 million.

### **Budgeted Balance Sheet**

Reserves increased between 2010–11 and 2013–14 during years of high cotton production and decreased from 2014–15 to 2021–22 due to below average levels of cotton production. In 2022–23 CRDC estimates production will be approximately 5.5 million bales, returning to above-average production. Recent rainfall resulting in inflows to irrigation storages and above average world cotton prices have resulted in production of 5.6 million bales in 2021–22 and estimated 5.5 million bales in 2022–23.

CRDC plans to rebuild reserves while maintaining research expenditure at a consistent level in future years.



### 3.2 Budgeted financial statements tables

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	2,289	2,487	2,645	2,816	2,994
Suppliers	1,057	1,402	1,227	1,160	1,284
Grants	14,835	14,658	19,292	17,338	14,260
Depreciation and amortisation	128	213	213	213	213
<b>Total expenses</b>	<b>18,309</b>	<b>18,760</b>	<b>23,377</b>	<b>21,527</b>	<b>18,751</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Interest	91	75	90	100	110
Grants	1,313	100	100	-	-
Royalties	49	33	30	30	30
Other	999	250	250	250	250
<b>Total own-source revenue</b>	<b>2,452</b>	<b>458</b>	<b>470</b>	<b>380</b>	<b>390</b>
<b>Net cost of (contribution by) services</b>	<b>15,857</b>	<b>18,302</b>	<b>22,907</b>	<b>21,147</b>	<b>18,361</b>
Revenue from Government <sup>(a)</sup>					
Commonwealth contribution	6,552	11,930	12,870	10,879	9,866
Industry contributions	6,556	13,348	12,870	10,879	9,866
Payment from related entities	2,152	713	-	-	-
<b>Total revenue from Government</b>	<b>15,260</b>	<b>25,991</b>	<b>25,740</b>	<b>21,758</b>	<b>19,732</b>
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(597)</b>	<b>7,689</b>	<b>2,833</b>	<b>611</b>	<b>1,371</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(597)</b>	<b>7,689</b>	<b>2,833</b>	<b>611</b>	<b>1,371</b>

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by DAFF for R&D activities.

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	15,404	8,453	5,671	2,904	1,520
Trade and other receivables	2,585	6,138	4,627	3,944	3,716
Investments in Shares	93	93	93	93	93
Investments	8,000	18,000	25,000	29,000	32,000
<b>Total financial assets</b>	<b>26,082</b>	<b>32,684</b>	<b>35,391</b>	<b>35,941</b>	<b>37,329</b>
<b>Non-financial assets</b>					
Land and buildings	764	874	984	1,064	1,094
Property, plant and equipment	204	213	234	270	278
Intangibles	27	116	151	136	121
<b>Total non-financial assets</b>	<b>995</b>	<b>1,203</b>	<b>1,369</b>	<b>1,470</b>	<b>1,493</b>
<b>Total assets</b>	<b>27,077</b>	<b>33,887</b>	<b>36,760</b>	<b>37,411</b>	<b>38,822</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	259	115	115	115	115
Grants	3,775	3,000	3,000	3,000	3,000
<b>Total payables</b>	<b>4,034</b>	<b>3,115</b>	<b>3,115</b>	<b>3,115</b>	<b>3,115</b>
<b>Provisions</b>					
Employee provisions	583	623	663	703	743
<b>Total provisions</b>	<b>583</b>	<b>623</b>	<b>663</b>	<b>703</b>	<b>743</b>
<b>Total liabilities</b>	<b>4,617</b>	<b>3,738</b>	<b>3,778</b>	<b>3,818</b>	<b>3,858</b>
<b>Net assets</b>	<b>22,460</b>	<b>30,149</b>	<b>32,982</b>	<b>33,593</b>	<b>34,964</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Reserves	330	330	330	330	330
Retained surplus/(accumulated deficit)	22,130	29,819	32,652	33,263	34,634
<b>Total parent entity interest</b>	<b>22,460</b>	<b>30,149</b>	<b>32,982</b>	<b>33,593</b>	<b>34,964</b>
<b>Total Equity</b>	<b>22,460</b>	<b>30,149</b>	<b>32,982</b>	<b>33,593</b>	<b>34,964</b>

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

Prepared on Australian Accounting Standards basis.

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

	Retained earnings	Asset revaluation reserve	Other reserves	Total equity
	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2022</b>				
Balance carried forward from previous period	22,130	347	(17)	22,460
<b>Adjusted opening balance</b>	<b>22,130</b>	<b>347</b>	<b>(17)</b>	<b>22,460</b>
<b>Comprehensive income</b>				
Surplus/(deficit) for the period	7,689	-	-	7,689
<b>Total comprehensive income</b>	<b>7,689</b>	<b>-</b>	<b>-</b>	<b>7,689</b>
of which:				
Attributable to the Australian Government	7,689	-	-	7,689
<b>Estimated closing balance as at 30 June 2023</b>	<b>29,819</b>	<b>347</b>	<b>(17)</b>	<b>30,149</b>
<b>Closing balance attributable to the Australian Government</b>	<b>29,819</b>	<b>347</b>	<b>(17)</b>	<b>30,149</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Revenue from Government	6,386	9,445	14,438	11,195	9,980
Industry contributions	6,390	12,535	12,765	11,196	9,980
Other Government Grants	2,152	713	-	-	-
Other Industry Grants	1,313	100	100	-	-
Interest	68	76	90	100	110
Net GST received	102	822	1,017	1,072	-
Other	1,130	177	328	330	280
<b>Total cash received</b>	<b>17,541</b>	<b>23,868</b>	<b>28,738</b>	<b>23,893</b>	<b>20,350</b>
<b>Cash used</b>					
Employees	2,192	2,447	2,605	2,776	2,954
Suppliers	908	1,546	1,227	1,160	1,284
Grants	13,109	16,405	20,309	18,410	14,260
<b>Total cash used</b>	<b>16,209</b>	<b>20,398</b>	<b>24,141</b>	<b>22,346</b>	<b>18,498</b>
<b>Net cash from (used by) operating activities</b>	<b>1,332</b>	<b>3,470</b>	<b>4,597</b>	<b>1,547</b>	<b>1,852</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sale of property, plant and equipment	-	36	36	36	37
Investments	19,000	20,000	20,000	20,000	20,000
<b>Total cash received</b>	<b>19,000</b>	<b>20,036</b>	<b>20,036</b>	<b>20,036</b>	<b>20,037</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	58	457	415	350	273
Investments	20,000	30,000	27,000	24,000	23,000
<b>Total cash used</b>	<b>20,058</b>	<b>30,457</b>	<b>27,415</b>	<b>24,350</b>	<b>23,273</b>
<b>Net cash from (used by) investing activities</b>	<b>(1,058)</b>	<b>(10,421)</b>	<b>(7,379)</b>	<b>(4,314)</b>	<b>(3,236)</b>
<b>Net increase (decrease) in cash held</b>	<b>274</b>	<b>(6,951)</b>	<b>(2,782)</b>	<b>(2,767)</b>	<b>(1,384)</b>
Cash and cash equivalents at the beginning of the reporting period	15,130	15,404	8,453	5,671	2,904
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>15,404</b>	<b>8,453</b>	<b>5,671</b>	<b>2,904</b>	<b>1,520</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for 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
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources <sup>(a)</sup>	58	457	415	350	273
<b>TOTAL</b>	<b>58</b>	<b>457</b>	<b>415</b>	<b>350</b>	<b>273</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	58	457	415	350	273
<b>Total cash used to acquire assets</b>	<b>58</b>	<b>457</b>	<b>415</b>	<b>350</b>	<b>273</b>

(a) Includes the following s74 external revenue:

- internally developed assets;
- proceeds from the sale of assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2022</b>					
Gross book value	210	570	651	876	2,307
Accumulated depreciation/amortisation and impairment	-	(16)	(447)	(849)	(1,312)
<b>Opening net book balance</b>	<b>210</b>	<b>554</b>	<b>204</b>	<b>27</b>	<b>995</b>
<b>CAPITAL ASSET ADDITIONS</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase – other <sup>(a)</sup>	-	130	178	149	457
<b>Total additions</b>	<b>-</b>	<b>130</b>	<b>178</b>	<b>149</b>	<b>457</b>
<b>Other movements</b>					
Depreciation/ amortisation expense	-	(20)	(133)	(60)	(213)
Disposals at gross value	-	-	(144)	-	(144)
Disposals add back depreciation/amortisation	-	-	108	-	108
<b>Total other movements</b>	<b>-</b>	<b>(20)</b>	<b>(169)</b>	<b>(60)</b>	<b>(249)</b>
<b>As at 30 June 2023</b>					
Gross book value	210	700	685	1,025	2,620
Accumulated depreciation/ amortisation and impairment	-	(36)	(472)	(909)	(1,417)
<b>Closing net book balance</b>	<b>210</b>	<b>664</b>	<b>213</b>	<b>116</b>	<b>1,203</b>

(a) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.



# Fisheries Research and Development Corporation

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# Fisheries Research and Development Corporation

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Fisheries Research and Development Corporation (FRDC) plans, invests in and manages research and development (R&D) activities for fishing, aquaculture and the wider community, and encourages the adoption of the resulting knowledge and innovation to achieve impact.

We work with diverse stakeholders from sectors including aquaculture, commercial wild harvest, Indigenous Australians, recreational fishing, post-harvest, fisheries management, research, consumers and the wider community. Our activities span environments from the northern tropics to temperate seas, from icy Antarctic waters to freshwater rivers and lakes, and from estuaries to land-based aquaculture around Australia.

Our investment policy balances the needs of our stakeholders to achieve specific, planned end-user-driven solutions to national, regional and sector-based priorities. Partnerships and previous research, development and extension (RD&E) are considered in our planning and investment processes to optimise the use of existing knowledge, maximise leverage and reduce duplication. We also contribute to the broader national strategic approach to fishing and aquaculture RD&E to build cohesion and establish common goals between sectors.

We lead investment in fisheries RD&E, partnering with organisations that have the capabilities to undertake the varied and specialised activities necessary to achieve the five outcomes in our R&D Plan 2020–25. Our R&D Plan outcomes are: growth for enduring prosperity; best practices and production systems; a culture that is inclusive and forward thinking; fair and secure access to aquatic resources; and community trust, respect and value. We will achieve these by driving digitisation and advanced analytics, strengthening adoption for transformative change, promoting innovation and entrepreneurship, building capability and capacity, and providing foundational information and support services.

We encourage adaptive and creative approaches to problem solving and focusing on continuous improvement.

**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 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’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Fisheries Research and Development Corporation – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022**

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
<b>Opening balance/cash reserves at 1 July</b>	<b>25,182</b>	<b>29,005</b>
<b>Funds from Government</b>		
<b>Special appropriations<sup>(a)</sup></b>		
<i>Primary Industries Research and Development Act 1989 ,     s. 30A(3) &amp; s. 30B(9) – Fisheries R&amp;D Corporation</i>	26,261	24,669
<b>Total special appropriations</b>	<b>26,261</b>	<b>24,669</b>
<b>Amounts received from related entities</b>		
Amounts from portfolio department <sup>(b)</sup>	100	-
<b>Total amounts received from related entities</b>	<b>100</b>	<b>-</b>
<b>Total funds from Government</b>	<b>26,361</b>	<b>24,669</b>
<b>Funds from industry sources</b>		
Levies <sup>(c)</sup>	1,500	1,500
<i>less amounts paid to the CRF</i>	(1,500)	(1,500)
Industry contributions	11,413	9,167
<b>Total funds from industry sources</b>	<b>11,413</b>	<b>9,167</b>
<b>Funds from other sources</b>		
Sale of Goods and Services	886	-
Interest	40	100
Other	158	2,000
<b>Total funds from other sources</b>	<b>1,084</b>	<b>2,100</b>
<b>Total net resourcing for FRDC</b>	<b>64,040</b>	<b>64,941</b>
	<b>2021–22</b>	<b>2022–23</b>
<b>Average staffing level (number)</b>	<b>20</b>	<b>17</b>

(a) FRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to the Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to FRDC and are considered departmental for all purposes.

