

Portfolio Additional Estimates Statements 2015-16

Social Services Portfolio
(Department of Human Services)

Explanations of Additional Estimates 2015-16

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The Hon Stuart Robert MP

Minister for Veterans' Affairs

Minister for Human Services

Minister Assisting the Prime Minister for the Centenary of ANZAC

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2015-16 Additional Estimates for the Social Services Portfolio (Department of Human Services).

These statements have been developed, and are submitted to the Parliament, as a statement on the funding being sought for the Department.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stuart Robert'.

Stuart Robert

ABBREVIATIONS AND CONVENTIONS

The following notations 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nfp	not for publication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

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:

Mr Mark Jenkin, Chief Financial Officer in the Department of Human Services on (02) 6223 4350.

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

**USER GUIDE
TO THE
PORTFOLIO ADDITIONAL
ESTIMATES STATEMENTS**

USER GUIDE

The purpose of the 2015-16 Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by outcome(s) since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programmes supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (Nos. 3 and 4) 2015-16. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook (MYEFO) 2015-16* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for entities within the portfolio.

Structure of the Portfolio Additional Estimates Statements

The PAES are presented in three parts with subsections.

User guide

Provides a brief introduction explaining the purpose of the PAES.

Portfolio overview

Provides an overview of the portfolio, including a chart that outlines the outcomes for entities in the portfolio.

Entity Additional Estimates Statements

A statement (under the name of the entity) for each entity affected by Additional Estimates.

Section 1: Entity overview and resources	This section details the changes in total resources available to an entity, the impact of any measures since Budget, and impact of Appropriation Bills Nos. 3 and 4.
Section 2: Revisions to outcomes and planned performance	This section details changes to government outcomes and/or changes to the planned performance of entity programmes.
Section 3: Explanatory tables and budgeted financial statements	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.
Portfolio glossary	Explains key terms relevant to the Portfolio.

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DEPARTMENT OF HUMAN SERVICES

PORTFOLIO OVERVIEW

Ministers and portfolio responsibilities

The ministers responsible for the Social Services portfolio and its entities are:

- The Hon Christian Porter MP, Minister for Social Services
- The Hon Stuart Robert MP, Minister for Human Services
- Senator the Hon Concetta Fierravanti-Wells, Assistant Minister for Multicultural Affairs
- The Hon Alan Tudge MP, Assistant Minister for Social Services.

The Department of Human Services (the department) is part of the Social Services portfolio. Details of the Social Services portfolio appear in *Portfolio Additional Estimates Statements 2015–16 Social Services Portfolio*.

DEPARTMENT OF HUMAN SERVICES

The department is responsible for providing advice to government on design, development, delivery, co-ordination and monitoring of government services. It is subject to the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The department has one outcome and delivers a range of government and other payments and services to almost every Australian including:

- **Centrelink** payments and services for retirees, the unemployed, families, carers, parents, students, people with disabilities, Aboriginal and Torres Strait Islander people, people from culturally and linguistically diverse backgrounds, people living overseas and provision of services at times of major change, including disaster recovery payments.
- **Aged care** payments to services funded under the *Aged Care Act 1997* including residential care, home care and flexible care services.
- **Medicare** services and payments that support the health of Australians such as Medicare, the Pharmaceutical Benefits Scheme, eHealth, Private Health Insurance Rebate, the Australian Childhood Immunisation Register, the National Bowel Cancer Screening Register and the Australian Organ Donor Register.

Portfolio Overview

- **Child Support** services for separated parents to provide the financial and emotional support necessary for their children's wellbeing.

The department also delivers other services including the Tasmanian Freight Equalisation Scheme and Early Release of Superannuation, as well as whole of government services such as myGov.

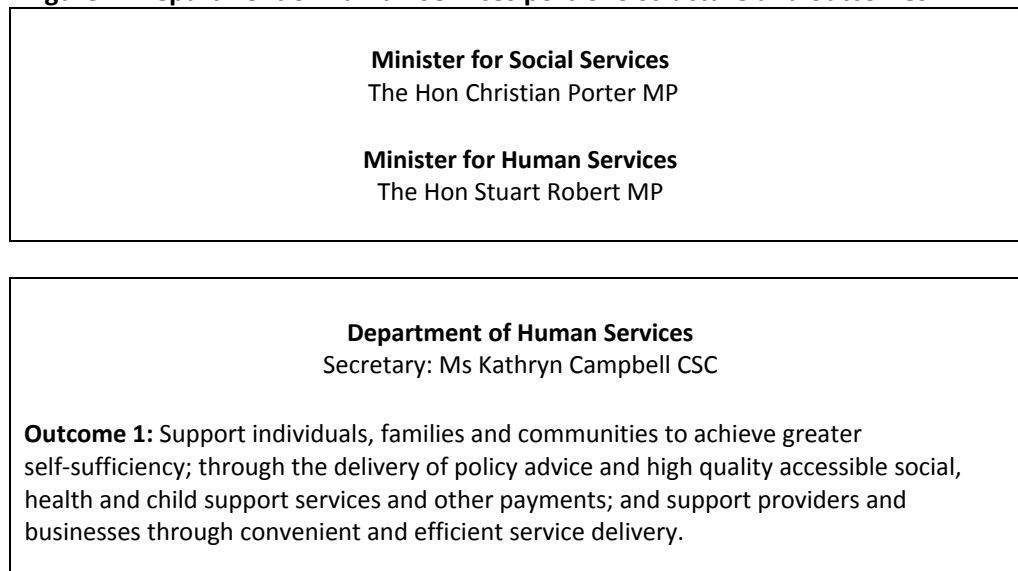
Machinery of government changes in the Administrative Arrangements Order dated 30 September 2015 resulted in the transfer of the Medicare Provider compliance function to the Department of Health. This also involved the transfer of \$34.1 million in 2015-16 appropriations and \$8.8 million in prior year appropriations, effective from 11 November 2015.

Additional appropriation of \$66.7 million is being sought through Appropriation Bill (No. 3) 2015-16 and \$10.1 million is being sought through Appropriation Bill (No. 4) 2015-16 as a result of new measures and variations.

AUSTRALIAN HEARING

Australian Hearing is a non-General Government Sector entity established under the *Australian Hearing Services Act 1991*. As such, Australian Hearing is not consolidated into the Commonwealth General Government Sector fiscal estimates. Accordingly, Australian Hearing is not reported in the PB Statements or PAES. Australian Hearing is a corporate Commonwealth entity under the PGPA Act and is governed by a board that is appointed by the Minister for Human Services.

Figure 1: Department of Human Services portfolio structure and outcomes



Portfolio resources

Table 1 shows those entities reporting in the PAES and the additional resources to be provided to the portfolio in the 2015-16 budget year, by entity.

Table 1: Portfolio Resources (2015-16 Additional Estimates)

	Appropriation		Special	Receipts	Total
	Bill No. 3 \$m	Bill No. 4 \$m		\$m	\$m
Department of Social Services (a) (c)					
Administered appropriations	95.7	-	(14,568.6)	-	(14,472.9)
Departmental appropriations	6.7	-	-	-	6.7
Total:	102.4	-	(14,568.6)	-	(14,466.2)
Department of Human Services (a)					
Administered appropriations	-	-	(..)	(0.3)	(0.3)
Departmental appropriations	66.7	10.1	-	37.3	114.1
Total:	66.7	10.1	(..)	37.0	113.8
National Disability Insurance Agency (b) (c)					
Administered appropriations	108.3	-	-	-	108.3
Departmental appropriations	-	-	-	-	-
Total:	108.3	-	-	-	108.3
Portfolio total	277.4	10.1	(14,568.6)	37.0	(14,244.1)
Less amounts transferred within portfolio	-	-	-	4.7	4.7
Additional resources for the portfolio:					(14,248.8)

- (a) Additional resourcing excludes the balance of unspent prior year appropriations or special account balances carried forward from 2014-15.
- (b) Funding under *Appropriation Act (No. 1) 2015-16* and Appropriation Bill (No. 3) 2015-16 is appropriated to the Department of Social Services (DSS) and then paid to the National Disability Insurance Agency (NDIA). All appropriations paid to the NDIA are considered to be departmental for all purposes. Budgetary reporting by the NDIA will in part be reported as departmental and administered to reflect the administered nature of the funds' purpose.
- (c) DHS is administered separately to DSS. Details of the allocation of additional estimates for these entities are reported in *Portfolio Additional Estimates 2015-16 Social Services Portfolio*.

**ENTITY ADDITIONAL ESTIMATES
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DEPARTMENT OF HUMAN SERVICES

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

There have been no changes to the strategic direction statement since the publication of the 2015–16 PB Statements.

For full details refer to pages 13-14 of the *Portfolio Budget Statements 2015–16, Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for the Department of Human Services at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2015–16 Budget year, including variations through Appropriation Bill Nos. 3 and No. 4, special appropriations and special accounts.

