

Portfolio Additional Estimates Statements 2016-17

Social Services Portfolio
(Department of Human Services)

Explanations of Additional Estimates 2016-17

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The Hon Alan Tudge MP
MINISTER FOR HUMAN SERVICES

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

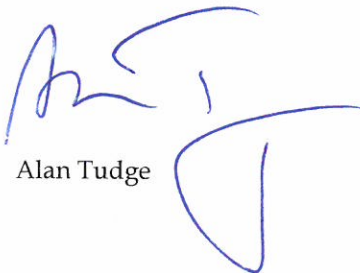
Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2016-17 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 requirements being sought for the Portfolio.

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 blue ink, appearing to be 'Alan Tudge', with a large, stylized flourish extending from the bottom right.

Alan Tudge

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nfp	not for publication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 2016-17 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 includes 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 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 programs supporting those outcomes.

The PAES facilitates understanding of the proposed appropriations in Appropriation Bills (Nos. 3 and 4). 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) 2016-17* 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 updates the most recent budget appropriations for entities within the portfolio.

Structure of the Portfolio Additional Estimates Statements

The PAES is 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.
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Section 2: Revisions to outcomes and planned performance	This section details changes to Government outcomes and/or changes to the planned performance of entity programs.
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Section 3: Special account flows and budgeted financial statements	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.
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Portfolio glossary

Explains key terms relevant to the Portfolio.

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PORTFOLIO OVERVIEW

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 Alan Tudge MP, Minister for Human Services
- The Hon Jane Prentice MP, Assistant Minister for Social Services and Disability Services
- Senator the Hon Zed Seselja, Assistant Minister for Social Services and Multicultural Affairs.

The Department of Human Services (the department) is part of the Social Services portfolio. Full details of the Social Services portfolio appear in *Portfolio Additional Estimates Statements 2016-17 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.
- **Health** services and payments that support Australians such as Medicare, the Pharmaceutical Benefits Scheme, digital health, Private Health Insurance Rebate, the Australian Immunisation Register, the National Bowel Cancer Screening Register, Australian Organ Donor Register and related services for eligible veterans, their spouses and dependants.
- **Child Support** services for separated parents to provide the financial and emotional support necessary for the wellbeing of their children.

Portfolio Overview

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.

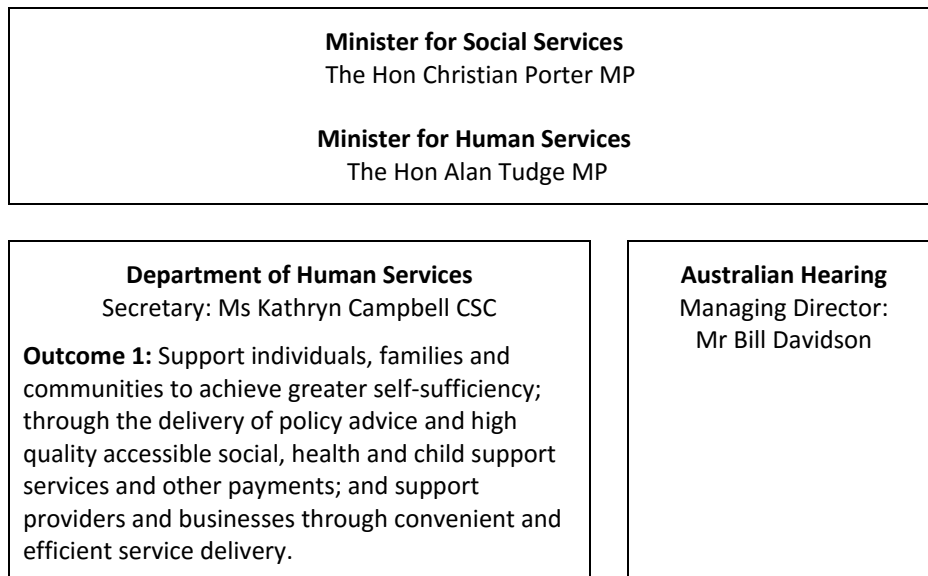
On 1 July 2016, the Digital Transformation Agency (then known as the Digital Transformation Office), assumed responsibility for myGov strategy, policy and user experience and onboarding policy (of new member services to the myGov digital service). This resulted in the transfer of \$0.7 million in 2016-17 appropriations under section 75 of the PGPA Act from the department to the Digital Transformation Agency.