(b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs). FRDC receives this to develop the National Carp Control Plan.

(c) The levies are imposed by the *Primary Industries (Excise) Levies Act 1999*. The levies are collected by DAFF under the *Primary Industries Research and Development Act 1989* (PIRD Act) and the Fishing Levy Regulations and are transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to FRDC under the PIRD Act, s. 30A(3) and s. 30B(9) – Fisheries R&D Corporation.

Please note: 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.

**1.3 Budget measures**

Budget measures in Part 1 relating to the Fisheries Research and Development Corporation are detailed in October *Budget Paper No. 2* and are summarised below.

**Table 1.2: Fisheries Research and Development Corporation – October 2022–23 Budget Measures**

**Part 1: Measures announced since the March 2022–23 Budget**

FRDC does not have any October 2022–23 Budget 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 criteria 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.

While the FRDC reports against an annual framework, as an organisation that invests in science, the benefit of those investments endures over a longer time period.

The most recent corporate plans (annual operating plan and research development and extension plan for the Fisheries Research and Development Corporation can be found at:

<https://www.frdc.com.au/annual-operational-plans> and

<https://www.frdc.com.au/strategic-planning-and-priorities>.

The most recent annual performance statement for the Fisheries Research and Development Corporation can be found at:

<https://www.frdc.com.au/annual-reports>.

2.1 Budgeted expenses and performance for Outcome 1

**Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.**

2.1.1: Linked programs

<b>Department of Agriculture, Fisheries and Forestry</b>
Program 1.4: Fishing Industry
<b>Contribution to Outcome 1 made by linked program:</b> FRDC works together with DAFF to ensure fishing and aquaculture in Australia is sustainable, productive and profitable.

## 2.1.2: 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: Budgeted expenses for Outcome 1**

<b>Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.</b>					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.1: Fisheries Research and Development Corporation</b>					
<b><u>Revenue from Government</u></b>					
Payment from related entities	100	-	-	-	-
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30A(3) &amp; s. 30B(9) – Fisheries R&amp;D Corporation</i>	24,942	28,410	25,506	26,120	26,637
Revenues from industry sources	9,876	11,621	10,476	10,807	11,145
Revenues from other independent sources	924	1,258	1,148	1,199	1,199
<b>Total expenses for program 1.1</b>	<b>35,842</b>	<b>41,289</b>	<b>37,130</b>	<b>38,126</b>	<b>38,981</b>
<b>Outcome 1 totals by resource type</b>					
<b><u>Revenue from Government</u></b>					
Payment from related entities	100	-	-	-	-
Special appropriations	24,942	28,410	25,506	26,120	26,637
Revenues from industry sources	9,876	11,621	10,476	10,807	11,145
Revenues from other independent sources	924	1,258	1,148	1,199	1,199
<b>Total expenses for Outcome 1</b>	<b>35,842</b>	<b>41,289</b>	<b>37,130</b>	<b>38,126</b>	<b>38,981</b>
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)</b>	20	17			

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

Prepared on Australian Accounting Standards basis.

Table 2.2: Performance measure for Outcome 1

Table 2.2 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, the October 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

As an entity established under the PIRD Act, FRDC does not produce a corporate plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

Outcome 1: Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.		
Program 1.1: Fisheries Research and Development Corporation		
Objective	Establish collaborative, vibrant fishing and aquaculture, creating diverse benefits from aquatic resources, and celebrated by the community.	
Key Activities	<ul style="list-style-type: none"><li>i. Drive digitisation and advanced analytics</li><li>ii. Strengthen the adoption of transformative change</li><li>iii. Promote innovation and entrepreneurship</li><li>iv. Build capability and capacity</li><li>v. Provide foundational information and support services.</li></ul>	
Year	Performance measures	Expected Performance Results
Prior year 2021–22	<b>Growth for enduring prosperity.</b> Enduring and balanced ecological, social and economic growth for the community benefit.	Achieved.  Projects align with strategic priorities set out in FRDC's 2021–22 Annual Operational Plan (AOP) and partner plans. Projects sampled for cost-benefit analysis show positive average return on investment.
	<b>Best practices and production systems.</b> Diverse benefits from aquatic resources to be consistent with shared principles.	

Continued on following page



**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22 (continued)	A culture that is inclusive and <b>forward thinking</b> . A fishing and aquaculture community that is cooperative, diverse and well equipped to enable growth and adaptability in a complex and uncertain world.	Achieved.  Projects align with strategic priorities set out in FRDC's 2021–22 AOP and partner plans.
	<b>Fair and secure access to aquatic resources.</b> Integrated management of Australia's aquatic resources, providing certainty and confidence.	
	<b>Community trust, respect and value.</b> People feel good about using the products, services and experiences provided by fishing and aquaculture.	
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

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

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

### **3.1 Budgeted financial statements**

#### **3.1.1: Differences between entity resourcing and financial statements**

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entity resourcing table recognises the cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

#### **3.1.2: Explanatory notes and analysis of budgeted financial statements**

The FRDC's RD&E expenditure is dependent on the gross value of production (GVP) of the Australian seafood industry. The indication for the GVP for the Australian seafood industry is positive, with growth expected in 2022–23. This is based primarily on aquaculture, which is anticipated to grow – prawns, barramundi, Atlantic salmon and yellowtail kingfish will be key drivers. Income contributions from the commercial sector are expected to maintain current levels.

### 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
<b>EXPENSES</b>					
Employee benefits	3,733	3,952	4,110	4,274	4,445
Suppliers	984	1,110	1,165	1,224	1,285
Grants	30,707	35,850	31,480	32,255	32,880
Depreciation and amortisation	359	370	370	370	360
Finance costs	8	7	5	3	1
Other expenses	51	-	-	-	10
<b>Total expenses</b>	<b>35,842</b>	<b>41,289</b>	<b>37,130</b>	<b>38,126</b>	<b>38,981</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Contributions	11,413	9,167	9,487	9,817	10,156
Sale of Goods and Services	886	-	-	-	-
Interest	56	100	150	200	200
Other	158	2,000	2,000	2,000	2,000
<b>Total own-source revenue</b>	<b>12,513</b>	<b>11,267</b>	<b>11,637</b>	<b>12,017</b>	<b>12,356</b>
<b>Total own-source income</b>	<b>12,513</b>	<b>11,267</b>	<b>11,637</b>	<b>12,017</b>	<b>12,356</b>
<b>Net cost of (contribution by) services</b>	<b>23,329</b>	<b>30,022</b>	<b>25,493</b>	<b>26,109</b>	<b>26,625</b>
Revenue from Government <sup>(a)</sup>					
Commonwealth contribution	24,037	24,855	25,533	26,142	26,664
<b>Total revenue from Government</b>	<b>24,037</b>	<b>24,855</b>	<b>25,533</b>	<b>26,142</b>	<b>26,664</b>
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>708</b>	<b>(5,167)</b>	<b>40</b>	<b>33</b>	<b>39</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>708</b>	<b>(5,167)</b>	<b>40</b>	<b>33</b>	<b>39</b>

Continued on following page

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

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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>715</b>	<b>(5,158)</b>	<b>40</b>	<b>23</b>	<b>19</b>
less depreciation/amortisation expenses for ROU <sup>(b)</sup>	166	170	170	170	160
add principal repayments on leased assets <sup>(b)</sup>	159	161	170	180	180
<b>Total comprehensive income/(loss) – as per the statement of comprehensive income</b>	<b>708</b>	<b>(5,167)</b>	<b>40</b>	<b>33</b>	<b>39</b>

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by DAFF for R&D activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	29,005	23,781	23,733	23,672	23,652
Trade and other receivables	2,919	3,105	3,273	3,377	3,416
<b>Total financial assets</b>	<b>31,924</b>	<b>26,886</b>	<b>27,006</b>	<b>27,049</b>	<b>27,068</b>
<b>Non-financial assets</b>					
Land and buildings	690	520	350	180	20
Property, plant and equipment	91	51	11	31	71
Intangibles	324	284	244	204	164
Other prepayments	20	20	20	20	20
<b>Total non-financial assets</b>	<b>1,125</b>	<b>875</b>	<b>625</b>	<b>435</b>	<b>275</b>
<b>Total assets</b>	<b>33,049</b>	<b>27,761</b>	<b>27,631</b>	<b>27,484</b>	<b>27,343</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Projects	3,612	3,612	3,612	3,612	3,612
Suppliers	157	157	157	157	157
Other payables	68	68	68	68	68
<b>Total payables</b>	<b>3,837</b>	<b>3,837</b>	<b>3,837</b>	<b>3,837</b>	<b>3,837</b>
<b>Interest bearing liabilities</b>					
Leases	722	561	391	211	31
<b>Total interest bearing liabilities</b>	<b>722</b>	<b>561</b>	<b>391</b>	<b>211</b>	<b>31</b>
<b>Provisions</b>					
Employee provisions	1,174	1,214	1,214	1,214	1,214
<b>Total provisions</b>	<b>1,174</b>	<b>1,214</b>	<b>1,214</b>	<b>1,214</b>	<b>1,214</b>
<b>Total liabilities</b>	<b>5,733</b>	<b>5,612</b>	<b>5,442</b>	<b>5,262</b>	<b>5,082</b>
<b>Net assets</b>	<b>27,316</b>	<b>22,149</b>	<b>22,189</b>	<b>22,222</b>	<b>22,261</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Reserves	590	590	590	590	590
Retained surplus (accumulated deficit)	26,726	21,559	21,599	21,632	21,671
<b>Total parent entity interest</b>	<b>27,316</b>	<b>22,149</b>	<b>22,189</b>	<b>22,222</b>	<b>22,261</b>
<b>Total Equity</b>	<b>27,316</b>	<b>22,149</b>	<b>22,189</b>	<b>22,222</b>	<b>22,261</b>

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

Prepared on Australian Accounting Standards basis.

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

	Retained earnings	Asset revaluation reserve	Total equity
	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2022</b>			
Balance carried forward from previous period	26,726	590	27,316
<b>Adjusted opening balance</b>	<b>26,726</b>	<b>590</b>	<b>27,316</b>
<b>Comprehensive income</b>			
Surplus (deficit) for the period	(5,167)	-	(5,167)
<b>Total comprehensive income</b>	<b>(5,167)</b>	<b>-</b>	<b>(5,167)</b>
of which:			
Attributable to the Australian Government	(5,167)	-	(5,167)
<b>Estimated closing balance as at 30 June 2023</b>	<b>21,559</b>	<b>590</b>	<b>22,149</b>
<b>Closing balance attributable to the Australian Government</b>	<b>21,559</b>	<b>590</b>	<b>22,149</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Revenue from Government	26,191	24,855	25,533	26,142	26,664
Interest	40	100	150	200	200
Net GST received	1,661	-	-	-	-
Other operating receipts	13,949	10,981	11,319	11,713	12,117
<b>Total cash received</b>	<b>41,841</b>	<b>35,936</b>	<b>37,002</b>	<b>38,055</b>	<b>38,981</b>
<b>Cash used</b>					
Employees	3,378	3,912	4,110	4,274	4,445
Suppliers	1,033	410	1,165	1,224	1,285
Projects	33,419	35,850	31,480	32,255	32,880
Interest payments on lease liability	8	7	5	3	1
Other operating payments	-	700	-	-	10
<b>Total cash used</b>	<b>37,838</b>	<b>40,879</b>	<b>36,760</b>	<b>37,756</b>	<b>38,621</b>
<b>Net cash from (used by) operating activities</b>	<b>4,003</b>	<b>(4,943)</b>	<b>242</b>	<b>299</b>	<b>360</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	21	120	120	180	200
<b>Total cash used</b>	<b>21</b>	<b>120</b>	<b>120</b>	<b>180</b>	<b>200</b>
<b>Net cash from/(used by) investing activities</b>	<b>(21)</b>	<b>(120)</b>	<b>(120)</b>	<b>(180)</b>	<b>(200)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash used</b>					
Principal payments on lease liability	159	161	170	180	180
<b>Total cash used</b>	<b>159</b>	<b>161</b>	<b>170</b>	<b>180</b>	<b>180</b>
<b>Net cash from/(used by) financing activities</b>	<b>(159)</b>	<b>(161)</b>	<b>(170)</b>	<b>(180)</b>	<b>(180)</b>
<b>Net increase (decrease) in cash held</b>	<b>3,823</b>	<b>(5,224)</b>	<b>(48)</b>	<b>(61)</b>	<b>(20)</b>
Cash and cash equivalents at the beginning of the reporting period	25,182	29,005	23,781	23,733	23,672
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>29,005</b>	<b>23,781</b>	<b>23,733</b>	<b>23,672</b>	<b>23,652</b>

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
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources <sup>(a)</sup>	21	120	120	180	200
<b>TOTAL</b>	<b>21</b>	<b>120</b>	<b>120</b>	<b>180</b>	<b>200</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	21	120	120	180	200
<b>Total cash used to acquire assets</b>	<b>21</b>	<b>120</b>	<b>120</b>	<b>180</b>	<b>200</b>

(a) Includes the following s74 external revenue:  
– internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.