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2015-16 as at Additional Estimates February 2016

	Total available appropriation	Estimate as at Budget	Proposed Additional Estimates	Total estimate at Additional Estimates
	2014-15 \$'000	2015-16 \$'000	2015-16 \$'000	2015-16 \$'000
Ordinary annual services (a)				
Departmental appropriation				
Prior year departmental appropriation (b)	852,297	962,574	-	962,574
Departmental appropriation (c)	4,279,270	4,416,647	66,671	4,483,318
Less s75 transfer (d)	(8,814)	(34,104)	-	(34,104)
s74 retained revenue receipts (e)	258,077	141,419	37,292	178,711
Total	5,380,830	5,486,536	103,963	5,590,499
Administered expenses				
Prior year administered appropriation (b)	508	2,930	-	2,930
s74 retained receipts (f)	1,396	2,252	-	2,252
Outcome 1 (g)	8,386	2,252	-	2,252
Total	10,290	7,434	-	7,434
Total ordinary annual services [A]	5,391,120	5,493,970	103,963	5,597,933
Other services (h)				
Departmental non-operating				
Prior year departmental appropriation (b)	-	321	-	321
Equity injections	20,442	37,548	10,090	47,638
Total	20,442	37,869	10,090	47,959
Total other services [B]	20,442	37,869	10,090	47,959
Total available annual appropriations	5,411,562	5,531,839	114,053	5,645,892
Special appropriations				
Special appropriations limited by criteria/entitlement				
<i>Child Support (Registration and Collection) Act 1988: (i)</i>				
s77 - unremitted deductions	58,583	59,627	(2)	59,625
s78 - unexplained remittances	-	50	-	50
Total special appropriations [C]	58,583	59,677	(2)	59,675
Total appropriations excluding Special Accounts	5,470,145	5,591,516	114,051	5,705,567
Special Accounts				
Opening balance (j)	57,552	54,685	-	54,685
Appropriation receipts (k)	60,013	61,929	(2)	61,927
Non-appropriation receipts to Special accounts (l)	1,345,338	1,421,532	(300)	1,421,232
Total Special Account [D]	1,462,903	1,538,146	(302)	1,537,844
Total resourcing [A+B+C+D]	6,933,048	7,129,662	113,749	7,243,411
Less appropriations drawn from annual or special appropriations above and credited to special accounts (k)	(60,013)	(61,929)	2	(61,927)
Total net resourcing for the Department of Human Services	6,873,035	7,067,733	113,751	7,181,484

Table 1.1: Department of Human Services Resource Statement — Additional Estimates for 2015-16 as at Additional Estimates February 2016 (continued)

- (a) *Appropriation Act (No. 1) 2015-16* and Appropriation Bill (No. 3) 2015-16.
- (b) The 'Estimate as at Budget' has been updated to reflect the actual balance carried forward from the previous year for annual appropriations.
- (c) Departmental appropriation in 2015-16 includes an amount of \$196.1 million for the Departmental Capital Budget. The actual for 2014-15 includes an amount of \$196.9 million for the Departmental Capital Budget. (Refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.
- (d) Since the 2015-16 Budget, the department has transferred an amount of \$34.1 million from 2015-16 appropriation to the Department of Health under a section 75 determination due to machinery of government changes, with effect from 11 November 2015. This comprised \$33.8 million for operating revenue and \$0.3 million in Departmental Capital Budget funding. (Refer *Public Governance, Performance and Accountability (Section 75 Transfers) Amendment Determination 2015-2016 (No. 2)*). A further \$8.8 million was transferred from 2014-15 operating revenue appropriation. (Refer *Public Governance, Performance and Accountability (Section 75 Transfers) Amendment Determination 2014-2015 (No. 4)*).
- (e) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.
- (f) Administered repayments received by the department. This amount was not previously disclosed in the 2015-16 PB Statement.
- (g) The Department of Human Services does not have an Administered Capital Budget for 2015-16.
- (h) *Appropriation Act (No. 2) 2015-16* and Appropriation Bill (No. 4) 2015-16.
- (i) Special appropriations under the *Child Support (Registration and Collection) Act 1988* provide temporary funding to cover unremitted deductions and unexplained remittances until deductions have been received and unexplained remittances have been attributed to the relevant paying parent.
- (j) The 'Estimate as at Budget' has been updated to reflect the actual special account balance carried forward from the previous year.
- (k) Includes appropriation receipts from the Department of Human Services annual administered appropriation relating to Child Support payments and special appropriation for 2015-16 included above.
- (l) Non-appropriation receipts mainly comprise receipts from non-custodial parents through the Child Support Account.

Reader note: All figures are GST exclusive. These figures may not match figures in the cash flow statement.

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2015-16 as at Additional Estimates February 2016 (continued)

Third party payments on behalf of and receipts from other entities

	Estimate at Budget 2015-16 \$'000	Estimate at Additional Estimates 2015-16 \$'000
Payments made on behalf of other entities (disclosed in the respective entity's resource statement)		
Attorney-General's Department		
Special Appropriation - <i>Social Security (Administration) Act 1999</i>		
- Australian Victim of Terrorism Overseas Payment	1,485	1,485
- Disaster Recovery Allowance	340	1,045
- Disaster Recovery Payment	11,600	15,641
Annual Appropriation - Ex gratia assistance - New Zealand citizens	-	46
Total	13,425	18,217
Department of Agriculture and Water Resources		
Special Appropriation - <i>Farm Household Support Act 2014</i> s.105		
- payments for Farm Household Allowance	117,430	79,211
Total	117,430	79,211
Department of Defence		
Annual Appropriation - Closure of Hunter River and Port Stephens Fisheries - Assistance to individuals and Businesses	-	2,568
Total	-	2,568
Department of Education and Training		
Special Appropriation - <i>A New Tax System (Family Assistance) (Administration) Act 1999</i> (a)	-	1,562,906
Total	-	1,562,906
Department of Employment		
Annual Appropriation - Job Commitment Bonus	32,870	34,219
Total	32,870	34,219
Department of Health		
Special Appropriation - <i>Health Insurance Act 1973</i> - Medical Benefits	21,126,958	21,220,333
Special Appropriation - <i>National Health Act 1953</i>		
- Pharmaceutical Benefits	9,770,425	9,457,149
Special Appropriation - <i>Private Health Insurance Act 2007</i>	6,122,000	5,953,427
Special Appropriation - <i>Dental Benefits Act 2008</i>	605,451	605,765
Special Appropriation - <i>National Health Act 1953</i>		
- Aids and Appliances	346,427	346,427
Special Appropriation - <i>Medical Indemnity Agreement Act 2002</i>	82,495	82,495
Special Account - Australian Childhood Immunisation Register	9,563	9,563
Special Appropriation - <i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	1,508	1,508
Special Appropriation - <i>Aged Care Act 1997</i> (b)	-	8,798,434
Special Appropriation - <i>National Health Act 1953</i> - Continence Aids Assistance Scheme (b)	-	35,884
Total	38,064,827	46,510,985

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2015-16 as at Additional Estimates February 2016 (continued)

Third party payments on behalf of and receipts from other entities (continued)

	Estimate at Budget 2015-16 \$'000	Estimate at Additional Estimates 2015-16 \$'000
Payments made on behalf of other entities (continued)		
Department of Immigration and Border Protection		
Annual appropriation - Asylum Seeker Support	-	300,000
Total	-	300,000
Department of Infrastructure and Regional Development		
Annual Appropriation - Tasmanian Freight Equalisation Scheme	141,950	141,950
Annual Appropriation - Bass Strait Passenger Vehicle Equalisation Scheme	42,000	42,000
Total	183,950	183,950
Department of Social Services		
Special Appropriation - <i>Social Security (Administration) Act 1999</i>	90,936,706	90,183,527
Special Appropriation - <i>A New Tax System (Family Assistance) (Administration) Act 1999 (a)</i>	22,949,829	21,793,988
Special Appropriation - <i>Aged Care Act 1997 (b)</i>	11,547,461	2,945,528
Special Appropriation - <i>Paid Parental Leave Act 2010</i>	2,063,118	2,059,356
Special Appropriation - <i>Student Assistance Act 1973</i>	347,679	350,718
Special Appropriation - <i>National Health Act 1953 - Continence Aids Assistance Scheme (b)</i>	99,513	63,623
Annual Appropriation - Ex Gratia and Act of Grace Payments	3,769	3,769
Annual Appropriation - Compensation and Debt Relief	198	198
Total	127,948,273	117,400,707
Department of Veterans' Affairs		
Special Appropriation - <i>Veterans' Entitlements Act 1986</i> and related acts	3,870,534	3,833,294
Special Appropriation - <i>Military Rehabilitation and Compensation Act 2004</i>	41,064	43,807
Special Appropriation - <i>Safety, Rehabilitation and Compensation Act 1988</i>	18,701	14,891
Special Appropriation - <i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	420	360
Total	3,930,719	3,892,352
National Disability Insurance Agency		
Annual Appropriation - National Disability Insurance Scheme payments to providers for reasonable and necessary care and support for participants	-	125
Total	-	125
Total third party payments	170,291,494	169,985,240

- (a) Responsibility for child care benefit, child care rebate, child care services and registered carers transferred from the Department of Social Services to the Department of Education and Training as a result of the Administrative Arrangements order dated 21 September 2015.
- (b) Responsibility for aged care and the continence aids assistance scheme transferred from the Department of Social Services to the Department of Health as a result of the Administrative Arrangements order dated 30 September 2015.