Additional appropriation of \$155.8 million is being sought through Appropriation Bill (No. 3) 2016-17 and \$79.1 million through Appropriation Bill (No. 4) 2016-17 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



ENTITY ADDITIONAL ESTIMATES STATEMENTS

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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 2016-17 PB Statements.

For full details refer to pages 11-12 of the *Portfolio Budget Statements 2016-17, 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 2016-17 Budget year, including variations through Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts.

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017

	<i>Actual available appropriation 2015-16 \$'000</i>	<i>Estimate as at Budget 2016-17 \$'000</i>	<i>Proposed Additional Estimates 2016-17 \$'000</i>	<i>Total estimate at Additional Estimates 2016-17 \$'000</i>
Departmental				
Annual appropriations - ordinary annual services (a)				
Prior year departmental appropriation (b)	962,574	957,518	-	957,518
Departmental appropriation (c)	4,277,335	4,077,891	180,822	4,258,713
Less s 75 transfer (d)	(33,778)	(700)	-	(700)
s 74 retained revenue receipts (e)	202,787	169,133	122,074	291,207
Departmental Capital Budget (DCB) (f)	196,420	189,675	(25,000)	164,675
Less s 75 transfer (d)	(326)	-	-	-
Annual appropriations - other services - non-operating (g)				
Equity injection	47,638	59,325	79,096	138,421
<i>Total departmental annual appropriations</i>	<i>5,652,650</i>	<i>5,452,842</i>	<i>356,992</i>	<i>5,809,834</i>
Total departmental resourcing	5,652,650	5,452,842	356,992	5,809,834
Administered				
Annual appropriations - ordinary annual services (a)				
Prior year administered appropriation (b)	2,930	2,240	-	2,240
Outcome 1 (h)	2,252	1,565	(31)	1,534
s 74 retained receipts (i)	1,241	1,565	(31)	1,534
<i>Total administered annual appropriations</i>	<i>6,423</i>	<i>5,370</i>	<i>(62)</i>	<i>5,308</i>
<i>Total administered special appropriations (j)</i>	<i>47,458</i>	<i>58,343</i>	<i>(1,155)</i>	<i>57,188</i>
Special Accounts				
Opening balance (k)	54,685	61,517	-	61,517
Appropriation receipts (l)	48,712	59,908	(1,186)	58,722
Non-appropriation receipts to Special accounts (m)	1,356,717	1,423,404	(28,141)	1,395,263
<i>Total special account receipts less administered appropriations drawn from annual/special appropriations and credited to special accounts (l)</i>	<i>(48,712)</i>	<i>(59,908)</i>	<i>1,186</i>	<i>(58,722)</i>
Total administered resourcing	1,465,283	1,548,634	(29,358)	1,519,276
Total resourcing for the Department of Human Services	7,117,933	7,001,476	327,634	7,329,110
			<i>Actual 2015-16</i>	<i>2016-17</i>
Average staffing level			30,197	29,435

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.

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017 (continued)

- (a) *Supply Act (No. 1) 2016-2017, Appropriation Act (No. 1) 2016-2017* and Appropriation Bill (No. 3) 2016-17.
- (b) The Estimate as at Budget has been updated to reflect the actual balance of annual appropriations carried forward from the previous year. Prior year departmental appropriation for 2015-16 excludes \$6.0 million of 2013-14 appropriation subject to administrative quarantine under section 51 of the PGPA Act. Prior year departmental appropriation for 2016-17 also excludes \$9.6 million of 2015-16 appropriation subject to administrative quarantine under section 51 of the PGPA Act.
- (c) Departmental appropriation is not separately identified in *Supply Act (No. 1) 2016-2017, Appropriation Act (No.1)* or Appropriation Bill (No.3) and forms part of ordinary annual services items. The actual available appropriation for 2015-16 excludes \$9.6 million of 2015-16 appropriation subject to administrative quarantine under section 51 of the PGPA Act.
- (d) The department transferred \$0.7 million of 2016-17 appropriations to the Digital Transformation Agency under machinery of government changes related to MyGov operations. In 2015-16 the department transferred \$34.1 million to the Department of Health. For further details refer to Table 1.1 in the *Portfolio Additional Estimates Statements 2015-16 Social Services Portfolio (Department of Human Services)*.
- (e) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (f) Departmental capital budgets are not separately identified in *Supply Act (No. 1) 2016-2017, Appropriation Act (No.1) 2016-2017* or Appropriation Bill (No. 3) 2016-17 and forms part of ordinary annual services items. Refer to Table 3.6 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (g) *Supply Act (No. 2) 2016-2017, Appropriation Act (No. 2) 2016-2017* and Appropriation Bill (No. 4) 2016-17.
- (h) *Appropriation Act (No. 1) 2016-2017* provides funding for operating expenses only. The department does not have an administered capital budget.
- (i) Administered repayments received by the department.
- (j) 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.
- (k) The Estimate as at Budget has been updated to reflect the actual balance of special accounts carried forward from the previous year.
- (l) Amounts credited to special accounts from annual administered appropriations and special appropriations relating to Child Support.
- (m) Non-appropriation receipts mainly comprise receipts from non-custodial parents through the Child Support special account.