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

	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2022</b>			
Gross book value	253	1,306	1,559
Gross book value – ROU <sup>(a)</sup>	1,196	-	1,196
Accumulated depreciation/amortisation and impairment	(162)	(982)	(1,144)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	(506)	-	(506)
<b>Opening net book balance</b>	<b>781</b>	<b>324</b>	<b>1,105</b>
<b>CAPITAL ASSET ADDITIONS</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase – other <sup>(b)</sup>	20	100	120
<b>Total additions</b>	<b>20</b>	<b>100</b>	<b>120</b>
<b>Other movements</b>			
Depreciation/ amortisation expense	(60)	(140)	(200)
Depreciation/ amortisation expense – ROU <sup>(a)</sup>	(170)	-	(170)
<b>Total other movements</b>	<b>(230)</b>	<b>(140)</b>	<b>(370)</b>
<b>As at 30 June 2023</b>			
Gross book value	273	1,406	1,679
Gross book value – ROU <sup>(a)</sup>	1,196	-	1,196
Accumulated depreciation/ amortisation and impairment	(222)	(1,122)	(1,344)
Accumulated depreciation/ amortisation and impairment – ROU <sup>(a)</sup>	(676)	-	(676)
<b>Closing net book balance</b>	<b>571</b>	<b>284</b>	<b>855</b>

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.



# Grains Research and Development Corporation

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# Grains Research and Development Corporation

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Grains Research and Development Corporation's (GRDC) purpose is to invest in research, development and extension (RD&E) to create enduring profitability for Australian grain growers.

In supporting its purpose, GRDC invests in RD&E activities across a portfolio spanning temperate and tropical cereals (including coarse grains), pulses and oilseeds. This involves identifying and prioritising research for investment, monitoring, evaluating and reporting on research impacts, and facilitating the dissemination, adoption and commercialisation of research results.

GRDC also contributes to the development of strategic national approaches to grains industry RD&E, to reduce fragmentation and duplication and to help address industry-wide issues such as biosecurity, grains market access and sustainable resource management.

While its focus is on delivering benefits to Australian grain growers, GRDC also generates outcomes from investing in RD&E that benefit other participants in the Australian grains industry value chain and the wider Australian community, as well as the grains research community in Australia and overseas. GRDC investments support the capacity of the Australian research community through collaborative approaches that minimise duplication of effort and provide access to shared knowledge, infrastructure and facilities.

Effective partnerships with other Australian organisations enable GRDC to leverage resources and research capability, share market knowledge, technologies and intellectual property, and reduce the risk associated with transformational investments. GRDC also builds strong relationships with organisations overseas, both to broaden the resources available to the Australian grains industry and to access international RD&E efforts that offer potential benefits, such as food security, for Australia.

Because adoption by growers is critical to achieving benefits from research and development (R&D), GRDC undertakes activities to raise awareness of grains industry R&D and extend the results of GRDC-supported investments to grain growers and their advisers, other participants in rural industry and the wider community. Recognising different needs and preferences for receiving information, GRDC uses a range of products and channels, from phone apps to field days.

GRDC works closely with Australian grain growers and the Australian Government to ensure that their RD&E priorities are effectively addressed through GRDC investments. GRDC also maintains strong connections with its other stakeholders, particularly in the R&D and agribusiness sectors.

GRDC's investment priorities are articulated in the RD&E Plan 2018–2023. The plan is firmly focused on delivering research and extension investments that increase the profitability of Australian grain growers. The plan considers the key drivers of profitability in terms of yield, price, costs (on-farm and post farm gate) as well as risk.

The RD&E Plan 2018–2023 has been informed by extensive consultation across a broad spectrum of grains industry participants, government, and research providers. The consultation identified 29 key investment targets, with relative priorities that will underpin the delivery of the GRDC's purpose.

Detailed performance information across all the drivers of profitability through Key Investment Targets will be available in each of the GRDC Annual Operational Plans across the five-year period.

## 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 October *Budget Paper No. 4: Agency Resourcing*.

Information in this table is presented on a resourcing (i.e. 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: Grains Research and Development Corporation – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022**

	2021–22 Estimated actual \$'000	2022–23 Estimate \$'000
<b>Opening balance/cash reserves at 1 July</b>	<b>190,547</b>	<b>299,898</b>
<b>Funds from Government</b>		
<b>Special appropriations<sup>(a)</sup></b>		
<i>Primary Industries Research and Development Act 1989 ,     s. 30(3) – Grains and Wheat R&amp;D Corporation</i>	305,591	267,791
<b>Total special appropriations</b>	<b>305,591</b>	<b>267,791</b>
<b>Total funds from Government</b>	<b>305,591</b>	<b>267,791</b>
<b>Funds from industry sources</b>		
Levies <sup>(b)</sup>	223,146	192,796
<i>less amounts paid to the CRF</i>	(223,146)	(192,796)
<b>Total funds from industry sources</b>	<b>-</b>	<b>-</b>
<b>Funds from other sources</b>		
Interest	3,900	4,126
Royalties	7,553	5,788
Other	17,148	20,056
<b>Total funds from other sources</b>	<b>28,601</b>	<b>29,970</b>
<b>Total net resourcing for GRDC</b>	<b>524,739</b>	<b>597,659</b>
	<b>2021–22</b>	<b>2022–23</b>
<b>Average staffing level (number)</b>	<b>79</b>	<b>79</b>

(a) GRDC's special appropriation is not directly appropriated as it is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to the Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to GRDC and are considered departmental for all purposes.

(b) The levies are imposed by the *Primary Industries (Excise) Levies Act 1999*. The levies are collected by DAFF under the *Primary Industries Levies and Charges Collection Act 1991* and transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to GRDC under the *Primary Industries Research and Development Act 1989* (PIRD Act), s. 30(3) – Grains and Wheat R&D Corporation.

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

Please note: All figures shown above are GST exclusive – these may not match figures in the cash flow statement.



### 1.3 Budget measures

Budget measures in Part 1 relating to the Grains Research and Development Corporation are detailed in October *Budget Paper No. 2* and are summarised below.

#### **Table 1.2: Grains Research and Development Corporation – October 2022–23 Budget Measures**

##### **Part 1: Measures announced since the March 2022–23 Budget**

GRDC does not have any October 2022–23 Budget 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 criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the Grains Research and Development Corporation can be found at:

<https://rdeplan.grdc.com.au/> .

The most recent annual performance statement for the Grains Research and Development Corporation can be found at:

<https://grdc.com.au/about/who-we-are/corporate-governance/annual-reportsnd-reporting>.

**2.1 Budgeted expenses and performance for Outcome 1**

**Outcome 1: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.**

**2.1.1: Linked programs**

<b>Department of Agriculture, Fisheries and Forestry</b>
Program 1.7: Grains Industry
<b>Contribution to Outcome 1 made by linked program:</b> GRDC works together with DAFF to ensure sustainable, productive, and profitable grains industry.

## 2.1.2: 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: Budgeted expenses for Outcome 1**

**Outcome 1: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.**

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.1: Grains Research and Development Corporation</b>					
<b><u>Revenue from Government</u></b>					
Special appropriations					
<i>Primary Industries Research and Development Act 1989, s. 30(3) – Grains and Wheat R&amp;D Corporation</i>	95,666	105,465	95,117	74,275	64,675
Revenues from industry sources	223,146	192,796	148,548	133,595	135,872
Revenues from other independent sources	39,030	22,282	19,935	20,270	20,122
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	(145,400)	(80,635)	(21,824)	14,433	21,150
<b>Total expenses for program 1.1</b>	<b>212,442</b>	<b>239,908</b>	<b>241,776</b>	<b>242,573</b>	<b>241,819</b>

<b>Outcome 1 totals by resource type</b>					
<b><u>Revenue from Government</u></b>					
Special appropriations	95,666	105,465	95,117	74,275	64,675
Revenues from industry sources	223,146	192,796	148,548	133,595	135,872
Revenues from other independent sources	39,030	22,282	19,935	20,270	20,122
Expenses not requiring appropriation in the budget year <sup>(a)</sup>	(145,400)	(80,635)	(21,824)	14,433	21,150
<b>Total expenses for Outcome 1</b>	<b>212,442</b>	<b>239,908</b>	<b>241,776</b>	<b>242,573</b>	<b>241,819</b>

	2021–22	2022–23
<b>Average staffing level (number)</b>	79	79

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

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

Prepared on Australian Accounting Standards basis.

**Table 2.2: Performance measure for Outcome 1**

Table 2.2 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, the October 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

As an entity established under the PIRD Act, GRDC does not produce a corporate plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

<b>Outcome 1: New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development.</b>		
<b>Program 1.1: Grains Research and Development Corporation</b>		
<b>Objective</b>	Drive the discovery, development and delivery of world-class innovation to enhance the productivity, profitability and sustainability of Australian grain growers and benefit the industry and the wider community.	
<b>Key Activities<sup>(a)</sup></b>	Continue to prioritise RD&E investments that support the enduring profitability of Australian grain growers. The target group is primarily Australian grain growers but the grains industry value chain also includes Governments, industry groups, rural and regional communities, research organisations and the wider community.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Prior year 2021–22	Average farm business rates of return.	A minimum of 6 per cent by 2023. In 2021–22 the Rate of Return was 5.7 per cent.
	Improvements in yield and yield stability.	Minimum yield increases equivalent to one per cent per annum for cereals, two per cent per annum for pulses and 1.5 per cent for oilseeds.  2021-22 results:  1.72 per cent increase on the 5–year average for wheat.  2.4 per cent increase on the 5–year average for pulses.  7.29 per cent increase on the 5–year average for oilseeds.

**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22 (continued)	Yield stability.	<p>By 2023 a minimum 20 per cent closure of the gap between potential yield and actual yield.</p> <p>70 per cent of wheat, barley and canola crops showed no discernible yield gap (Paddock Survey 2019).</p> <p><i>GRDC is continuing to develop reliable measures of yield gap, including through the continuation of the National Paddock Survey and exploring Water Use Efficiency as alternative measure.</i></p>
	Maintaining and improving price.	<p>84 per cent of the 20 most commonly grown wheat varieties in 2020 utilise rust resistance genes or markers that were developed through GRDC investment.</p> <p>85 per cent of tonnes of pulses produced over the past 5 years are varieties bred with the support of GRDC investment*</p> <p><i>*Based on data from receivals.</i></p>
	Optimising input costs.	<p>Maintain increases in chemistry costs below the five-year trend (2018–2023) equivalent to \$85.50 per hectare or a ratio of input to crop revenue of 0.166.</p> <p>Ratio 0.142.</p> <p>The result in 2021–22 is ratio of 0.129 or \$100.50 per hectare.</p> <p>Maintain increases in fertilizer costs below the five-year trend (2018–2023) equivalent to \$84.30 per hectare or a ratio of input to crop revenue of 0.164.</p> <p>Ratio 0.140.</p> <p>The result in 2021–22 is a ratio of 0.136 or \$95.33 per hectare.</p>

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**Table 2.2: Performance measure for Outcome 1**

Year	Performance measures	Expected Performance Results
Prior year 2021–22 (continued)		<p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Not all input costs are captured in this target – all inputs costs as a share of cash receipts are captured in the calculation of Rates of Return.</i></li> <li>• <i>Reporting on a mean can be informative but is not the best indicator of impact due to variations across region, soil type, rainfall, and business characteristics of each farm. GRDC is working toward developing a more detailed regionalised dataset which will allow for impact measurement.</i></li> </ul>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2023–28 RD&E Plan.	As per 2023–28 RD&E Plan.