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2015-16 as at Additional Estimates February 2016 (continued)

Third party payments on behalf of and receipts from other entities (continued)

	Estimate at Budget 2015-16 \$'000	Estimate at Additional Estimates 2015-16 \$'000
Receipts received from other entities for the provision of services		
Attorney-General's Department	165	318
Australian Electoral Commission	11	11
Australian Taxation Office	5,641	6,618
Department of Employment	150	150
Department of Finance	-	12
Department of Foreign Affairs and Trade	7,313	7,198
Department of Health	33,508	26,224
Department of Immigration and Border Protection	800	3,370
Department of Social Services	2,710	2,970
Department of the Environment	-	13
Department of the Prime Minister and Cabinet	3,077	3,503
Department of Veterans' Affairs	33,825	26,880
National Disability Insurance Agency	-	4,469
Total s74 retained revenue receipts received from other entities for the provision of services	87,200	81,736

1.3 ENTITY MEASURES

Table 1.2 summarises new government measures taken since the 2015-16 Budget. The table is split into revenue, expense and capital measures, with the affected programme identified.

Table 1.2: Entity 2015-16 measures since Budget

	Programme	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Expense measures (a)					
Department of Human Services					
Enhanced Welfare Payment Integrity					
– expand debt recovery					
Departmental expense	1.1	2,836	8,533	8,564	8,614
– income data matching					
Departmental expense	1.1	-	25,508	25,144	(170)
– non-employment income data matching					
Departmental expense	1.1	345	27,420	25,140	20,945
Government Remote Servicing — extension (b)					
Departmental expense	1.1	-	-	-	-
Department of Agriculture and Water Resources					
Stronger Farmers, Stronger Economy — new drought management framework (c)					
Departmental expense	1.1	-	-	-	-
Department of Defence					
Closure of Hunter River and Port Stephens Fisheries — Assistance to Individuals and Businesses (d)					
Departmental expense	1.1	-	-	-	-
Department of Education and Training					
Additional Child Care Subsidy — expansion					
Departmental expense	1.1	-	1,625	587	546
Child Care System — changes					
Departmental expense	1.1	-	1,489	3,245	5,297
Department of the Environment					
Green Army — project cap					
Departmental expense	1.1	-	750	1,395	3,779
Department of Health					
Aged Care Provider Funding					
– improved compliance					
Departmental expense	1.1	174	7	-	-
– revision to the Aged Care Funding Instrument Complex Health Care Domain					
Departmental expense	1.1	483	-	-	-
Medicare Benefits Schedule					
– changes to diagnostic imaging and pathology services bulk-billing incentives					
Departmental expense	1.2	4,575	7,922	7,018	5,689
– new and amended listings					
Departmental expense	1.2	(47)	(13)	(237)	(372)

Prepared on a Government Financial Statistics (fiscal) basis.

Table 1.2: Entity 2015-16 measures since Budget (continued)

	Programme	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Department of Health (continued)					
Mental Health — streamlining (c)					
Departmental expense	1.2	-	-	-	-
No Jab No Pay — improving immunisation coverage rates					
Departmental expense	1.1	10,976	1,988	1,053	-
Pharmaceutical Benefits Scheme — new and amended listings					
Departmental expense	1.2	1,114	376	385	393
Sixth Community Pharmacy Agreement and Pharmaceutical Benefits Scheme Reforms (c)					
Departmental expense	1.2	-	-	-	-
The Australian Government's Response to the National Ice Taskforce Final Report					
Departmental expense	1.2	-	168	16	19
Department of Immigration and Border Protection					
Syrian and Iraqi Humanitarian Crisis					
Departmental expense	1.1	4,480	6,182	4,895	4,497
Department of the Prime Minister and Cabinet					
Addressing Welfare Reliance in Remote Communities					
Departmental expense	1.1	11,073	3,556	-	-
Department of Social Services					
Age Pension — aligning the pension means testing arrangements with residential aged care arrangements					
Departmental expense	1.1	-	1,468	896	150
Applying a General Interest Charge to the Debts of Ex-recipients of Social Security and Family Assistance Payments					
Departmental expense	1.1	5,452	9,407	1,008	979
Commonwealth Parental Leave Payments — consistent treatment for income support assessment					
Departmental expense	1.1	2,055	(2,007)	(3,212)	(3,269)
Family Payment Reform — a new families package					
Departmental expense	1.1	(24,923)	(14,565)	29,223	37,670
Maintain the Higher Income Free Threshold for Family Tax Benefit Part A for a Further Two Years					
Departmental expense	1.1	-	250	(505)	(782)

Prepared on a Government Financial Statistics (fiscal) basis.

Entity Additional Estimates Statements – Department of Human Services

Table 1.2: Entity 2015-16 measures since Budget (continued)

	Programme	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Department of Social Services (continued)					
National Disability Insurance Scheme — transition to full Scheme					
Departmental expense	1.1	3,165	1,123	553	93
New Treatment of Fringe Benefits for Family Assistance and Youth Payments purposes					
Departmental expense	1.1	1,888	12,345	3,406	1,273
Parental Leave Pay — revised arrangements					
Departmental expense	1.1	5,002	81	(95)	(108)
Removal of Family Member Exemptions from the Newly Arrived Resident's Waiting Period					
Departmental expense	1.1	81	1,755	(2,200)	(3,936)
Remove the Exemptions for Parents in Employment Nil Rate Periods					
Departmental expense	1.1	1,085	1,971	11,152	3,847
Total expense measures					
Administered		-	-	-	-
Departmental		29,814	97,339	117,431	85,154
Total		29,814	97,339	117,431	85,154
Capital measures (a)					
Department of Human Services					
Enhanced Welfare Payment Integrity – non-employment income data matching					
Departmental capital	1.1	-	13,398	8,142	-
Department of Social Services					
National Disability Insurance Scheme — transition to full Scheme					
Departmental capital	1.1	2,425	229	-	-
Department of the Prime Minister and Cabinet					
Addressing Welfare Reliance in Remote Communities					
Departmental capital	1.1	7,665	179	-	-
Total capital measures					
Administered		-	-	-	-
Departmental		10,090	13,806	8,142	-
Total		10,090	13,806	8,142	-

Prepared on a Government Financial Statistics (fiscal) basis.

(a) A negative number for an estimate indicates a reduction in expenses, a positive estimate indicates increased expenses. Measures are listed by lead entity. Full measure details appear in the 2015-16 MYEFO.

(b) Funding of \$23.6 million will be provided to the department in 2019-20 only.

(c) Funding for this measure was previously provided for by the government in aggregate Budget estimates.

(d) Costs for this measure have been absorbed by the department.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the department at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2015-16 Budget in Appropriation Bills Nos. 3 and 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

Table 1.3: Additional estimates and variations to outcomes from measures since 2015-16 Budget

	Programme impacted	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Outcome 1					
Increase in estimates (departmental)					
Additional Child Care Subsidy — expansion	1.1	-	1,625	587	546
Addressing Welfare Reliance in Remote Communities	1.1	18,738	3,735	-	-
Age Pension — aligning the pension means testing arrangements with residential aged care arrangements	1.1	-	1,468	896	150
Aged Care Provider Funding — improved compliance	1.1	174	7	-	-
— revision to the Aged Care Funding Instrument Complex Health Care Domain	1.1	483	-	-	-
Applying a General Interest Charge to the Debts of Ex-recipients of Social Security and Family Assistance Payments	1.1	5,452	9,407	1,008	979
Child Care System — changes	1.1	-	1,489	3,245	5,297
Closure of Hunter River and Port Stephens Fisheries — Assistance to Individuals and Businesses (a)	1.1	-	-	-	-
Commonwealth Parental Leave Payments — consistent treatment for income support assessment	1.1	2,055	-	-	-
Enhanced Welfare Payment Integrity — expand debt recovery	1.1	2,836	8,533	8,564	8,614
— income data matching	1.1	-	25,508	25,144	-
— non-employment income data matching	1.1	345	40,818	33,282	20,945
Family Payment Reform — a new families package	1.1	-	-	29,223	37,670
Government Remote Servicing — extension (b)	1.1	-	-	-	-
Green Army — project cap	1.1	-	750	1,395	3,779

Table 1.3: Additional estimates and variations to outcomes from measures since 2015-16 Budget (continued)

	Programme impacted	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Increase in estimates (departmental) (continued)					
Maintain the Higher Income Free Threshold for Family Tax Benefit Part A for a Further Two Years	1.1	-	250	-	-
Medicare Benefits Schedule – changes to diagnostic imaging and pathology services bulk-billing incentives	1.2	4,575	7,922	7,018	5,689
Mental Health — streamlining (c)	1.2	1,428	-	-	-
National Disability Insurance Scheme — transition to full Scheme	1.1	5,590	1,352	553	93
New Treatment of Fringe Benefits for Family Assistance and Youth Payments purposes	1.1	1,888	12,345	3,406	1,273
No Jab No Pay — improving immunisation coverage rates	1.1	10,976	1,988	1,053	-
Parental Leave Pay — revised arrangements	1.1	5,002	81	-	-
Pharmaceutical Benefits Scheme — new and amended listings	1.2	1,114	376	385	393
Removal of Family Member Exemptions from the Newly Arrived Resident's Waiting Period	1.1	81	1,755	-	-
Remove the Exemptions for Parents in Employment Nil Rate Periods	1.1	1,085	1,971	11,152	3,847
Sixth Community Pharmacy Agreement and Pharmaceutical Benefits Scheme Reforms (c)	1.2	22,154	1,319	888	828
Stronger Farmers, Stronger Economy — new drought management framework (c)	1.1	258	3,913	2,128	2,148
Syrian and Iraqi Humanitarian Crisis	1.1	4,480	6,182	4,895	4,497
The Australian Government's Response to the National Ice Taskforce Final Report	1.2	-	168	16	19
Decrease in estimates (departmental)					
Medicare Benefits Schedule — new and amended listings	1.2	(47)	(13)	(237)	(372)
Maintain the Higher Income Free Threshold for Family Tax Benefit Part A for a Further Two Years	1.1	-	-	(505)	(782)
Commonwealth Parental Leave Payments — consistent treatment for income support assessment	1.1	-	(2,007)	(3,212)	(3,269)