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017 (continued)

Third party payments from and on behalf of other entities

	<i>Actual</i> 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimates 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Payments made on behalf of other entities (as disclosed in the respective entity's resource statement)				
Attorney-General's Department				
Special appropriation - <i>Social Security</i> (<i>Administration</i>) Act 1999				
- Australian Victim of Terrorism Overseas Payment	1,489	500	525	1,025
- Disaster Recovery Allowance	652	60	742	802
- Disaster Recovery Payment	20,845	60	-	60
Annual appropriation - Ex gratia assistance - New Zealand citizens	115	117	-	117
Total	23,101	737	1,267	2,004
Department of Agriculture and Water Resources				
Special appropriation - <i>Farm Household</i> <i>Support Act 2014</i> s 105 - payments for Farm Household Allowance and Exceptional circumstances relief payments	57,431	117,736	(39,370)	78,366
Total	57,431	117,736	(39,370)	78,366
Department of Defence				
Annual appropriation - Closure of Hunter River and Port Stephens Fisheries - Assistance to individuals and Businesses	720	2,156	-	2,156
Total	720	2,156	-	2,156
Department of Education and Training				
Special appropriation - <i>A New Tax System</i> (<i>Family Assistance</i>) (<i>Administration</i>) Act 1999 (a)	1,009,550	2,101,539	(476,041)	1,625,498
Total	1,009,550	2,101,539	(476,041)	1,625,498
Department of Employment				
Annual appropriation - Job Commitment Bonus	7,940	15,486	-	15,486
Total	7,940	15,486	-	15,486
Department of Health				
Special appropriation - <i>Health Insurance</i> Act 1973 - Medical Benefits	21,115,085	21,850,644	239,204	22,089,848
Special appropriation - <i>National Health Act</i> 1953 - Pharmaceutical Benefits	10,837,986	10,109,505	1,173,393	11,282,898
Special appropriation - <i>Private Health</i> <i>Insurance Act 2007</i>	5,887,067	6,249,233	(69,366)	6,179,867

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017 (continued)

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

	Actual 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimates 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Payments made on behalf of other entities (continued)				
Department of Health (continued)				
Special appropriation - <i>Dental Benefits Act 2008</i>	312,669	-	326,797	326,797
Special appropriation - <i>National Health Act 1953 - Aids and Appliances</i>	301,104	292,219	62,274	354,493
Special appropriation - <i>Medical Indemnity Agreement Act 2002</i>	81,517	93,400	-	93,400
Special Account - Australian Childhood Immunisation Register	9,712	9,650	-	9,650
Special appropriation - <i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	-	2,949	-	2,949
Special appropriation - <i>Aged Care Act 1997 (b)</i>	9,159,428	12,923,548	18,001	12,941,549
Special appropriation - <i>National Health Act 1953 - Continence Aids Assistance Scheme (b)</i>	17,202	86,661	(2,681)	83,980
Ordinary annual Services - Hearing Services (c)	406,329	482,296	(39,627)	442,669
Total	48,128,099	52,100,105	1,707,995	53,808,100
Department of Immigration and Border Protection				
Annual appropriation - Asylum Seeker Support	290,898	170	257,537	257,707
Total	290,898	170	257,537	257,707
Department of Infrastructure and Regional Development				
Annual appropriation - Tasmanian Freight Equalisation Scheme	129,835	170,595	-	170,595
Annual appropriation - Bass Strait Passenger Vehicle Equalisation Scheme	44,081	47,300	-	47,300
Total	173,916	217,895	-	217,895
Department of Social Services				
Special appropriation - <i>Social Security (Administration) Act 1999 (a)</i>	89,695,371	92,178,364	(1,571,821)	90,606,543
Special appropriation - <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	22,050,671	20,802,323	(138,341)	20,663,982
Special appropriation - <i>Paid Parental Leave Act 2010</i>	2,073,849	1,764,011	310,005	2,074,016