- (a) Additional performance information that supports the achievement of the above performance criteria are available in the GRDC's 2018–2023 Strategic RD&E plan.

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

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

### **3.1 Budgeted financial statements**

#### **3.1.1: Differences between entity resourcing and financial statements**

The financial statements are prepared on an accrual basis where revenues and expenses are recognised as and when the resources are received and used. The entities resourcing table recognises cash resources available to be used during the period and includes amounts recognised as revenue in previous periods.

#### **3.1.2: Explanatory notes and analysis of budgeted financial statements**

GRDC's revenue is primarily from industry contributions in the form of levies paid on the farm gate value of grain sold and Australian Government contributions which are capped at 0.5 per cent of the three-year rolling average of gross value of production (GVP). GRDC's revenue streams are therefore subject to the volatility of local and international grain commodity markets, farm gate costs, environmental conditions, and the marketing decisions of growers. This means the assumptions in developing financial forecasts have a high degree of uncertainty and change frequently.

In 2022–23, GRDC is budgeting for an operating surplus of \$80.6 million which will significantly increase accumulated reserves. Industry contributions are expected to decrease from 2021–22 by \$30.4 million and remain above the long-term average.

Australian Government contributions are expected to increase by \$9.8 million after the higher-than-average gross volume of production across recent years. Own source income is expected to decrease by \$16.7 million on current year estimates, of which interest is expected to increase by \$5.4 million. In support of current higher values of R&D expenditure, supplier expenses, including those relating to contracted operational support services, are expected to remain consistent with prior periods.

The budgeted net asset position for 2022–23 is \$502.9 million which is \$80.6 million more than the 2021–22 estimated actual. This increase is largely due to the flow on impacts from record levels of industry contributions and Australian Government co-contributions received in the past two years.



### 3.2 Budgeted financial statements tables

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

	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	14,838	15,156	15,459	15,769	16,070
Suppliers	191,176	218,211	218,575	218,946	218,134
Depreciation and amortisation	6,245	6,421	7,241	7,378	7,060
Finance costs	139	120	501	480	555
Losses from asset sales	44	-	-	-	-
<b>Total expenses</b>	<b>212,442</b>	<b>239,908</b>	<b>241,776</b>	<b>242,573</b>	<b>241,819</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Interest	1,218	6,575	3,514	3,639	3,484
Dividends	2,308	2,000	1,500	1,500	1,500
Rental income	63	188	195	202	209
Royalties	6,656	6,549	6,756	6,959	6,959
Other	28,785	6,970	7,970	7,970	7,970
<b>Total own-source revenue</b>	<b>39,030</b>	<b>22,282</b>	<b>19,935</b>	<b>20,270</b>	<b>20,122</b>
<b>Total own-source income</b>	<b>39,030</b>	<b>22,282</b>	<b>19,935</b>	<b>20,270</b>	<b>20,122</b>
<b>Net cost of (contribution by) services</b>	<b>173,412</b>	<b>217,626</b>	<b>221,841</b>	<b>222,303</b>	<b>221,697</b>
Revenue from Government <sup>(a)</sup>					
Commonwealth contributions	95,666	105,465	95,117	74,275	64,675
Industry contributions	223,146	192,796	148,548	133,595	135,922
<b>Total revenue from Government</b>	<b>318,812</b>	<b>298,261</b>	<b>243,665</b>	<b>207,870</b>	<b>200,597</b>
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>145,400</b>	<b>80,635</b>	<b>21,824</b>	<b>(14,433)</b>	<b>(21,100)</b>
<b>Total comprehensive income (loss)</b>	<b>145,400</b>	<b>80,635</b>	<b>21,824</b>	<b>(14,433)</b>	<b>(21,100)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>145,400</b>	<b>80,635</b>	<b>21,824</b>	<b>(14,433)</b>	<b>(21,100)</b>

Continued on following page

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

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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>145,562</b>	<b>80,202</b>	<b>22,024</b>	<b>(14,233)</b>	<b>(21,150)</b>
less depreciation/amortisation expenses for ROU <sup>(b)</sup>	2,132	1,667	2,300	2,300	2,050
add principal repayments on leased assets <sup>(b)</sup>	1,970	2,100	2,100	2,100	2,100
<b>Total comprehensive income/(loss) – as per the Statement of comprehensive income</b>	<b>145,400</b>	<b>80,635</b>	<b>21,824</b>	<b>(14,433)</b>	<b>(21,100)</b>

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by DAFF for R&D activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	184,857	245,277	275,897	268,337	237,830
Trade and other receivables	9,734	40,204	22,506	9,425	15,457
Investments	115,041	121,616	125,623	129,710	133,648
Other investments	121,804	126,804	131,404	134,004	133,604
Other financial assets	12,398	1,500	1,500	1,500	1,500
<b>Total financial assets</b>	<b>443,834</b>	<b>535,401</b>	<b>556,930</b>	<b>542,976</b>	<b>522,039</b>
<b>Non-financial assets</b>					
Land and buildings	12,336	10,299	10,189	8,169	6,416
Property, plant and equipment	904	987	238	713	363
Intangibles	14,302	14,817	15,969	16,086	15,979
Other non-financial assets	180	400	400	400	400
<b>Total non-financial assets</b>	<b>27,722</b>	<b>26,503</b>	<b>26,796</b>	<b>25,368</b>	<b>23,158</b>
<b>Total assets</b>	<b>471,556</b>	<b>561,904</b>	<b>583,726</b>	<b>568,344</b>	<b>545,197</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	30,981	42,500	42,500	42,500	42,500
Other payables	2,261	1,500	1,500	1,500	1,500
<b>Total payables</b>	<b>33,242</b>	<b>44,000</b>	<b>44,000</b>	<b>44,000</b>	<b>44,000</b>
<b>Interest bearing liabilities</b>					
Leases	12,386	10,858	10,758	9,708	7,608
<b>Total interest bearing liabilities</b>	<b>12,386</b>	<b>10,858</b>	<b>10,758</b>	<b>9,708</b>	<b>7,608</b>
<b>Provisions</b>					
Employee provisions	3,077	3,560	3,658	3,759	3,862
Other provisions	542	542	542	542	542
<b>Total provisions</b>	<b>3,619</b>	<b>4,102</b>	<b>4,200</b>	<b>4,301</b>	<b>4,404</b>
<b>Total liabilities</b>	<b>49,247</b>	<b>58,960</b>	<b>58,958</b>	<b>58,009</b>	<b>56,012</b>
<b>Net assets</b>	<b>422,309</b>	<b>502,944</b>	<b>524,768</b>	<b>510,335</b>	<b>489,185</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Reserves	122,206	122,206	122,206	122,206	119,456
Retained surplus (accumulated deficit)	300,103	380,738	402,562	388,129	369,729
<b>Total parent entity interest</b>	<b>422,309</b>	<b>502,944</b>	<b>524,768</b>	<b>510,335</b>	<b>489,185</b>
<b>Total Equity</b>	<b>422,309</b>	<b>502,944</b>	<b>524,768</b>	<b>510,335</b>	<b>489,185</b>

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

Prepared on an Australian Accounting Standards basis.

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

	Retained earnings	Asset revaluation reserve	Other reserves	Total equity
	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2022</b>				
Balance carried forward from previous period	300,103	12,206	110,000	422,309
<b>Adjusted opening balance</b>	<b>300,103</b>	<b>12,206</b>	<b>110,000</b>	<b>422,309</b>
<b>Comprehensive income</b>				
Surplus (deficit) for the period	80,635	-	-	80,635
<b>Total comprehensive income</b>	<b>80,635</b>	<b>-</b>	<b>-</b>	<b>80,635</b>
of which:				
Attributable to the Australian Government	80,635	-	-	80,635
<b>Estimated closing balance as at 30 June 2023</b>	<b>380,738</b>	<b>12,206</b>	<b>110,000</b>	<b>502,944</b>
<b>Closing balance attributable to the Australian Government</b>	<b>380,738</b>	<b>12,206</b>	<b>110,000</b>	<b>502,944</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Industry contributions	242,832	192,796	148,548	133,595	141,954
Revenue from Government	55,016	72,718	112,815	87,356	52,611
Sale of goods and rendering of services	1,639	16	195	202	209
Interest	1,083	6,575	3,514	3,639	3,484
Dividends	2,308	2,000	1,500	1,500	1,500
Net GST received	6,492	20,301	17,908	-	-
Other operating receipts	38,212	23,656	14,726	14,929	14,929
<b>Total cash received</b>	<b>347,582</b>	<b>318,062</b>	<b>299,206</b>	<b>241,221</b>	<b>214,687</b>
<b>Cash used</b>					
Employees	15,173	14,673	15,361	15,668	15,967
Suppliers	204,339	224,764	236,483	218,946	218,184
Interest payments on lease liability	140	120	101	80	155
<b>Total cash used</b>	<b>219,652</b>	<b>239,557</b>	<b>251,945</b>	<b>234,694</b>	<b>234,306</b>
<b>Net cash from (used by) operating activities</b>	<b>127,930</b>	<b>78,505</b>	<b>47,261</b>	<b>6,527</b>	<b>(19,619)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	59	-	-	-	-
Investments	1,000	15,000	15,000	-	-
<b>Total cash received</b>	<b>1,059</b>	<b>15,000</b>	<b>15,000</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Investments	5,570	26,575	24,007	7,087	3,938
Purchase of property, plant and equipment	5,414	4,410	5,534	4,900	4,850
<b>Total cash used</b>	<b>10,984</b>	<b>30,985</b>	<b>29,541</b>	<b>11,987</b>	<b>8,788</b>
<b>Net cash from (used by) investing activities</b>	<b>(9,925)</b>	<b>(15,985)</b>	<b>(14,541)</b>	<b>(11,987)</b>	<b>(8,788)</b>

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**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
<b>FINANCING ACTIVITIES</b>					
<b>Cash used</b>					
Principal payments on lease liability	1,970	2,100	2,100	2,100	2,100
<b>Total cash used</b>	<b>1,970</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>
<b>Net cash from/(used by) financing activities</b>	<b>(1,970)</b>	<b>(2,100)</b>	<b>(2,100)</b>	<b>(2,100)</b>	<b>(2,100)</b>
<b>Net increase (decrease) in cash held</b>	<b>116,035</b>	<b>60,420</b>	<b>30,620</b>	<b>(7,560)</b>	<b>(30,507)</b>
Cash and cash equivalents at the beginning of the reporting period	68,822	184,857	245,277	275,897	268,337
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>184,857</b>	<b>245,277</b>	<b>275,897</b>	<b>268,337</b>	<b>237,830</b>

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
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources <sup>(a)</sup>	5,414	4,410	5,534	4,900	4,850
<b>TOTAL</b>	<b>5,414</b>	<b>4,410</b>	<b>5,534</b>	<b>4,900</b>	<b>4,850</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	5,414	4,410	5,534	4,900	4,850
<b>Total cash used to acquire assets</b>	<b>5,414</b>	<b>4,410</b>	<b>5,534</b>	<b>4,900</b>	<b>4,850</b>

(a) Includes the following s74 external revenue:  
— internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2022</b>				
Gross book value	4,304	3,904	27,748	35,956
Gross book value – ROU <sup>(a)</sup>	17,033	1,157	-	18,190
Accumulated depreciation/amortisation and impairment	(3,242)	(3,078)	(13,446)	(19,766)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	(5,759)	(1,079)	-	(6,838)
<b>Opening net book balance</b>	<b>12,336</b>	<b>904</b>	<b>14,302</b>	<b>27,542</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase – other <sup>(b)</sup>	-	-	4,410	4,410
<b>Total additions</b>	<b>-</b>	<b>-</b>	<b>4,410</b>	<b>4,410</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(438)	(421)	(3,895)	(4,754)
Depreciation/amortisation expense – ROU <sup>(a)</sup>	(1,599)	(68)	-	(1,667)
<b>Total other movements</b>	<b>(2,037)</b>	<b>(489)</b>	<b>(3,895)</b>	<b>(6,421)</b>
<b>As at 30 June 2023</b>				
Gross book value	4,304	3,904	32,158	40,366
Gross book value – ROU <sup>(a)</sup>	17,033	1,729	-	18,762
Accumulated depreciation/amortisation and impairment	(3,680)	(3,499)	(17,341)	(24,520)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	(7,358)	(1,147)	-	(8,505)
<b>Closing net book balance</b>	<b>10,299</b>	<b>987</b>	<b>14,817</b>	<b>26,103</b>

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.