Table 1.3: Additional estimates and variations to outcomes from measures since 2015-16 Budget (continued)

	Programme impacted	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Decrease in estimates (departmental) (continued)					
Parental Leave Pay — revised arrangements	1.1	-	-	(95)	(108)
Removal of Family Member Exemptions from the Newly Arrived Resident's Waiting Period	1.1	-	-	(2,200)	(3,936)
Enhanced Welfare Payment Integrity – income data matching	1.1	-	-	-	(170)
Family Payment Reform — a new families package	1.1	(24,923)	(14,565)	-	-
Net impact on estimates for Outcome 1 (departmental) (d)		63,744	116,377	128,589	88,130

(a) Costs for this measure have been absorbed by the department.

(b) Funding of \$23.6 million will be provided to the department in 2019-20 only.

(c) The amount for this measure differs from Table 1.2 as the Government has already made provision for the funding.

(d) The net impact on estimates includes capital funding as follows: 2015-16 \$10.1 million; 2016-17 \$13.8 million, and 2017-18 \$8.1 million.

Table 1.4: Additional estimates and variations to outcomes from other variations since Budget

	Programme impacted	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Outcome 1					
Decrease in estimates (administered)					
Child Support - changes in programme specific parameters	1.3	-	(88)	(113)	(129)
Net impact on estimates for Outcome 1 (administered)					
		-	(88)	(113)	(129)
Increase in estimates (departmental)					
Legislation delays	1.1	4,793	5,306	176	671
Funding for the trial of new income management debit card arrangements	1.1	3,427	1,273	-	-
Other variations	1.1, 1.2	(2)	-	400	3,380
Decrease in estimates (departmental)					
Green Army - savings (a)	1.1	-	(189)	(185)	(1,240)
Transfer of functions to the Department of Health (b)	1.2	(34,104)	(48,882)	(49,001)	(48,713)
Changes in price & wage indices	1.1, 1.2, 1.3	-	-	(3,961)	(7,860)
Whole of government savings	1.1, 1.2, 1.3	(2,370)	(2,370)	(2,370)	(2,370)
Net impact on estimates for Outcome 1 (departmental)					
		(28,256)	(44,862)	(54,941)	(56,132)

- (a) This represents a revision to the costs for the Green Army - project cap measure announced in MYEFO.
- (b) The department has transferred the following amounts to the Department of Health under a section 75 determination due to machinery of government changes with effect from 11 November 2015:
- i Ordinary annual services operating revenue: 2015-16 \$33.8 million; 2016-17 \$48.4 million; 2017-18 \$48.5 million; 2018-19 \$48.0 million.
 - ii Capital (Equity injections): 2015-16 \$0.3 million; 2016-17 \$0.5 million; 2017-18 \$0.5 million; 2018-19 \$0.7 million.

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the department through Appropriation Bills Nos. 3 and 4.

Table 1.5: Appropriation Bill (No. 3) 2015-16

	2014-15 Available \$'000	2015-16 Budget \$'000	2015-16 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Administered items					
Outcome 1					
Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.	8,386	2,252	2,252	-	-
Total administered	8,386	2,252	2,252	-	-
Departmental programmes					
Outcome 1					
Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.	4,270,456	4,382,543	4,449,214	66,997	(326)
Total departmental	4,270,456	4,382,543	4,449,214	66,997	(326)
Total administered and departmental	4,278,842	4,384,795	4,451,466	66,997	(326)

Entity Additional Estimates Statements – Department of Human Services

Table 1.6: Appropriation Bill (No. 4) 2015-16

	<i>2014-15 Available \$'000</i>	<i>2015-16 Budget \$'000</i>	<i>2015-16 Revised \$'000</i>	<i>Additional Estimates \$'000</i>	<i>Reduced Estimates \$'000</i>
Non-operating					
Equity injections	20,442	37,548	47,638	10,090	-
Total non-operating	20,442	37,548	47,638	10,090	-
Total other services	20,442	37,548	47,638	10,090	-

Section 2: Revisions to outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

There have been no changes to the outcome or programme structure since the publication of the 2015–16 PB Statements.

For full details refer to page 26 of the *Portfolio Budget Statements 2015–16, Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

OUTCOME 1

Outcome 1: Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.

Strategy for Outcome 1

There have been no changes to the strategy for Outcome 1 since the publication of the 2015–16 PB Statements.

For full details refer to pages 26–27 of the *Portfolio Budget Statements 2015–16, Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

Table 2.1 Budgeted expenses for Outcome 1

Outcome 1: Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.	2014-15 Actual expenses \$'000	2015-16 Revised estimated expenses \$'000
Programme 1.1: Services to the Community - Social Security and Welfare		
Administered expenses		
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	6,129	-
Expenses not requiring appropriation in the Budget year (a)	32	16
Departmental expenses		
Departmental appropriation (b)	3,129,367	3,380,416
Expenses not requiring appropriation in the Budget year (a)	190,653	177,814
Total for Programme 1.1	3,326,181	3,558,246
Programme 1.2: Services to the Community - Health		
Departmental expenses		
Departmental appropriation (b)	597,475	570,327
Expenses not requiring appropriation in the Budget year (a)	37,935	34,831
Total for Programme 1.2	635,410	605,158
Programme 1.3: Child Support		
Administered expenses		
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	1,430	2,252
Special appropriations	58,583	59,675
Special accounts	1,365,323	1,370,594
Expenses not requiring appropriation in the Budget year (a)	81,658	113,055
Departmental expenses		
Departmental appropriation (b)	452,107	440,161
Expenses not requiring appropriation in the Budget year (a)	25,052	23,599
Total for Programme 1.3	1,984,153	2,009,336
Outcome 1 Totals by appropriation type		
Administered expenses		
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	7,559	2,252
Special appropriations	58,583	59,675
Special accounts	1,365,323	1,370,594
Expenses not requiring appropriation in the Budget year (a)	81,690	113,071
Departmental expenses		
Departmental appropriation (b)	4,178,949	4,390,904
Expenses not requiring appropriation in the Budget year (a)	253,640	236,244
Total expenses for Outcome 1	5,945,744	6,172,740
Average Staffing Level (number)	29,711	30,369

- (a) Administered expenses not requiring appropriation in the Budget year comprise depreciation expense and write down of assets. Departmental expenses not requiring appropriation in the Budget year include unfunded depreciation and amortisation expense; resources consumed free of charge; and net write-down of assets in 2014-15 only.
- (b) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

Note: The attribution of departmental appropriation between programmes are indicative estimates and may change in the course of the budget year as government priorities change.

Programme 1.1 Services to the Community – Social Security and Welfare

Programme 1.1 Objective

For full details refer to pages 29-31 of the 2015–16 PB Statements, *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

There have been no changes to the objective for programme 1.1 since the publication of the 2015–16 PB Statements.

Linked to:

Programme links published in the 2015–16 PB Statements have been revised as follows:

Agriculture Portfolio

Australian Fisheries Management Authority

Delete: 1.1 Australian Fisheries Management Authority

Attorney-General's Portfolio

Attorney-General's Department:

Add: 1.7 National Security and Criminal Justice

Australian Federal Police

Delete: 1.1 Federal Policing and National Security

Australian Transaction Reports and Analysis Centre

Delete: 1.1 AUSTRAC

Commonwealth Director of Public Prosecutions

Delete: 1.1

Defence Portfolio

Department of Defence

Add: 1.9 Chief Operating Officer - Defence Support and Reform

Department of Veterans' Affairs

Delete: 1.2 Veterans' Disability Support

Delete: 1.3 Assistance to Defence Widowers and dependants

Delete: 1.4 Assistance and Other Compensation for Veterans and Dependants

Delete: 1.5 Veterans' Children Education Scheme

Education Portfolio

Department of Education and Training

Add: 1.7 Support for the Child Care System

Add: 1.8 Child Care Benefit

Add: 1.9 Child Care Rebate

Replace: 3.7 with 2.7 International Education Support

Replace: 3.8 with 2.8 Building Skills and Capability

Environment Portfolio

Department of the Environment

Add: 1.1 Sustainable Management of Natural Resources and the Environment

Programme 1.1 Objective (continued)

Linked to (continued):