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017 (continued)

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

	<i>Actual</i> 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimates 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Payments made on behalf of other entities (continued)				
Department of Social Services (continued)				
Special appropriation - <i>Student Assistance Act 1973</i>	340,247	348,032	7,618	355,650
Special appropriation - <i>Aged Care Act 1997 (b)</i>	2,943,488	-	-	-
Special appropriation - <i>National Health Act 1953 - Contingence Aids Assistance Scheme (b)</i>	63,482	-	-	-
Annual Administered Appropriations (d)	5,792	3,964	3,512	7,476
Total	117,172,900	115,096,694	(1,389,027)	113,707,667
Department of Veterans' Affairs				
Special appropriation - <i>Veterans' Entitlements Act 1986</i> and related acts	3,527,879	3,593,391	(49,365)	3,544,026
Special appropriation - <i>Military Rehabilitation and Compensation Act 2004</i>	42,232	48,496	3,568	52,064
Special appropriation - <i>Safety, Rehabilitation and Compensation Act 1988</i>	14,057	12,514	901	13,415
Special appropriation - <i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	345	359	(1)	358
Total	3,584,513	3,654,760	(44,897)	3,609,863
Total third party payments	170,449,068	173,307,278	17,464	173,324,742

- (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.
- (c) Estimates for this item were not provided for the 2016-17 PB Statements.
- (d) This item includes estimates for compensation and debt relief; and ex gratia and Act of Grace payments which were reported separately in the 2016-17 PB Statements; plus Transition to Independent Living Allowance and Voluntary Income Management Payments.

Additional Estimates Statements – Department of Human Services

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017 (continued)

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

	<i>Actual</i> 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimates 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Payments made to other entities for the provision of services				
Attorney-General's Department	2	1,500	-	1,500
Australian Government Solicitor	4,412	-	-	-
Australian Federal Police	1,224	2,859	-	2,859
Australian Postal Corporation	68,636	70,600	-	70,600
Australian Public Service Commission	1,431	-	-	-
Australian Taxation Office	11,610	-	-	-
Comcare	64,049	63,573	5,716	69,289
Commonwealth Scientific and Industrial Research Organisation	776	-	-	-
Commonwealth Superannuation Corporation	10,957	6,000	-	6,000
Department of Defence	689	-	-	-
Department of Finance	39,265	42,341	-	42,341
Department of Health	278	-	-	-
Department of Immigration and Border Protection	1,602	12	-	12
Department of Social Services	1,518	-	-	-
Department of Veterans' Affairs	836	-	-	-
Office of the Australian Information Commissioner	538	-	-	-
Reserve Bank of Australia	13,323	15,221	-	15,221
Other	1,200	-	-	-
Total payments made to other entities for the provision of services	222,346	202,106	5,716	207,822

Table 1.1: Department of Human Services resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017 (continued)

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

	<i>Actual</i> 2015-16 \$'000	Estimate as at Budget 2016-17 \$'000	Proposed Additional Estimates 2016-17 \$'000	Total estimate at Additional Estimates 2016-17 \$'000
Receipts from other entities for the provision of services (disclosed above in s 74 retained revenue receipts section)				
Attorney-General's Department	417	-	-	-
Australian Digital Health Agency	-	2,396	16,603	18,999
Australian Electoral Commission	116	5,180	(3,658)	1,522
Australian Taxation Office	18,102	551	1,499	2,050
Comcare	14,850	-	-	-
ComSuper	2,646	-	-	-
Department of Defence	1,108	-	-	-
Department of Employment	538	-	341	341
Department of Finance	714	-	40	40
Department of Foreign Affairs and Trade	6,799	6,733	1,218	7,951
Department of Health	32,707	27,712	6,232	33,944
Department of Immigration and Border Protection	2,355	1,079	999	2,078
Department of Social Services	5,332	2,538	549	3,087
Department of the Environment	61	-	-	-
Department of the Prime Minister and Cabinet	17,828	2,323	224	2,547
Department of Veterans' Affairs	25,959	33,230	(1,907)	31,323
National Disability Insurance Agency	11,299	5,811	74,905	80,716
Other	3,509	-	-	-
Total s 74 receipts received from other entities for the provision of services	144,340	87,553	97,045	184,598