# Regional Investment Corporation

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# Regional Investment Corporation

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The Regional Investment Corporation (RIC) is a corporate Commonwealth entity established by the *Regional Investment Corporation Act 2018*. An independent Board oversees RIC and is responsible for providing loans to eligible farm businesses, farm-related small businesses and forestry businesses.

RIC Board also provides independent advice to the Minister for Agriculture, Fisheries and Forestry on the making of individual grants or arrangements for projects and activities that build drought resilience to be funded by the Future Drought Fund.

RIC streamlines the administration of concessional loans by delivering loans that are assessed in a nationally consistent, prudent and timely manner. Loans are targeted at farm businesses and farm-related small businesses impacted by drought and those that are in financial need that mainly supply, or intend to mainly supply, products into supply chains that are interstate or overseas. Loans are also targeted at forestry businesses to encourage new plantation developments and the replanting of bushfire damaged plantation areas.

The concessional loan programs support the long-term strength, resilience and profitability of eligible farm businesses, farm-related small businesses and forestry businesses with \$354.917 million in loan funding available for RIC in 2022–23. This funding recognises the importance of RIC loans for farmers, foresters and small businesses in need of practical assistance and the demand for RIC loan products.

RIC achieves this through its outcome:

**Outcome 1:** Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans.

## 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 October *Budget Paper No. 4: Agency Resourcing*.

Information in this table is presented on a resourcing (i.e. 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: Regional Investment Corporation – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022**

	2021–22 Estimated actual \$'000	2022–23 Estimate \$'000
<b>Opening balance/cash reserves at 1 July</b>	<b>20,143</b>	<b>7,942</b>
<b>Funds from Government</b>		
<b>Annual appropriations – ordinary annual services<sup>(a)</sup></b>		
Outcome 1	26,317	22,057
<b>Annual appropriations – other services – non-operating<sup>(b)</sup></b>		
Equity injection	337	-
<b>Total annual appropriation</b>	<b>26,654</b>	<b>22,057</b>
<b>Total funds from Government</b>	<b>26,654</b>	<b>22,057</b>
<b>Funds from other sources</b>		
Other	388	-
<b>Total funds from other sources</b>	<b>388</b>	<b>-</b>
<b>Total net resourcing for RIC</b>	<b>47,185</b>	<b>29,999</b>
	<b>2021–22</b>	<b>2022–23</b>
<b>Average staffing level (number)</b>	<b>62</b>	<b>57</b>

(a) Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1) 2022–23*. Appropriation is provided through the Department of Agriculture, Fisheries and Forestry (DAFF) and is specified with the Annual Appropriation Bills as payment to RIC and is considered departmental for all purposes.

(b) Appropriation Bill (No. 2) 2022–23, Supply Bill (No. 4) 2022–23 and *Supply Act (No. 2) 2022–23*. Appropriation is provided through the DAFF and is specified with the Annual Appropriation Bills as payment to RIC and is considered departmental for all purposes.

Please note: 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.

### 1.3 Budget measures

Budget measures in Part 1 relating to the Regional Investment Corporation are detailed in October *Budget Paper No. 2* and are summarised below.

**Table 1.2: Regional Investment Corporation – October 2022–23 Budget Measures**

**Part 1: Measures announced since the March 2022–23 Budget**

Program	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Payment measures</b>					
Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses <sup>(a)(b)</sup>					
1.1					
Administered payment	-	-	-	-	-
Departmental payment	-	(908)	-	-	-
<b>Total</b>	-	<b>(908)</b>	-	-	-
<b>Total payment measures</b>					
Administered	-	-	-	-	-
Departmental	-	(908)	-	-	-
<b>Total</b>	-	<b>(908)</b>	-	-	-

(a) The measure description appears in October *Budget Paper No. 2: Budget Measures 2022–23* under the Cross Portfolio section.

(b) Funding for this measure passes through DAFF to RIC.

Prepared on a Government Finance Statistics (Underlying Cash) basis.

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

## 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 criteria described in Portfolio Budget Statements will be read with broader information provided in an entity’s corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity’s planned and actual performance.

The most recent corporate plan for the Regional Investment Corporation can be found at: [www.ric.gov.au/about/corporate-plan](http://www.ric.gov.au/about/corporate-plan).

The most recent annual report for the Regional Investment Corporation can be found at: <http://www.ric.gov.au/about/reporting/annual-report>.

## 2.1 Budgeted expenses and performance for Outcome 1

**Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth’s farm business concessional loans.**

### 2.1.1: Linked programs

<b>Department of Agriculture, Fisheries and Forestry</b>
<ul style="list-style-type: none"> <li>• Program 1.3: Forestry Industry</li> <li>• Program 1.11: Drought Programs</li> </ul>
<p><b>Contribution to Outcome 1 made by linked program:</b></p> <p>RIC works together with DAFF to ensure more sustainable, productive, internationally competitive and profitable Australian agricultural and forestry industries.</p>

## 2.1.2: 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: Budgeted expenses for Outcome 1**

<b>Outcome 1: Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans.</b>					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.1: Regional Investment Corporation</b>					
<b>Revenue from Government</b>					
Ordinary annual services (Appropriation Bill (No. 1)) <sup>(a)</sup>	28,294	26,500	22,857	23,126	23,932
<b>Total expenses for program 1.1</b>	<b>28,294</b>	<b>26,500</b>	<b>22,857</b>	<b>23,126</b>	<b>23,932</b>
<b>Outcome 1 totals by resource type</b>					
<b>Revenue from Government</b>					
Ordinary annual services (Appropriation Bill (No. 1)) <sup>(a)</sup>	28,294	26,500	22,857	23,126	23,932
<b>Total expenses for Outcome 1</b>	<b>28,294</b>	<b>26,500</b>	<b>22,857</b>	<b>23,126</b>	<b>23,932</b>
	<b>2021–22</b>	<b>2022–23</b>			
<b>Average staffing level (number)</b>	62	57			

(a) Appropriation Bill (No. 1) 2022–23, Supply Bill (No. 3) 2022–23 and *Supply Act (No. 1) 2022–23*. RIC is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and does not receive direct appropriations. Appropriation is provided through DAFF and is specified with the Annual Appropriation Bills as payment to RIC and is considered departmental for all purposes.

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

Prepared on Australian Accounting Standards basis.



**Table 2.2: Performance measure for Outcome 1**

Table 2.2 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, the October 2022–23 Budget measures that have created new programs or materially changed existing programs are provided.

<b>Outcome 1 – Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth’s farm business concessional loans.</b>	
<b>Program 1.1: Regional Investment Corporation</b>	
<b>Objectives</b>	<p>Provide practical support and investment to help rural and regional communities achieve economic growth, agricultural productivity, and resilience through the delivery of farm business loans, farm-related small business loans and plantation development loans.</p> <p>RIC’s farm business loans and farm related small business loans provide low-cost finance to businesses that are in financial need of assistance, to recover from short-term hardship, but are assessed as financially viable over the long-term and able to repay the loan.</p> <p>RIC also provides plantation development concessional loans to support new plantation developments and the replanting of bushfire-damaged plantations.</p>
<b>Key Activities</b>	<p>We will manage the risk and assurance in the loan portfolio, with a focus in 2022–23 on revising our risk appetite and framework, followed by ongoing review and alignment of the statement and framework to emerging risks in future years.</p> <p>We will implement final stages of the transformation program, involving the deployment of new technology that insources loan management and origination, and realigns our workforce and capability to a new operating model.</p> <p>We will deliver our loans in accordance with appropriations and timelines. In 2022–23 we will track our progress against a new loan processing timeframe target, ensuring customers receive a decision on their loan as quickly as possible to help them with their planning.</p> <p>We will increase customer satisfaction, including by insourcing our services to enhance our customer service and experience.</p> <p>We will deliver new products or product amendments as directed by the Australian Government.</p>

Continued on following pages

**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22	1. Support is provided within funding appropriation limits.	Fully achieved.
	2. Plantation Development Loan is implemented.	Fully achieved.
	3. 90 per cent of loan decisions are consistent with the loan appetite.	Fully achieved.
	4. Financial risk management program is implemented.	Partially achieved.
	5. 80 per cent farm business loans are processed within 65 RIC handling days.	Fully achieved.
	6. Loan application management system is implemented.	Fully achieved.
	7. Data capture and reporting arrangements are improved.	Fully achieved.
	8. Information Governance and Records Management system is implemented.	Fully achieved.
	9. Enterprise Resource Planning system is implemented.	Fully achieved.
	10. Operating results are within approved budgets.	Fully achieved.
	11. Increase in satisfaction rates and Net Promoter Score (NPS).	Partially achieved.
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	1. Risk is managed within acceptable tolerances.	Ongoing portfolio management framework is finalised and operational by December 2022.  90 per cent of loan decisions are consistent with the risk appetite.
	2. Implement loan management system.	Loan management system implemented and functional by December 2023.

**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Planned Performance Results
Budget Year 2022–23 (continued)	3. Workforce capability aligned to RIC operating model.	Workforce plan implemented and embedded by December 2023.
	4. Number and value of farm business loans provided.	Support provided within funding appropriation limits.
	5. Deliver services efficiently within approved funding.	Operate within approved operating budget.
	6. Improved customer satisfaction.	Increase in satisfaction rates compared with prior years.
	7. Loan processing timeframe.	85 per cent of eligible loans decisioned in 30 RIC-handling days.
	8. Responsive and efficient delivery of new products and enhancements.	New products delivered on time and within funding appropriation limits.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

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

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

### **3.1 Budgeted financial statements**

#### **3.1.1: Explanatory notes and analysis of budgeted financial statements**

In 2022–23, RIC will continue to support the provision of loans to eligible farm businesses, farm-related small businesses, and loans for eligible forestry businesses.

RIC is budgeting for an approved \$4.4 million operating loss in 2022–23 with expenses (including employee and supplier expenses) budgeted at \$26.5 million representing expenditure funded from appropriations received in prior years. RIC has sufficient cash reserves to fund the operating loss without impacting on the financial viability of RIC in the future.

The expense budget reflects the work programs for RIC in receiving and evaluating loan applications and managing approved loans to eligible farm businesses, farm-related small businesses and eligible forestry businesses and providing independent advice to the Government.