Finance Portfolio

Australian Electoral Commission

Delete: 1 Deliver Electoral Events

Health Portfolio

Department of Health

Add: 11.3 Home Care

Add: 11.4 Residential and Flexible Care

Add: 11.6 Ageing and Service Improvement

Immigration and Border Protection Portfolio

Department of Immigration and Border Protection

Add: 1.3 Compliance and Detention

Add: 1.4 IMA Onshore Management

Add: 2.4 Refugee and Humanitarian Assistance

Social Services Portfolio

Department of Social Services

Delete: 2.5 Child Care Benefit

Delete: 2.6 Child Care Rebate

Delete: 3.3 Home Care

Delete: 3.4 Residential and Flexible Care

Delete: 3.5 Workforce and Quality

Delete: 3.6 Ageing and Service Improvement

National Disability Insurance Agency

Add: 1.2 Community inclusion and capacity development grants

Treasury Portfolio

Australian Competition and Consumer Commission

Delete: 1.1 Australian Competition and Consumer Commission

Delete: 1.2 Australian Energy Regulator

Australian Securities and Investments Commission

Delete: 1.1 Australian Securities and Investments Commission

Australian Taxation Office

Delete: 1.3 Australian Business Register

Delete: 1.16 Education Tax Refund

Entity Additional Estimates Statements – Department of Human Services

Programme 1.1 expenses

	2014-15 Actual \$'000	2015-16 Revised budget \$'000	2016-17 Forward year 1 \$'000	2017-18 Forward year 2 \$'000	2018-19 Forward year 3 \$'000
Administered Expenses:					
Income Management BasicsCard (a)	3,004	-	-	-	-
Future Workforce	3,125	-	-	-	-
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	6,129	-	-	-	-
Administered expenses not requiring appropriation in the Budget year (b)	32	16	-	-	-
Annual Departmental Expenses:					
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	3,000,918	3,311,699	3,234,652	3,033,819	2,978,879
Revenues from independent sources (s74)	128,449	68,717	63,033	63,112	63,276
Departmental expenses not requiring appropriation in the Budget year (c)	190,653	177,814	184,246	172,389	175,336
Total Programme Expenses	3,326,181	3,558,246	3,481,931	3,269,320	3,217,491

- (a) Departmental funding was provided in the 2015-16 Budget for a two year extension of the Income Management BasicsCard. Refer Table 1.2 page 22 of the 2015-16 PB Statements, *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.
- (b) Administered expenses not requiring appropriation in the Budget year include depreciation expense and write down of assets.
- (c) Departmental expenses not requiring appropriation in the Budget year comprise unfunded depreciation and amortisation expense; resources consumed free of charge; and net write-down of assets in 2014-15 only.

Programme 1.1 Deliverables

For full details refer to page 33 of the 2015-16 PB Statements, *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

There have been no changes to the deliverables for programme 1.1 since the publication of the 2015-16 PB Statements.

Programme 1.1 Key Performance Indicators

For full details refer to pages 34-35 of 2015-16 PB Statements *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

The table below outlines the changes to key performance indicators for programme 1.1 since the publication of the 2015-16 PB Statements.

Key Performance Indicators	2014-15 Actual	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
Internal Reviews: Percentage of reviews finalised within standard (a).	65.4%	≥70%	≥70%	≥70%	≥70%

(a) Consistent with the 2014-15 PB Statements, the target should be ≥70%, not ≥95% as reported in the 2015-16 PB Statements.

Programme 1.2 Services to the Community – Health

Programme 1.2 objective

Refer to pages 36-37 of the 2015–16 PB Statements, *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)* for full details of the objectives for programme 1.2.

Responsibility for Medicare provider compliance moved to the Department of Health as a result of amendments to the Administrative Arrangements Order made on 30 September 2015. The compliance objective has been amended as follows:

- The department maintains a robust compliance system to support the integrity of Medicare payments for patient claims.

Linked to:

Programme links published in the 2015–16 PB Statements have been revised as follows:

Defence Portfolio

Department of Veterans' Affairs

Delete: 2.6 Military Rehabilitation and Compensation Acts - Health and Other Care Services

Health Portfolio

Department of Health

Delete: 2.4 Targeted Assistance – Aids and Appliances

Rename: 7.1 eHealth

Delete: 7.7 Regulatory Policy

Professional Services Review

Delete: 1.1 Safeguarding the integrity of the Medicare program and Pharmaceutical Benefits Scheme

Programme 1.2 expenses

	2014-15 Actual \$'000	2015-16 Revised budget \$'000	2016-17 Forward year 1 \$'000	2017-18 Forward year 2 \$'000	2018-19 Forward year 3 \$'000
Annual Departmental Expenses (a):					
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	543,943	512,366	469,537	477,642	459,431
Revenues from independent sources (s74)	53,532	57,961	42,807	49,604	14,408
Expenses not requiring appropriation in the Budget year (b)	37,935	34,831	36,392	34,001	34,633
Total Programme Expenses	635,410	605,158	548,736	561,247	508,472

- (a) The department has transferred the following amounts to the Department of Health under a section 75 determination due to machinery of government changes with effect from 11 November 2015: Ordinary annual services operating revenue: 2015-16 \$33.8 million; 2016-17 \$48.4 million; 2017-18 \$48.5 million; 2018-19 \$48.0 million.
- (b) Departmental expenses not requiring appropriation in the Budget year comprise unfunded depreciation and amortisation expense; resources consumed free of charge; and net write-down of assets in 2014-15 only.

Programme 1.2 deliverables

Refer to page 38 of the 2015-16 PB Statements, *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)* for full details of the deliverables for programme 1.2.

Responsibility for Medicare provider compliance moved to the Department of Health as a result of amendments to the Administrative Arrangements Order made on 30 September 2015.

Programme 1.2 key performance indicators

For full details refer to page 39 of the 2015–16 PB Statements, *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

The table below outlines the changes to key performance indicators for programme 1.2 since the publication of the 2015–16 PB Statements.

Key Performance Indicator	2014-15 Actual	2015-16 Revised budget	2016-17 Forward year 1	2017-18 Forward year 2	2018-19 Forward year 3
Achievement of payment quality standards					
Medicare: Delivery of accurate medical benefits and services (a)	98%	≥98%	≥98%	≥98%	≥98%
Achievement of payment integrity standards					
Medicare: Completed customer compliance cases (b)	N/A	≥300	≥300	≥300	≥300

(a) The reference to pharmaceutical benefits and services has been removed. On 1 April 2015, manual intervention in the Pharmaceutical Benefits Scheme Claims processing system ceased. Claims processing was the only transaction within the Pharmaceutical Benefits Scheme in which payment quality was measured.

(b) The target has been updated for completed Medicare audit and review cases as a result of machinery of government changes. The figure only represents Medicare public compliance cases as the provider audits and reviews have been transferred to the Department of Health.

Programme 1.3 Child Support

Programme 1.3 Objective

For full details refer to page 40 of the 2015–16 PB Statements, *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

There have been no changes to the objective or links for programme 1.3 since the publication of the 2015–16 PB Statements.

Programme 1.3 expenses

	2014-15 Actual \$'000	2015-16 Revised budget \$'000	2016-17 Forward year 1 \$'000	2017-18 Forward year 2 \$'000	2018-19 Forward year 3 \$'000
Annual administered expenses:					
Child Support dishonoured cheques and other shortfalls	1,430	2,252	2,224	2,270	2,331
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	1,430	2,252	2,224	2,270	2,331
Special Appropriations:					
Child Support Act (a)					
- s77 - unremitted deductions	58,583	59,625	57,489	58,649	60,238
- s78 - unexplained remittances	-	50	50	50	50
Total Special Appropriations	58,583	59,675	57,539	58,699	60,288
Special account expenses:					
Child Support Account	1,365,323	1,370,594	1,373,022	1,400,948	1,447,001
Administered expenses not requiring appropriation in the Budget year (b)	81,658	113,055	94,473	95,102	88,193
Annual Departmental Expenses:					
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	449,723	437,385	433,717	435,812	438,005
Revenues from independent sources (s74)	2,384	2,776	2,804	2,804	2,804
Expenses not requiring appropriation in the Budget year (c)	25,052	23,599	23,383	21,636	21,691
Total programme expenses	1,984,153	2,009,336	1,987,162	2,017,271	2,060,313

(a) *Child Support (Registration and Collection) Act 1988*.

(b) Comprises write-down of assets.

(c) Departmental expenses not requiring appropriation in the Budget year comprise unfunded depreciation and amortisation expense and resources consumed free of charge.

Programme 1.3 deliverables

For full details refer to page 41 of the 2015–16 PB Statements, *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

There have been no changes to the deliverables for programme 1.3 since the publication of the 2015–16 PB Statements.

Programme 1.3 key performance indicators

For full details refer to page 41 of the 2015–16 PBS Statements, *Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services)*.

There have been no changes to the key performance indicators for programme 1.3 since the publication of the 2015–16 PB Statements.

Section 3: Explanatory tables and budgeted financial Statements

3.1 EXPLANATORY TABLES

Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the department. The corresponding table in the 2015–16 PB Statements is Table 3.1.2.