### 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
<b>EXPENSES</b>					
Employee benefits	10,284	7,276	7,214	7,520	7,405
Suppliers	17,721	19,080	15,643	15,606	16,527
Depreciation and amortisation	236	134	-	-	-
Finance costs	5	10	-	-	-
Loss on disposal of assets	48	-	-	-	-
<b>Total expenses</b>	<b>28,294</b>	<b>26,500</b>	<b>22,857</b>	<b>23,126</b>	<b>23,932</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Other	413	-	-	-	-
<b>Total own-source revenue</b>	<b>413</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>413</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cost of (contribution by) services</b>	<b>27,881</b>	<b>26,500</b>	<b>22,857</b>	<b>23,126</b>	<b>23,932</b>
Revenue from Government	26,317	22,057	22,857	23,126	23,932
<b>Total revenue from Government</b>	<b>26,317</b>	<b>22,057</b>	<b>22,857</b>	<b>23,126</b>	<b>23,932</b>
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(1,564)</b>	<b>(4,443)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(1,564)</b>	<b>(4,443)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Note: Impact of net cash appropriation arrangements</b>					
	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>(1,573)</b>	<b>(4,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>
less depreciation/amortisation expenses for ROU <sup>(a)</sup>	151	134	-	-	-
add principal repayments on leased assets <sup>(a)</sup>	160	191	-	-	-
<b>Total comprehensive income/(loss) – as per the Statement of comprehensive income</b>	<b>(1,564)</b>	<b>(4,443)</b>	<b>-</b>	<b>-</b>	<b>-</b>

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	7,942	3,456	3,456	3,456	3,456
Investments in deposits	10,000	10,000	10,000	10,000	10,000
Goods and services receivable	25	25	25	25	25
<b>Total financial assets</b>	<b>17,967</b>	<b>13,481</b>	<b>13,481</b>	<b>13,481</b>	<b>13,481</b>
<b>Non-financial assets</b>					
Buildings	379	436	436	436	436
Property, plant and equipment	147	147	147	147	485
Other	304	304	304	304	304
<b>Total non-financial assets</b>	<b>830</b>	<b>887</b>	<b>887</b>	<b>887</b>	<b>1,225</b>
<b>Total assets</b>	<b>18,797</b>	<b>14,368</b>	<b>14,368</b>	<b>14,368</b>	<b>14,706</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	1,558	1,561	1,561	1,561	1,561
Other payables	213	224	224	224	224
Other tax payable	139	139	139	139	139
<b>Total payables</b>	<b>1,910</b>	<b>1,924</b>	<b>1,924</b>	<b>1,924</b>	<b>1,924</b>
<b>Interest bearing liabilities</b>					
Leases	275	275	275	275	275
<b>Total interest bearing liabilities</b>	<b>275</b>	<b>275</b>	<b>275</b>	<b>275</b>	<b>275</b>
<b>Provisions</b>					
Employee provisions	893	893	893	893	893
<b>Total provisions</b>	<b>893</b>	<b>893</b>	<b>893</b>	<b>893</b>	<b>893</b>
<b>Total liabilities</b>	<b>3,078</b>	<b>3,092</b>	<b>3,092</b>	<b>3,092</b>	<b>3,092</b>
<b>Net assets</b>	<b>15,719</b>	<b>11,276</b>	<b>11,276</b>	<b>11,276</b>	<b>11,614</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	337	337	337	337	675
Retained surplus (accumulated deficit)	15,347	10,904	10,904	10,904	10,904
Asset revaluation reserve	35	35	35	35	35
<b>Total parent entity interest</b>	<b>15,719</b>	<b>11,276</b>	<b>11,276</b>	<b>11,276</b>	<b>11,614</b>
<b>Total Equity</b>	<b>15,719</b>	<b>11,276</b>	<b>11,276</b>	<b>11,276</b>	<b>11,614</b>

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

Prepared on Australian Accounting Standards basis.

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

	Retained earnings	Asset revaluation reserve	Other reserves	Total equity
	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2022</b>				
Balance carried forward from previous period	15,347	35	337	15,719
<b>Adjusted opening balance</b>	<b>15,347</b>	<b>35</b>	<b>337</b>	<b>15,719</b>
<b>Comprehensive income</b>				
Surplus (deficit) for the period	(4,443)	-	-	(4,443)
<b>Total comprehensive income</b>	<b>(4,443)</b>	<b>-</b>	<b>-</b>	<b>(4,443)</b>
<b>Estimated closing balance as at 30 June 2023</b>	<b>10,904</b>	<b>35</b>	<b>337</b>	<b>11,276</b>
<b>Closing balance attributable to the Australian Government</b>	<b>10,904</b>	<b>35</b>	<b>337</b>	<b>11,276</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Revenue from Government	26,317	22,057	22,857	23,126	23,932
Other operating receipts	388	-	-	-	-
<b>Total cash received</b>	<b>26,705</b>	<b>22,057</b>	<b>22,857</b>	<b>23,126</b>	<b>23,932</b>
<b>Cash used</b>					
Employees	10,355	7,265	7,214	7,520	7,405
Suppliers	18,698	19,077	15,643	15,606	16,527
Interest payments on lease liability	5	10	-	-	-
Other	25	-	-	-	-
<b>Total cash used</b>	<b>29,083</b>	<b>26,352</b>	<b>22,857</b>	<b>23,126</b>	<b>23,932</b>
<b>Net cash from (used by) operating activities</b>	<b>(2,378)</b>	<b>(4,295)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of non-financial assets	-	-	-	-	338
Purchase of investments	10,000	-	-	-	-
<b>Total cash used</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338</b>
<b>Net cash from (used by) investing activities</b>	<b>(10,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(338)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	337	-	-	-	338
<b>Total cash received</b>	<b>337</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338</b>
<b>Cash used</b>					
Lease liability – principal payments	160	191	-	-	-
<b>Total cash used</b>	<b>160</b>	<b>191</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (used by) financing activities</b>	<b>177</b>	<b>(191)</b>	<b>-</b>	<b>-</b>	<b>338</b>
<b>Net increase (decrease) in cash held</b>	<b>(12,201)</b>	<b>(4,486)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	20,143	7,942	3,456	3,456	3,456
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>7,942</b>	<b>3,456</b>	<b>3,456</b>	<b>3,456</b>	<b>3,456</b>

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
<b>NEW CAPITAL APPROPRIATIONS</b>					
Equity injections – transferred by portfolio department	337	-	-	-	338
<b>Total new capital appropriations</b>	<b>337</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338</b>
<b>Provided for:</b>					
Purchase of non-financial assets	337	-	-	-	338
<b>Total items</b>	<b>337</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations <sup>(a)</sup>	-	-	-	-	338
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	-	-	-	-	338
<b>Total cash used to acquire assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338</b>

(a) Includes current Appropriation Bill (No. 2) and *prior year Act (No. 2/4/6)* appropriation.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Buildings	Other property, plant and equipment	Total
	\$'000	\$'000	\$'000
<b>As at 1 July 2022</b>			
Gross book value	-	482	482
Gross book value – ROU <sup>(a)</sup>	832	-	832
Accumulated depreciation/amortisation and impairment	-	(335)	(335)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	(453)	-	(453)
<b>Opening net book balance</b>	<b>379</b>	<b>147</b>	<b>526</b>
<b>CAPITAL ASSET ADDITIONS</b>			
<b>Estimated expenditure on new or replacement assets</b>			
By purchase – appropriation equity – ROU <sup>(a)(b)</sup>	191	-	191
<b>Total additions</b>	<b>191</b>	<b>-</b>	<b>191</b>
<b>Other movements</b>			
Depreciation/amortisation expense – ROU <sup>(a)</sup>	(134)	-	(134)
<b>Total other movements</b>	<b>(134)</b>	<b>-</b>	<b>(134)</b>
<b>As at 30 June 2023</b>			
Gross book value	-	482	482
Gross book value – ROU <sup>(a)</sup>	1,023	-	1,023
Accumulated depreciation/amortisation and impairment	-	(335)	(335)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	(587)	-	(587)
<b>Closing net book balance</b>	<b>436</b>	<b>147</b>	<b>583</b>

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2022–23 and other internal funding sources.

Prepared on Australian Accounting Standards basis.

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

The schedule of budgeted income and expenses administered on behalf of Government does not apply to RIC.

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

The schedule of budgeted assets and liabilities administered on behalf of Government does not apply to RIC.

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

The schedule of budgeted administered cash flows on behalf of Government does not apply to RIC.



# Wine Australia

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# Wine Australia

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

Wine Australia seeks to foster and encourage profitable, resilient, and sustainable Australian winegrape and wine businesses by investing in research and development (R&D), building markets, disseminating market information and knowledge, encouraging adoption, and ensuring compliance through our regulatory functions. We are governed by the *Wine Australia Act 2013* (Wine Australia Act).

Wine Australia's role under the Wine Australia Act is to:

- coordinate or fund grape and wine R&D and facilitate the dissemination, adoption, and commercialisation of the results
- control the export of wine from Australia
- promote the sale and consumption of wine, both in Australia and overseas.

Wine Australia is funded by grape growers, winemakers and exporters through levies and user-pays charges, and by the Australian Government, which provides matching funding for research, development, and adoption (RD&A) investments.

Australian wine is a unique, high-quality product crafted in 65 wine regions around the country. The Australian wine sector has approximately 6,000 grape growers, 146,244 hectares of vines, 2,156 wineries and produced 1.48 billion litres of wine in 2020–21.

In the year ended December 2021, Australian wine exports decreased by 30 per cent in value to \$2.03 billion and 17 per cent in volume to 619 million litres (69 million 9-litre case equivalents). This resulted in a 15 per cent decline in average value to \$3.27 per litre. The biggest driver of the decline was the reduction in exports to mainland China, following the imposition of tariffs on Australian packaged wine in November 2020. The 619 million litres shipped in total for the 2021 calendar year represents the lowest volume shipped in a 12-month period since the year ended September 2004. Aside from the decrease in shipments to mainland China, the significant decline in volume can also be attributed to low inventory at the start of the year after three small vintages and delays in getting the large 2021 vintage onto ships due to the ongoing global freight disruptions. There were 1,269 active exporters in 2021 and 19,247 products exported to 112 destinations.

Wine Australia's goal is profitable, resilient, and sustainable winegrape and wine businesses, and how Wine Australia achieves its responsibilities under the Wine Australia Act is outlined in the five-year Strategic Plan 2020–25. In 2022–23, the third year of the strategic plan, Wine Australia will continue to invest in five strategies:

- Strategy 1: Promote Australian wine
- Strategy 2: Protect Australian wine
- Strategy 3: Build grape and wine excellence
- Strategy 4: Build sustainable environments
- Strategy 5: Build business sustainability, excellence, and leadership.

Since Wine Australia's Strategic Plan 2020–25 was approved in June 2020, the environment within which it operates has been significantly impacted by COVID-19 restrictions, and the imposition of tariffs on Australian wine exported to China.

The operational impacts that will flow from the current market and financial challenges have been contemplated in developing this statement and will be reflected in future annual operational plans.

In the current operational environment, Wine Australia is seeking to intensify marketing efforts to gain greater market share in established markets of the United States of America (USA), Canada, and the United Kingdom (UK) and diversify into emerging markets. Wine Australia's key marketing objectives are to:

- build the Australian wine category to drive positive sentiment and awareness among trade and consumers
- drive increased market entry into the USA, Canada, UK, Europe, and Asia Pacific
- build availability and reach of product across distributors, on premise and retail
- align investment and category building activities with exporters and federal, state, and regional bodies to target growth
- promote sustainability in key markets with activations for trade and consumers.

Wine Australia has partnered with Austrade through the Australian Government's Agri-Business Expansion Initiative (ABEI) to unlock market diversification opportunities in the Asia Pacific Accreditation Cooperation (APAC) markets, such as Vietnam, Thailand, South Korea, Indonesia, Japan, and Taiwan. The partnership is also helping wine businesses develop capabilities to support diversification efforts.



Wine Australia's regulatory services activities seek to protect the reputation and integrity of Australian wine in all markets, including the domestic market. It will ensure that the regulatory regime remains fit for purpose, explore new opportunities for traceability technologies, build relationships with counterpart regulators in export markets and enhance the Wine Australia Licensing and Approvals System (WALAS) and the Label Directory. Wine Australia will also support the Geographical Indications Committee that defines the wine grape producing regions of Australia.

In Strategy 3, Wine Australia's R&D investments will continue to enhance grape and wine excellence by identifying enhanced grapevine varieties and clones and breeding new varieties and rootstocks that suit our environment and consumer tastes. To maintain the supply of genetically diverse and high-health planting material, Wine Australia will continue to work towards the establishment of a national germplasm collection. To increase grape and wine production efficiency and sustainability, it will continue to develop, test, and commercialise new technologies and demonstrate them through agricultural technology demonstration sites to encourage adoption.

In Strategy 4, Wine Australia's R&D investments will provide knowledge and tools to help growers and producers to be more environmentally sustainable, including information to manage the challenges of short-term climate cycles and long-term climate change. Wine Australia will determine baseline levels of carbon emissions and waste production in a grape and wine production setting so that the sector can develop benchmarks as a first step towards its goal of zero net carbon emissions and zero waste production by 2050.

Wine Australia will continue investing in research to allow more efficient and effective use of water in the vineyard, and focus on the value of soil remediation processes, lower chemical use in the vineyard, more sustainably managing endemic pests and diseases and being better prepared for exotic pests and diseases. It will actively support the sector's Sustainable Winegrowing Australia program to help the sector demonstrate its sustainability credentials.

In Strategy 5, Wine Australia's R&D adoption investments seek to accelerate the adoption of research outcomes and best practice. Wine Australia will implement our Extension and Adoption Strategy to build capacity and drive behaviour and practice change, including through our Regional Program. It will continue developing the leaders of tomorrow – and building the skills of the leaders of today – through regional governance and leadership programs and by supporting postgraduate students and early-career researchers.

Wine Australia also works closely with other rural research and development corporations (RDCs) in cross-sectoral collaborative research, including through Agricultural Innovation Investments Limited, to deliver RD&A benefits to the broader 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 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’ table in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Wine Australia – Resource Statement – Budget Estimates for 2022–23 as at October Budget 2022**

	2021–22 <i>Estimated actual</i> \$'000	2022–23 Estimate \$'000
<b>Opening balance/cash reserves at 1 July</b>	<b>6,659</b>	<b>8,665</b>
<b>Funds from Government</b>		
<b>Special appropriations<sup>(a)</sup></b>		
<i>Wine Australia Act 2013, s. 32 – payments to the Authority</i>	35,429	31,004
<b>Total special appropriations</b>	<b>35,429</b>	<b>31,004</b>
<b>Amounts received from related entities</b>		
Amounts from portfolio department <sup>(b)</sup>	10,165	150
<b>Total amounts received from related entities</b>	<b>10,165</b>	<b>150</b>
<b>Total funds from Government</b>	<b>45,594</b>	<b>31,154</b>
<b>Funds from industry sources</b>		
Levies <sup>(c)</sup>	20,613	18,543
<i>less amounts paid to the CRF</i>	(20,613)	(18,543)
<b>Total funds from industry sources</b>	<b>-</b>	<b>-</b>
<b>Funds from other sources</b>		
Interest	21	6
Sale of goods and services	7,778	4,933
Other	19	3
<b>Total funds from other sources</b>	<b>7,818</b>	<b>4,942</b>
<b>Total net resourcing for Wine Australia</b>	<b>60,071</b>	<b>44,761</b>
	<b>2021–22</b>	<b>2022–23</b>
<b>Average staffing level (number)</b>	<b>53</b>	<b>53</b>

(a) Wine Australia's special appropriation is not directly appropriated as it is a corporate Commonwealth Entity (CCE) under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Appropriations are made to the Department of Agriculture, Fisheries and Forestry (DAFF) and are then paid to Wine Australia and are considered departmental for all purposes.

(b) Funding provided by the portfolio department that is not specified within the Annual Appropriation Bills as a payment to that CCE (for example, a grant awarded to a CCE from one of its portfolio department's administered programs).

(c) The levies are imposed by the *Primary Industries (Excise) Levies Act 1999*. Levies are collected by DAFF under the *Primary Industries (Excise) Levies Act 1999* and *Primary Industries (Customs) Charges Act 1999* and comprise of the Grape Research Levy and the Wine Grapes Levy and are transferred to the Consolidated Revenue Fund (CRF). These amounts are then drawn down by the department as a special appropriation and paid to Wine Australia under the *Wine Australia Act 2013, s. 32*.

Please note: 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.

**1.3 Budget measures**

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

**Table 1.2: Wine Australia – October 2022–23 Budget Measures**

**Part 1: Measures announced since the March 2022–23 Budget**

Wine Australia does not have any October 2022–23 Budget 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 criteria 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 Wine Australia can be found at:  
[https://www.wineaustralia.com/WA\\_StrategicPlan\\_2020-25](https://www.wineaustralia.com/WA_StrategicPlan_2020-25).

The most recent annual performance statement for Wine Australia can be found at:  
[https://www.wineaustralia.com/WA\\_AnnualReport\\_2020-21](https://www.wineaustralia.com/WA_AnnualReport_2020-21).

**2.1 Budgeted expenses and performance for Outcome 1**

**Outcome 1: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.**

**2.1.1: Linked programs**

<b>Department of Agriculture, Fisheries and Forestry</b>
Program 1.10: Agricultural Resources Program 1.13: International Market Access
<b>Contribution to Outcome 1 made by linked program:</b>  Wine Australia and DAFF work together to ensure a sustainable, productive and profitable grape and wine sector.  Wine Australia will also administer the Wine Tourism and Cellar Door Grant program that commenced in 2019–20.

## 2.1.2: 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: Budgeted expenses for Outcome 1**

<b>Outcome 1: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.</b>					
	2021–22 Estimated actual \$'000	2022–23 Budget \$'000	2023–24 Forward estimate \$'000	2024–25 Forward estimate \$'000	2025–26 Forward estimate \$'000
<b>Program 1.1: Wine Australia</b>					
<b><u>Revenue from Government</u></b>					
Payment from related entities	10,165	150	150	150	-
Special appropriations					
<i>Wine Australia Act 2013, s. 32 –</i>					
payments to the Authority	35,423	31,002	30,708	30,844	30,915
Revenues from other independent sources	9,706	5,265	4,700	4,629	4,640
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	(945)	3,000	-	-	-
<b>Total expenses for program 1.1</b>	<b>54,349</b>	<b>39,417</b>	<b>35,558</b>	<b>35,623</b>	<b>35,555</b>
<b>Outcome 1 totals by resource type</b>					
<b><u>Revenue from Government</u></b>					
Payment from related entities	10,165	150	150	150	-
Special appropriations	35,423	31,002	30,708	30,844	30,915
Revenues from other independent sources	9,706	5,265	4,700	4,629	4,640
Expenses not requiring appropriation in the Budget year <sup>(a)</sup>	(945)	3,000	-	-	-
<b>Total expenses for Outcome 1</b>	<b>54,349</b>	<b>39,417</b>	<b>35,558</b>	<b>35,623</b>	<b>35,555</b>
<b>Average staffing level (number)</b>					
	<b>2021–22</b>	<b>2022–23</b>			
	53	53			

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

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

Prepared on Australian Accounting Standards basis.

**Table 2.2: Performance measure for Outcome 1**

Table 2.2 below details the performance measure for each program associated with Outcome 1. It also summarises how each program is delivered and where relevant, the October 2022–23 Budget measures have created new programs or materially changed existing programs are provided.

As an entity established under the Wine Australia Act, Wine Australia does not produce a corporate plan under the PGPA Act and is therefore exempt from the requirement to map purposes to outcomes.

<b>Outcome 1: Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance.</b>	
<b>Program 1.1: Wine Australia</b>	
<b>Objective</b>	Invest in R&D, building markets, disseminating knowledge and ensuring compliance to foster and enable a competitive Australian wine sector.
<b>Key Activities</b>	<p>Wine Australia will:</p> <ul style="list-style-type: none"><li>a) Invest in R&amp;D in the five strategic areas outlined in its Strategic Plan 2020–2025 for the benefit of wine grape growers, winemakers, wine businesses and the wider community.</li><li>b) Invest in RD&amp;A to build grape and wine excellence, build sustainable environments, and build business sustainability, excellence and leadership.</li><li>c) Invest in marketing to promote Australian wine and grow international markets.</li><li>d) Invest in regulatory services to protect the reputation of Australian wine.</li><li>e) Support grape and wine businesses with market insights that allow them to make effective and informed decisions.</li></ul>

Continued on following pages



**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22	<b>Wine Australia</b>	
	Improve our stakeholder net promoter score from 2019 baseline.	Target Above +12.  In 2021–22, we focused instead on the creation of the above Stakeholder Engagement Plan (now referred to as the Customer Engagement Plan), the onboarding of the new CEO, and the strategic plan refresh. Now that this has been completed, we have commenced the design of our next Stakeholder Engagement Survey, to be completed before the end of 2022–23.
	<b>RD&amp;A</b>	
	Research contracts are actively managed through regular and ongoing monitoring of the research.	Target 100 per cent.
	Market Insights customers are satisfied or very satisfied with the services they receive.	Target >90 per cent.  During the year, 40 individual analyst sessions were booked by our levy-payers. The “Ask Analyst” sessions were heavily promoted throughout the year to encourage usage.
	Levy payers who participate in Wine Australia-supported extension and adoption programs consider them a ‘good’ or ‘very good’ use of levy funds.	Target 80 per cent.  Australian Grape and Wine (AGW) Research Advisory Committee continue to assist in identifying and prioritising extension and adoption priorities. Monitoring and evaluation metrics across Wine Australia supported extension activities with the Australian Wine Research Institute and the Australian Society of Viticulture and Oenology indicate that events overall are delivering value – on average at least 75 per cent of attendees at workshops, seminars and

Continued on following pages

**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22 (continued)	<b>RD&amp;A (continued)</b>	
		webinars rated these events ‘very good’ or ‘excellent’ and at least 80 per cent of attendees intend to make changes to current practices, reassess current practices, seek extra information or discuss with peers about making changes to their current practices.
	<b>Marketing</b>	
	Tier A influencers actively engage with Wine Australia.	<p>Target 85 per cent.</p> <p>73 per cent of Tier A influencers actively engaged with Wine Australia through marketing activities.</p> <p>Europe, Middle East, Africa: 87 per cent</p> <p>Americas: 71 per cent</p> <p>Asia-Pacific: 36 per cent</p> <p>The COVID-19 pandemic impacted engagement particularly in Asia where borders remained closed and planned activity was moved to 2022–23.</p> <p>1,205 business-to-business connections made via Australian Wine Connect and its associated campaigns and hybrid events.</p> <p>Trade audience Net Promotor Score (NPS) rating:</p> <ul style="list-style-type: none"> <li>• Australian Wine Discovered NPS 64, an ‘very good’ to ‘excellent’ score; and</li> <li>• Australian Wine Connect NPS 26, a ‘good’ score.</li> </ul> <p>Downloads of Australian Wine Discovered content decreased by 52 per cent due to ongoing reduction in engagement from China and reduced activity in markets due to the COVID-19 pandemic.</p> <p>The tone in 94 per cent of media articles about Australian wine was positive or neutral. An increase of 5 per cent on the previous year.</p>

**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22 (continued)	<b>Marketing (continued)</b>	
	The perception of Australian wine increases in Canada, the UK and the USA.	<p>Target is to increase perception above 2019 baseline.</p> <p>The annual Wine Intelligence survey showed the average consumer perception of Australian wine increased in each market from the previous year. The stretch 8.6 key performance indicator was not achieved, due to the continued impacts of the COVID-19 pandemic and reduced activity in market.</p> <ul style="list-style-type: none"> <li>• Canada increased from 8.20/8.07 to 8.36/8.33.</li> <li>• UK increased from 8.22 to 8.39.</li> <li>• USA increased from 8.29 to 8.30.</li> </ul> <p>For paid social media, we achieved a 22 per cent engagement rate for Facebook and Instagram.</p>
	Wineries and distributors who participate in Wine Australia events report that they are 'satisfied' or 'very satisfied'.	<p>Target &gt;90 per cent.</p> <p>Average satisfaction rating across marketing campaigns was 87 per cent.</p> <ul style="list-style-type: none"> <li>• 73 per cent of participants in the US Market Entry Program have commenced export to the USA or have an agreement to commence export.</li> <li>• 19 participants in Explore Canada commenced export or have an agreement to commence export (two programs in 2021–22).</li> <li>• Nine participants in Explore UK commenced export (one program held over to financial year 2023).</li> </ul> <p>Additional wineries which have participated in the US Market Entry Program and Explore programs have indicated they anticipate commencing export in short to medium-term.</p>

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**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22 (continued)	<b>Regulatory services</b>	
	Achieve the six key performance indicators in the Regulatory Performance Framework.	Target to achieve. Achieved.
	Through our Label Integrity Program, we inspect producers' records, focusing on those relating to wine regions and varieties in particular demand.	<p>Target is up to 300 inspections of records kept under the Label Integrity Program.</p> <p>Following the abolishment of the Regulator Performance Framework in 2021–22, we worked with the department to develop a Statement of Intent in response to a Statement of Expectation issued in accordance with the Regulator Performance Guide published by the Department of Prime Minister and Cabinet.</p> <p>We promoted and monitored compliance with the Label Integrity Program (LIP) by:</p> <ul style="list-style-type: none"> <li>• Inspecting the records pertaining to more than 1300 labels prior to granting export approval to verify compliance with the record keeping requirements mandated under the LIP and the truthfulness of claims made about vintage, variety, and origin.</li> <li>• Maintaining and promoting our WineWatch portal through which suspected incidences of non-compliance can be reported anonymously.</li> <li>• Investigating all alleged breaches of the labelling and record keeping provisions set out in the <i>Wine Australia Act 2013</i> and the Forest Stewardship Council (FSC).</li> </ul>

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**Table 2.2: Performance measure for Outcome 1 (continued)**

Year	Performance measures	Expected Performance Results
Prior year 2021–22 (continued)	<b>Regulatory services (continued)</b>	
		<ul style="list-style-type: none"> <li>• Inspecting the LIP records kept by 174 Australian wine producers to verify whether records are being kept in accordance with the LIP.</li> <li>• Maintaining WALAS to ensure that product composition and label descriptions are automatically reconciled to verify compliance with the FSC and the labelling laws set out in the <i>Wine Australia Act 2013</i>, and launching and maintaining Export Label Image Search System.</li> </ul>
Year	Performance measures	Planned Performance Results
Budget Year 2022–23	As per 2021–22.	As per 2021–22.
Forward Estimates 2023–26	As per 2022–23.	As per 2022–23.