Table 3.1.1: Estimates of special account flows and balances

	Outcome	Opening balance	Receipts	Payments	Adjustments	Closing balance
		\$'000	\$'000	\$'000	\$'000	\$'000
Child Support Account (a) (A)	1					
2015-16 Revised estimate		54,275	1,482,749	(1,482,749)	-	54,275
2014-15 Actual		56,887	1,404,941	(1,407,553)	-	54,275
Recovery of Compensation for Health Care & Other Services Special Account (b) (A)	1					
2015-16 Revised estimate		43,726	311,016	(301,372)	-	53,370
2014-15 Actual		35,465	266,417	(258,156)	-	43,726
Services for Other Entities and Trust Moneys - Department of Human Services Special Account (c) (A) & (D)	1					
2015-16 Revised estimate		-	-	-	-	-
2014-15 Actual		-	-	-	-	-
Total special accounts 2015-16 Revised estimate		98,001	1,793,765	(1,784,121)	-	107,645
<i>Total special accounts 2014-15 Actual</i>		<i>92,352</i>	<i>1,671,358</i>	<i>(1,665,709)</i>	<i>-</i>	<i>98,001</i>

(A) = Administered

(D) = Departmental

(a) Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 80.

Establishing Instrument: *Child Support (Registration and Collection) Act 1988*, section 73.

Purpose: For the receipt of child support payments and the making of regular and timely payments to custodial parents.

(b) Appropriation: *Public Governance, Performance and Accountability Act 2013*, section 78.

Establishing Instrument: Determinations 2005/24 and 2015/06 *Public Governance, Performance and Accountability Act 2013* section 78.

Purpose: To credit monies for the purpose of recovery of compensation following a judgement or settlement under the *Health and Other Services (Compensation) Act 1995* and:

- i to pay the claimant, or the claimant's authorised representative, amounts credited to the Special Account; and
- ii to reduce the balance of the Special Account (and, therefore, the available appropriation for the Special Account) without making a real or notional payment; and
- iii to repay amounts where an Act or other law requires or permits the repayment of an amount received.

Table 3.1.1: Estimates of special account flows and balances (continued)

- (c) Appropriation: s78(4) PGPA Act 2013.
Establishing Instrument: Determination 2011/13 under *Public Governance, Performance and Accountability Act 2013* section 78.
Purpose: To credit and debit monies for the purpose of:
- i to disburse amounts held on trust or otherwise for the benefit of a person other than the Commonwealth;
 - ii to disburse amounts in connection with services performed on behalf of other governments and bodies that are non-corporate Commonwealth entities;
 - iii to repay amounts where an Act or other law requires or permits the repayment of an amount received; and
 - iv to reduce the balance of the Special Account (and, therefore, the available appropriation for the Special Account) without making a real or notional payment.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

Departmental comprehensive income statement (Table 3.2.1)

Since the 2015–16 Budget, revenue from government in 2015–16 has increased by \$25.7 million, reflecting additional expense estimates and variations of \$53.7 million (refer Table 1.3), offset by reductions of \$28.3 million due to other variations (refer Table 1.4).

Since Budget, estimates of own-source income have decreased by \$11.7 million reflecting changes in revenue from service agreements with other entities including the Departments of Health and Veterans' Affairs.

Total expenses in 2015–16 have decreased by \$5.4 million since the 2015–16 Budget, mainly reflecting the impact of measures, other variations and own source income as noted above, and reduced depreciation expense following a revision of the useful lives of assets.

Departmental balance sheet (Table 3.2.2)

The budgeted net asset position at 30 June 2016 has increased by \$109.0 million since the 2015–16 Budget to \$684.8 million. The revised estimates take into account the 2014–15 operating result and the flow on effect of the audited financial accounts as at 30 June 2015.

Departmental Capital Budget Statement (Table 3.2.5)

Since the 2015–16 Budget, an additional \$10.1 million in equity injection funding has been provided through budget measures. The Departmental Capital Budget for asset replacement is forecast to remain relatively stable over the forward years.

Statement of departmental asset movements (Table 3.2.6)

The estimated net book value of land, buildings, property plant and equipment and intangible assets as at 30 June 2016 has increased by \$75.5 million since the 2015–16 Budget. This reflects actual 2014–15 closing balances being \$44.1 million higher than estimated at Budget; additional capital purchases of \$9.8 million; and a reduction of \$21.7 million in depreciation expense following a revision of the estimated useful lives of assets.

Schedule of administered activity

Administered income and expenses (Table 3.2.7)

Since the 2015–16 Budget, administered revenue has increased by \$12.3 million reflecting increased estimates of dividends and competitive neutrality revenue from Australian Hearing.

Administered assets and liabilities (Table 3.2.8)

Since the 2015-16 Budget, the estimated closing asset balances for 2015-16 have increased by \$3.4 million, while liabilities have decreased by \$5.9 million. These movements reflect changes in Child Support maintenance receivables and accrued expenses, which are based on the level of Child Support receivables.

3.2.2 Budgeted financial statements

Table 3.2.1: Comprehensive departmental income statement (showing net cost of services) for the period ended 30 June

	2014-15	2015-16	2016-17	2017-18	2018-19
	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	2,805,469	2,954,436	2,704,533	2,598,651	2,551,964
Suppliers	1,369,918	1,433,236	1,538,793	1,460,873	1,400,505
Depreciation and amortisation	229,011	232,656	240,433	224,438	228,072
Finance costs	821	482	489	498	508
Write-down and impairment of assets	22,389	123	123	124	129
Losses from asset sales	-	22	-	-	-
Other expenses	4,981	6,193	6,200	6,235	7,285
Total expenses	4,432,589	4,627,148	4,490,571	4,290,819	4,188,463
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Rendering of services	181,773	127,910	107,299	114,141	79,441
Rental income	2,592	1,125	926	960	628
Other revenue	-	419	419	419	419
Total own-source revenue	184,365	129,454	108,644	115,520	80,488
Gains					
Sale of assets	473	-	-	-	-
Other Gains	17,172	3,588	3,588	3,588	3,588
Total gains	17,645	3,588	3,588	3,588	3,588
Total own-source income	202,010	133,042	112,232	119,108	84,076
Net cost of (contribution by) services	4,230,579	4,494,106	4,378,339	4,171,711	4,104,387
Revenue from government (a)	4,068,695	4,261,450	4,137,906	3,947,273	3,876,315
Surplus/(deficit) attributable to the Australian Government	(161,884)	(232,656)	(240,433)	(224,438)	(228,072)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	10,804	-	-	-	-
Total other comprehensive income	10,804	-	-	-	-
Total comprehensive income (loss)	(151,080)	(232,656)	(240,433)	(224,438)	(228,072)

Prepared on Australian Accounting Standards basis.

(a) The department has transferred an amount of \$33.8 million of revenue from government to the Department of Health in 2015-16 under a section 75 determination due to machinery of government changes.

Table 3.2.1: Comprehensive departmental income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of Net Cash Appropriation Arrangements					
	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	76,583	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	227,663	232,656	240,433	224,438	228,072
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	(151,080)	(232,656)	(240,433)	(224,438)	(228,072)

Prepared on Australian Accounting Standards basis.

- (a) From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through ordinary annual services equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	2014-15 Actual \$'000	2015-16 Revised budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	26,748	27,642	27,642	27,642	27,642
Trade and other receivables	994,615	984,973	988,465	983,946	964,372
Other financial assets	-	2	1	2	2
Total financial assets	1,021,363	1,012,617	1,016,108	1,011,590	992,016
Non-financial assets					
Land and buildings	321,892	309,726	300,413	285,256	271,886
Property, plant and equipment	151,989	179,751	189,382	191,660	186,183
Intangibles	441,476	437,215	436,497	429,138	410,305
Other non-financial assets	111,709	96,921	90,185	86,837	94,843
Total non-financial assets	1,027,066	1,023,613	1,016,477	992,891	963,217
Total assets	2,048,429	2,036,230	2,032,585	2,004,481	1,955,233
LIABILITIES					
Payables					
Suppliers	365,929	364,499	356,601	352,375	344,758
Other payables	126,645	62,885	67,096	62,911	58,362
Total payables	492,574	427,384	423,697	415,286	403,120
Provisions					
Employees	857,875	896,505	896,459	896,506	896,596
Other provisions	26,544	27,561	28,049	28,547	29,055
Total provisions	884,419	924,066	924,508	925,053	925,651
Total liabilities	1,376,993	1,351,450	1,348,205	1,340,339	1,328,771
Net assets	671,436	684,780	684,380	664,142	626,462
EQUITY					
Parent entity interest					
Contributed equity	1,430,577	1,676,577	1,916,610	2,120,810	2,311,202
Reserves	95,382	95,382	95,382	95,382	95,382
Retained surplus (accumulated deficit)	(854,523)	(1,087,179)	(1,327,612)	(1,552,050)	(1,780,122)
Total parent entity interest	671,436	684,780	684,380	664,142	626,462
Total equity	671,436	684,780	684,380	664,142	626,462

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget Year 2015-16)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2015				
Balance carried forward from previous period	(854,523)	95,382	1,430,577	671,436
Adjusted opening balance	(854,523)	95,382	1,430,577	671,436
Comprehensive income				
Surplus (deficit) for the period	(232,656)	-	-	(232,656)
Total comprehensive income	(232,656)	-	-	(232,656)
Transactions with owners				
Distribution to owners				
Returns of capital				
Distribution of Equity	-	-	-	-
Restructuring	-	-	2,268	2,268
Contribution by owners				
Equity Injection - Appropriation	-	-	47,638	47,638
Departmental Capital Budget (DCB) (a)	-	-	196,094	196,094
Sub-total transactions with owners	-	-	246,000	246,000
Estimated closing balance as at 30 June 2016	(1,087,179)	95,382	1,676,577	684,780

Prepared on Australian Accounting Standards basis

(a) The department has transferred an amount of \$0.3 million in Departmental Capital Budget funding to the Department of Health under a section 75 determination due to machinery of government changes.