## Section 3: Budgeted financial statements

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

### 3.1 Budgeted financial statements

#### 3.1.1: Differences between entity resourcing and financial statements

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

#### 3.1.2: Explanatory notes and analysis of budgeted financial statements

The Budget incorporates the contracted and committed research, development and extension activities, the anticipated marketing programs and statutory duties.

Wine Australia receives levies on the tonnage of fruit grown (Grape Research Levy), grape products used in the manufacture of wine (Wine Grapes Levy), and on the value of wine exported (Wine Export Charge). Revenue from these levies is expected to be approximately \$18.5 million for the 2022–23 year, based on an expected 2022 vintage of 1.78 million tonnes.

Research, development, and extension expenditure attracts Commonwealth matching funding, which is calculated in accordance with the provisions of the *Primary Industries Research and Development Act 1989* (PIRD Act).

Other major sources of revenue are export licences and associated fees and promotional user-pays events.

### 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
<b>EXPENSES</b>					
Employee benefits	8,883	8,111	8,296	8,454	8,611
Suppliers	8,308	8,009	7,283	7,317	7,886
Grants	35,596	22,032	18,582	18,585	18,490
Depreciation and amortisation	1,517	1,263	1,395	1,265	566
Finance costs	2	-	-	-	-
Write-down and impairment of assets	8	2	2	2	2
Other expenses	35	-	-	-	-
<b>Total expenses</b>	<b>54,349</b>	<b>39,417</b>	<b>35,558</b>	<b>35,623</b>	<b>35,555</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	9,656	5,254	4,689	4,618	4,629
Interest	21	6	6	6	6
Rental income	19	3	3	3	3
<b>Total own-source revenue</b>	<b>9,696</b>	<b>5,263</b>	<b>4,698</b>	<b>4,627</b>	<b>4,638</b>
<b>Gains</b>					
Gains from Sale of Assets	4	-	-	-	-
<b>Total gains</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>9,700</b>	<b>5,263</b>	<b>4,698</b>	<b>4,627</b>	<b>4,638</b>
<b>Net cost of (contribution by) services</b>	<b>44,649</b>	<b>34,154</b>	<b>30,860</b>	<b>30,996</b>	<b>30,917</b>
Revenue from Government <sup>(a)</sup>	45,594	31,154	30,860	30,996	30,917
<b>Total revenue from Government</b>	<b>45,594</b>	<b>31,154</b>	<b>30,860</b>	<b>30,996</b>	<b>30,917</b>
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>945</b>	<b>(3,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>945</b>	<b>(3,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

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

	2021–22 \$'000	2022–23 \$'000	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations, depreciation on ROU, principal repayments on leased assets</b>	<b>951</b>	<b>(3,000)</b>	-	-	-
less depreciation/amortisation expenses for ROU <sup>(b)</sup>	316	329	329	329	329
add principal repayments on leased assets <sup>(b)</sup>	310	329	329	329	329
<b>Total comprehensive income/(loss) – as per the Statement of comprehensive income</b>	<b>945</b>	<b>(3,000)</b>	-	-	-

(a) Revenue from Government includes a Commonwealth contribution under the PIRD Act and levies collected from industry by DAFF for R&D and marketing activities.

(b) Applies to leases under AASB 16 Leases. Right of Use (ROU).

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
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	8,665	8,170	6,070	8,309	7,914
Trade and other receivables	5,479	6,084	8,430	7,500	7,982
<b>Total financial assets</b>	<b>14,144</b>	<b>14,254</b>	<b>14,500</b>	<b>15,809</b>	<b>15,896</b>
<b>Non-financial assets</b>					
Land and buildings	1,238	909	580	403	74
Property, plant and equipment	146	157	64	27	27
Intangibles	2,366	1,662	931	274	279
Other non-financial assets	385	314	393	322	401
<b>Total non-financial assets</b>	<b>4,135</b>	<b>3,042</b>	<b>1,968</b>	<b>1,026</b>	<b>781</b>
<b>Total assets</b>	<b>18,279</b>	<b>17,296</b>	<b>16,468</b>	<b>16,835</b>	<b>16,677</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	1,002	1,174	1,280	1,386	1,492
Grants	1,600	3,660	2,941	3,265	3,216
Other payables	1,946	1,946	1,946	1,946	1,946
<b>Total payables</b>	<b>4,548</b>	<b>6,780</b>	<b>6,167</b>	<b>6,597</b>	<b>6,654</b>
<b>Interest bearing liabilities</b>					
Leases	1,244	915	586	409	80
<b>Total interest bearing liabilities</b>	<b>1,244</b>	<b>915</b>	<b>586</b>	<b>409</b>	<b>80</b>
<b>Provisions</b>					
Employee provisions	1,262	1,376	1,490	1,604	1,718
Other provisions	75	75	75	75	75
<b>Total provisions</b>	<b>1,337</b>	<b>1,451</b>	<b>1,565</b>	<b>1,679</b>	<b>1,793</b>
<b>Total liabilities</b>	<b>7,129</b>	<b>9,146</b>	<b>8,318</b>	<b>8,685</b>	<b>8,527</b>
<b>Net assets</b>	<b>11,150</b>	<b>8,150</b>	<b>8,150</b>	<b>8,150</b>	<b>8,150</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Retained surplus (accumulated deficit)	11,150	8,150	8,150	8,150	8,150
<b>Total parent entity interest</b>	<b>11,150</b>	<b>8,150</b>	<b>8,150</b>	<b>8,150</b>	<b>8,150</b>
<b>Total Equity</b>	<b>11,150</b>	<b>8,150</b>	<b>8,150</b>	<b>8,150</b>	<b>8,150</b>

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

Prepared on Australian Accounting Standards basis.

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

	Retained earnings	Total equity
	\$'000	\$'000
<b>Opening balance as at 1 July 2022</b>		
Balance carried forward from previous period	11,150	11,150
<b>Adjusted opening balance</b>	<b>11,150</b>	<b>11,150</b>
<b>Comprehensive income</b>		
Surplus (deficit) for the period	(3,000)	(3,000)
<b>Total comprehensive income</b>	<b>(3,000)</b>	<b>(3,000)</b>
of which:		
Attributable to the Australian Government	(3,000)	(3,000)
<b>Estimated closing balance as at 30 June 2023</b>	<b>8,150</b>	<b>8,150</b>
<b>Closing balance attributable to the Australian Government</b>	<b>8,150</b>	<b>8,150</b>

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
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Revenue from Government	24,670	31,154	30,860	30,996	30,917
Sale of goods and rendering of services	6,258	4,936	2,236	5,599	4,141
Interest	21	6	6	6	6
Net GST received	2,294	1,715	2,108	1,950	2,007
Other	24,012	-	-	-	-
<b>Total cash received</b>	<b>57,255</b>	<b>37,811</b>	<b>35,210</b>	<b>38,551</b>	<b>37,071</b>
<b>Cash used</b>					
Employees	9,416	7,997	8,182	8,340	8,497
Suppliers	7,488	8,266	7,756	7,640	8,359
Interest payments on lease liability	2	-	-	-	-
Grant payments	37,941	21,472	20,801	19,761	20,039
<b>Total cash used</b>	<b>54,847</b>	<b>37,735</b>	<b>36,739</b>	<b>35,741</b>	<b>36,895</b>
<b>Net cash from (used by) operating activities</b>	<b>2,408</b>	<b>76</b>	<b>(1,529)</b>	<b>2,810</b>	<b>176</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	5	-	-	-	-
<b>Total cash received</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	97	242	242	242	242
<b>Total cash used</b>	<b>97</b>	<b>242</b>	<b>242</b>	<b>242</b>	<b>242</b>
<b>Net cash from (used by) investing activities</b>	<b>(92)</b>	<b>(242)</b>	<b>(242)</b>	<b>(242)</b>	<b>(242)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash used</b>					
Principal payments on lease liability	310	329	329	329	329
<b>Total cash used</b>	<b>310</b>	<b>329</b>	<b>329</b>	<b>329</b>	<b>329</b>
<b>Net cash from/(used by) financing activities</b>	<b>(310)</b>	<b>(329)</b>	<b>(329)</b>	<b>(329)</b>	<b>(329)</b>
<b>Net increase (decrease) in cash held</b>	<b>2,006</b>	<b>(495)</b>	<b>(2,100)</b>	<b>2,239</b>	<b>(395)</b>
Cash and cash equivalents at the beginning of the reporting period	6,659	8,665	8,170	6,070	8,309
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>8,665</b>	<b>8,170</b>	<b>6,070</b>	<b>8,309</b>	<b>7,914</b>

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
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded internally from departmental resources <sup>(a)</sup>	97	242	242	242	242
<b>TOTAL</b>	<b>97</b>	<b>242</b>	<b>242</b>	<b>242</b>	<b>242</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	97	242	242	242	242
<b>Total cash used to acquire assets</b>	<b>97</b>	<b>242</b>	<b>242</b>	<b>242</b>	<b>242</b>

(a) Includes the following s74 external revenue:  
– internally developed assets.

Consistent with information contained in the Statement of Asset Movements and the Budgeted Statement of Cash Flows.

Prepared on Australian Accounting Standards basis.

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

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2022</b>				
Gross book value	885	652	5,518	7,055
Gross book value – ROU <sup>(a)</sup>	1,545	-	-	1,545
Accumulated depreciation/amortisation and impairment	(886)	(507)	(3,152)	(4,545)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	(306)	-	-	(306)
<b>Opening net book balance</b>	<b>1,238</b>	<b>145</b>	<b>2,366</b>	<b>3,749</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase – other <sup>(b)</sup>	-	110	132	242
<b>Total additions</b>	<b>-</b>	<b>110</b>	<b>132</b>	<b>242</b>
<b>Other movements</b>				
Depreciation/amortisation expense	-	(98)	(836)	(934)
Depreciation/amortisation expense – ROU <sup>(a)</sup>	(329)	-	-	(329)
<b>Total other movements</b>	<b>(329)</b>	<b>(98)</b>	<b>(836)</b>	<b>(1,263)</b>
<b>As at 30 June 2023</b>				
Gross book value	885	762	5,650	7,297
Gross book value – ROU <sup>(a)</sup>	1,545	-	-	1,545
Accumulated depreciation/amortisation and impairment	(886)	(605)	(3,988)	(5,479)
Accumulated depreciation/amortisation and impairment – ROU <sup>(a)</sup>	(635)	-	-	(635)
<b>Closing net book balance</b>	<b>909</b>	<b>157</b>	<b>1,662</b>	<b>2,728</b>

(a) Applies to leases under AASB 16 Leases. Right of Use (ROU).

(b) 'By purchase – other' refers to funding provided through other internal funding sources.

Prepared on Australian Accounting Standards basis.