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2014-15 Actual \$'000	2015-16 Revised budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	3,978,923	4,262,772	4,134,159	3,950,192	3,895,889
Sale of goods and rendering of services	200,445	132,639	111,185	119,352	83,141
s74 retained revenue receipts redrawn from OPA	405,453	329,999	321,437	320,143	279,031
Net GST received	135,247	146,838	159,734	150,273	145,372
Other	69,165	50,518	50,518	50,518	50,518
Total cash received	4,789,233	4,922,766	4,777,033	4,590,478	4,453,951
Cash used					
Employees	2,838,751	2,999,677	2,730,164	2,634,048	2,586,830
Suppliers	1,553,387	1,586,007	1,719,232	1,630,052	1,580,805
GST Paid	5,457	-	-	-	-
s74 retained revenue receipts transferred to OPA	405,453	329,999	321,437	320,143	279,031
Other	828	6,193	6,200	6,235	7,285
Total cash used	4,803,876	4,921,876	4,777,033	4,590,478	4,453,951
Net cash from/(used by) operating activities	(14,643)	890	-	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	609	4	-	-	-
Total cash received	609	4	-	-	-
Cash used					
Purchase of property, plant and equipment and intangibles	196,156	244,053	240,033	204,200	190,392
Total cash used	196,156	244,053	240,033	204,200	190,392
Net cash from/(used by) investing activities	(195,547)	(244,049)	(240,033)	(204,200)	(190,392)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	216,997	244,053	240,033	204,200	190,392
Total cash received	216,997	244,053	240,033	204,200	190,392
Net cash from/(used by) financing activities	216,997	244,053	240,033	204,200	190,392
Net increase/(decrease) in cash held	6,807	894	-	-	-
Cash and cash equivalents at the beginning of the reporting period	19,941	26,748	27,642	27,642	27,642
Cash and cash equivalents at the end of the reporting period	26,748	27,642	27,642	27,642	27,642

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement (for the period ended 30 June)

	2014-15 Actual \$'000	2015-16 Revised budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital Budget - Act No. 1 (DCB) (a)	196,876	196,094	190,049	192,852	188,949
Equity Injections - Act No. 2	20,442	47,638	49,984	11,348	1,443
Total new capital appropriations	217,318	243,732	240,033	204,200	190,392
Provided for:					
Purchase of non-financial assets	217,318	244,053	240,033	204,200	190,392
Other items (b)	-	(321)	-	-	-
Total Items	217,318	243,732	240,033	204,200	190,392
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (c)	20,121	47,959	49,984	11,348	1,443
Funded by capital appropriation - DCB (c)	196,876	196,094	190,049	192,852	188,949
Funded internally from departmental resources (d)	42,327	-	-	-	-
TOTAL AMOUNT SPENT	259,324	244,053	240,033	204,200	190,392
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	259,324	244,053	240,033	204,200	190,392
less additions by creditors / borrowings	(63,168)				
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	196,156	244,053	240,033	204,200	190,392

Prepared on Australian Accounting Standards basis.

- (a) The department has transferred an amount of \$0.3 million in Departmental Capital Budget (DCB) funding to the Department of Health under a section 75 determination due to machinery of government changes.
- (b) Asset purchases in 2015-16 are estimated to exceed new capital appropriations in 2015-16 by \$0.3 million as the purchases are funded from unspent 2014-15 appropriation.
- (c) May include purchases made from both current and previous years' appropriations.
- (d) May include the following sources of funding: s74 retained revenue receipts; and proceeds from the sale of assets.

Table 3.2.6: Statement of departmental asset movements (2015-16 Budget year)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2015					
Gross book value	5,225	338,552	199,330	933,462	1,476,569
Accumulated depreciation/amortisation and impairment	-	(21,885)	(47,341)	(491,986)	(561,212)
Opening net book balance	5,225	316,667	151,989	441,476	915,357
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity (a)	-	-	18,101	29,858	47,959
By purchase - appropriation ordinary annual services (b)	-	65,436	59,813	70,845	196,094
By purchase - other	-	-	-	-	-
Total additions	-	65,436	77,914	100,703	244,053
Other movements					
Depreciation/amortisation expense	-	(77,602)	(50,109)	(104,945)	(232,656)
Disposals (c)	-	-	(7)	(19)	(26)
From disposal of entities or operations (including restructuring) (d)	-	-	(36)	-	(36)
Total other movements	-	(77,602)	(50,152)	(104,964)	(232,718)
As at 30 June 2016					
Gross book value	5,225	403,988	275,103	1,034,117	1,718,433
Accumulated depreciation/amortisation and impairment	-	(99,487)	(95,352)	(596,902)	(791,741)
Closing net book balance	5,225	304,501	179,751	437,215	926,692

Prepared on Australian Accounting Standards basis.

- (a) "Appropriation equity" refers to equity injections provided through *Appropriation Act (No. 2) 2015-16* and Bill (No. 4) 2015-16.
- (b) "Appropriation ordinary annual services" refers to funding provided through *Appropriation Act (No. 1) 2015-16* and Bill (No. 3) 2015-16 for the DCB.
- (c) Disposals comprise other property, plant and equipment: gross value of \$0.013 million and accumulated depreciation of \$0.006 million; Intangibles gross value of \$0.048 million and accumulated depreciation of \$0.029 million.
- (d) Assets transferred comprise other property, plant and equipment: gross value of \$2.128 million and accumulated depreciation of \$2.092 million.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2014-15 Actual \$'000	2015-16 Revised budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	3,004	-	-	-	-
Grants	3,125	-	-	-	-
Depreciation	32	16	-	-	-
Write-down and impairment of assets	81,658	113,055	94,473	95,102	88,193
Other expenses (a)	1,425,336	1,432,521	1,432,785	1,461,917	1,509,620
Total expenses administered on behalf of Government	1,513,155	1,545,592	1,527,258	1,557,019	1,597,813
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Fees and fines	9,073	9,212	9,103	9,279	9,523
Dividends	10,563	10,232	12,611	14,200	15,934
Competitive neutrality revenue	13,626	11,190	12,987	14,221	15,562
Other revenue (b)	1,499,269	1,545,602	1,527,258	1,557,020	1,597,814
Total non-taxation revenue	1,532,531	1,576,236	1,561,959	1,594,720	1,638,833
Total own-source revenues administered on behalf of Government	1,532,531	1,576,236	1,561,959	1,594,720	1,638,833
Gains					
Other gains	6,596	-	-	-	-
Total own-sourced income administered on behalf of Government	1,539,127	1,576,236	1,561,959	1,594,720	1,638,833
Net cost of (contribution by) services	(25,972)	(30,644)	(34,701)	(37,701)	(41,020)
Surplus (Deficit)	25,972	30,644	34,701	37,701	41,020
OTHER COMPREHENSIVE INCOME					
Items subject to subsequent reclassification to net cost of services					
Changes in Investments	7,078	-	-	-	-
Total other comprehensive income	7,078	-	-	-	-
Total comprehensive income (loss)	33,050	30,644	34,701	37,701	41,020

Prepared on Australian Accounting Standards basis.

(a) Other expenses include Child Support payments to custodial parents.

(b) Other non-tax revenue includes Child Support revenue from non-custodial parents and refunds of prior year payments.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2014-15 Actual \$'000	2015-16 Revised budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	475	475	475	475	475
Trade and other receivables	774,168	784,947	816,272	847,424	887,726
Investment - Australian Hearing	49,422	49,422	49,422	49,422	49,422
Total financial assets	824,065	834,844	866,169	897,321	937,623
Non-financial assets					
Property, plant and equipment	16	-	-	-	-
Total non-financial assets	16	-	-	-	-
Total assets administered on behalf of Government	824,081	834,844	866,169	897,321	937,623
LIABILITIES					
Payables					
Suppliers (a)	707	-	-	-	-
Other payables (b)	43,644	43,644	43,644	43,644	43,644
Total payables	44,351	43,644	43,644	43,644	43,644
Provisions					
Child Support provisions	763,809	775,508	804,898	835,145	874,342
Total provisions	763,809	775,508	804,898	835,145	874,342
Total liabilities administered on behalf of Government	808,160	819,152	848,542	878,789	917,986
Net assets/(liabilities)	15,921	15,692	17,627	18,532	19,637

Prepared on Australian Accounting Standards basis.

(a) Includes Income Management BasicsCard payables.

(b) Mainly comprises Child Support payables and prepayments received.

Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2014-15 Actual \$'000	2015-16 Revised budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Dividends	11,145	9,614	10,888	13,405	15,066
Competitive neutrality	13,622	12,660	12,775	14,112	15,326
Net GST received	597	98	-	-	-
Other (a)	1,397,493	1,430,511	1,412,908	1,441,359	1,480,356
Total cash received	1,422,857	1,452,883	1,436,571	1,468,876	1,510,748
Cash used					
Grants	3,437	-	-	-	-
Suppliers	3,085	778	-	-	-
Other (b)	1,391,801	1,421,232	1,403,805	1,432,080	1,470,833
Total cash used	1,398,323	1,422,010	1,403,805	1,432,080	1,470,833
Net cash from/(used by) operating activities	24,534	30,873	32,766	36,796	39,915
Net increase/(decrease) in cash held	24,534	30,873	32,766	36,796	39,915
Cash and cash equivalents at beginning of reporting period	833	475	475	475	475
Cash from Official Public Account for:					
- Appropriations	65,943	61,927	59,763	60,969	62,619
- Special accounts	1,342,354	1,358,895	1,343,632	1,370,701	1,407,804
- Other	593	778	-	-	-
Total cash from Official Public Account	1,408,890	1,421,600	1,403,395	1,431,670	1,470,423
Cash to Official Public Account for:					
- Appropriations	(59,757)	(61,927)	(59,763)	(60,969)	(62,619)
- Administered revenue	(34,498)	(31,553)	(32,766)	(36,796)	(39,915)
- Special accounts	(1,338,930)	(1,358,895)	(1,343,632)	(1,370,701)	(1,407,804)
- Other	(597)	(98)	-	-	-
Total cash to Official Public Account	(1,433,782)	(1,452,473)	(1,436,161)	(1,468,466)	(1,510,338)
Cash and cash equivalents at end of reporting period	475	475	475	475	475

Prepared on Australian Accounting Standards basis.

- (a) Other receipts received includes: Child Support maintenance receipts from non-custodial parents; Child Support penalties; Director of Public Prosecutions (DPP) fines; Departure Prohibition Order receipts; Child Support cost recovery and certain compensation recoveries.
- (b) Other cash used includes: Child Support payments to custodial parents; refunds of Departure Prohibition Order receipts; and certain compensation recoveries.

Table 3.2.10: Schedule of administered capital budget (for the period ended 30 June)

The department does not have an administered capital budget.

Table 3.2.11: Statement of administered asset movements (2015-16 Budget year)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2015					
Gross book value	-	-	53	-	53
Accumulated depreciation	-	-	(37)	-	(37)
Opening net book balance	-	-	16	-	16
CAPITAL ASSET ADDITIONS					
Total additions	-	-	-	-	-
Other movements					
Depreciation/amortisation expense	-	-	(16)	-	(16)
Total Other movements	-	-	(16)	-	(16)
As at 30 June 2016					
Gross book value	-	-	53	-	53
Accumulated depreciation	-	-	(53)	-	(53)
Closing net book balance	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Notes to the financial statements

The financial statements have been prepared for the financial years 2014-15 to 2018-19 in accordance with the requirements of the Australian Government's financial budget and reporting framework, including:

- the PGPA Act and PGPA Rule; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The department's budgeted financial statements have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets and liabilities that are measured at fair value.

Unless alternative treatment is specifically required by an accounting standard or the PGPA Rule, assets and liabilities are recognised only when it is probable that future economic benefits will flow to and from the department and the amounts of the assets or liabilities can be reliably measured.

Unless alternative treatment is specifically required by an accounting standard, revenues and expenses are recognised only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Departmental

Departmental assets, liabilities, revenues and expenses are those items controlled by the department that are used in producing outputs, and include:

- non-financial assets used in providing goods and services
- liabilities for employee entitlements
- revenue from appropriations or independent sources in payment for services
- employee, supplier, depreciation and amortisation expenses.

Administered

Administered items are those items controlled by the government and managed, or overseen, by the department on behalf of the government.

PORTFOLIO GLOSSARY

Term	Meaning
Activities	The actions/functions performed by agencies to deliver government policies.
Available appropriation	The <i>Available Appropriation</i> indicates the total appropriations available to the entity for 2013–14. It includes all appropriations made available to the entity in the year (+/- s74 transfers, formal reductions, Advance to the Finance Minister and movements of funds).
Administered item	Appropriation that consists of funding managed on behalf of the Commonwealth. This funding is not at the discretion of the entity and any unspent appropriation is returned to the Consolidated Revenue Fund at the end of the financial year. An administered item is a component of an administered programme.
Appropriation	An amount of public money Parliament authorises for spending (i.e. funds to be withdrawn from the Consolidated Revenue Fund). Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes specified in the Appropriation Acts.
BasicsCard	The BasicsCard is a PIN-protected card that allows customers to access their income-managed money through existing EFTPOS facilities at approved stores and businesses. The BasicsCard provides customers on income management with a greater choice and flexibility to purchase essential goods and services from a broad range of stores and businesses.
Consolidated revenue fund (CRF)	The principal operating fund from which money is drawn to pay for the activities of the government. Section 81 of the Australian Constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government.

Glossary

Term	Meaning
Corporate Commonwealth entity	A corporate Commonwealth entity is a Commonwealth entity that is a body corporate.
Departmental capital budget (DCB)	Funds provided in Appropriation Bill 1/3/5 for the ongoing replacement of minor assets.
Departmental item	Resources (assets, liabilities, revenues and expenses) that entity Chief Executive Officers control directly. This includes outsourced activities funded and controlled by the entity. Examples of departmental items include entity running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental programme.
Departure Prohibition Order receipts	Amounts collected under Departure Prohibition Orders preventing overseas travel by customers who have not made satisfactory arrangements to clear substantial debts.
Expenses not requiring appropriation in the Budget year	Expenses not involving a cash flow impact are generally not included within the calculation of an appropriation. Appropriation funding is not provided in respect of depreciation or amortisation expense. Also no funding is required for goods or services received free of charge that are then expensed. Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating administered appropriation amounts to be sought from Parliament.
Forward estimates period	The three years following the budget year. For example, if 2015-16 is the budget year, 2016-17 is forward year 1, 2017-18 is forward year 2 and 2018-19 is forward year 3. This period does not include the current or budget year.

Term	Meaning
General Government Sector (GGS)	A government Finance Statistics' classification of all entities that are controlled and largely funded by the Commonwealth Government. The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies, user charging and external funding. This sector comprises all government departments, offices and some other bodies.
Measure	A new policy or savings decision of the government with financial impacts on the government's underlying cash balance; fiscal balance; operating balance; headline cash balance; net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in Budget Paper No. 2, in the Mid-Year Economic and Fiscal Outlook (MYEFO) and in the Pre-election Economic and Fiscal Outlook (PEFO).
Mid-Year Economic and Fiscal Outlook (MYEFO)	Around six months after the Budget, the Government produces the Mid-Year Economic and Fiscal Outlook (MYEFO) report. The report compares estimated expenditure to actual expenditure. MYEFO estimates include any government decisions made since the previous Budget that affected expenses and revenues. MYEFO also updates the budgetary position, including budget aggregates, by incorporating any changes to economic parameters.
Non-corporate Commonwealth entity	Non-corporate Commonwealth entity is a Commonwealth entity that is not a body corporate.
Official Public Account (OPA)	The OPA is the government's central bank account held within the Reserve Bank of Australia. The OPA is the central component of the Consolidated Revenue Fund.
Outcome	An outcome is the intended result, consequence or impact of government actions on the Australian community.

Glossary

Term	Meaning
Outcome statement	An outcome statement articulates the intended results, activities and target group of an Australian Government entity. An outcome statement serves three main purposes within the financial framework: 1. to explain and control the purposes for which annual appropriations are approved by the Parliament for use by agencies; 2. to provide a basis for annual budgeting, including (financial) reporting against the use of appropriated funds; and 3. to measure and assess entity and programme (non-financial) performance in contributing to government policy objectives.
Portfolio Budget Statements (PB Statements)	Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and programme by each entity within a portfolio.
Portfolio Additional Estimates Statements (PAES)	Budget related paper detailing the changes in resourcing by outcome(s) since the Budget which provides information on new measures and their impact on the financial and/or non-financial planned performance of programmes supporting those outcomes.
Programme	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.
Programme support	The entity running costs allocated to a programme. This is funded as part of the entity's departmental appropriations.
<i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act)	The PGPA Act commenced on 1 July 2014 and replaced the FMA Act. It provides a principles based framework for Commonwealth resource management, supported by rules and guidance to assist Commonwealth entities to manage public resources.

Term	Meaning
s74	<p>Non-corporate Commonwealth entities can retain receipts for the amounts prescribed in section 27 of the PGPA Act. These receipts includes:</p> <ul style="list-style-type: none"> • retained (revenue) receipts and • retained (repayment) receipts. <p>Retained (revenue) receipts may increase a non-corporate Commonwealth entities' most recent annual departmental item appropriation. Such receipts include:</p> <ul style="list-style-type: none"> • receipts from the provision of departmental goods and services • amounts that are managed in trust or similar arrangements • receipts from the sale of minor departmental assets, such as old computers, are disposed of at the end of their useful life. <p>Retained (repayment) receipts enable an appropriation that was used to make a Commonwealth payment to be re-credited with an amount received as a repayment of that earlier payment. For example when a supplier is overpaid and the non-corporate Commonwealth entities receives a repayment.</p>
s75 determination	<p>A determination made by the Minister for Finance (Finance Minister) under section 75 of the PGPA Act which details amendments to the annual Appropriation Acts as a result of a transfer of functions from one entity to another.</p>