1.3 ENTITY MEASURES

Table 1.2 summarises new Government measures taken since the 2016-17 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: Entity 2016-17 measures since Budget

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Expense measures (a)					
Department of Human Services					
Better Management of the Social Welfare System					
Departmental expense	1.1	46,332	179,311	142,128	130,508
Welfare Payment Infrastructure Transformation — Tranche Two (b)					
Departmental expense	1.1	-	-	-	-
Department of Agriculture and Water Resources					
Dairy Industry Assistance Package					
Departmental expense	1.1	-	-	-	-
Department of Education and Training					
Regional and Remote Student Access to Education — additional support					
Departmental expense	1.1	982	1,997	1,206	1,322
Department of the Environment					
Green Army Program — termination					
Departmental expense	1.1	365	1,858	2,607	1,687
Department of Health					
Aged Care Provider Funding — addressing growth in residential aged care					
Departmental expense	1.1	1,605	179	139	139
Changes to Bulk Billing Incentives for Diagnostic Imaging and Pathology Services — further consultation					
Departmental expense	1.2	(7,574)	932	1,542	(24)
Investing in Medicare					
– Magnetic Resonance Imaging licences for Frankston and Maroondah Hospitals					
Departmental expense	1.2	3	7	8	8
– Medicare Benefits Schedule — new and amended listings					
Departmental expense	1.2	343	431	70	68
– modernising health and aged care payment services					
Departmental expense	1.2	1,678	-	-	-

Prepared on a Government Financial Statistics (fiscal) basis.

Table 1.2: Entity 2016-17 measures since Budget (continued)

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Expense measures (continued) (a)					
Department of Health (continued)					
Pharmaceutical Benefits Scheme — new and amended listings					
Departmental expense	1.2	933	419	502	588
Radiation Oncology Health Program Grants Scheme — efficiencies					
Departmental expense	1.2	509	107	(51)	(51)
Reform of the High Cost Claims Scheme and Review of the Indemnity Insurance Fund					
Departmental expense	1.2	-	163	14	-
Revised Arrangements for Commonwealth Dental Funding					
Departmental expense	1.2	6,317	10,430	10,523	10,784
Specialist Dementia Care Units — establishment					
Departmental expense	1.2	1,998	286	204	203
Department of Social Services					
Budget Savings (Omnibus) Bill — amendments					
Departmental expense	1.1	8,537	4,093	(2,012)	(2,140)
Extending Existing Freezes on Certain Family Payment Thresholds					
Departmental expense	1.1	578	(45)	(479)	(1,043)
Income Stream — automated reviews					
Departmental expense	1.1	306	3,562	(1,476)	(821)
Pension Supplement — changes to the payment of the Pension Supplement for permanent departures overseas and temporary absences					
Departmental expense	1.1	2,248	249	105	85
Seasonal Work Incentives for Job Seekers — trial					
Departmental expense	1.1	990	1,507	1,451	185
Total expense measures					
Administered		-	-	-	-
Departmental		66,150	205,486	156,481	141,498
Total		66,150	205,486	156,481	141,498

Prepared on a Government Financial Statistics (fiscal) basis.

Additional Estimates Statements – Department of Human Services

Table 1.2: Entity 2016-17 measures since Budget (continued)

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	
Capital measures (a)						
Department of Human Services						
Better Management of the Social Welfare System						
	Departmental capital	1.1	41,131	23,818	8,585	1,619
Welfare Payment Infrastructure Transformation — Tranche Two (b)						
	Departmental capital	1.1	-	-	-	-
Department of Health						
Revised Arrangements for Commonwealth Dental Funding						
	Departmental capital	1.2	8	16	16	16
Department of Social Services						
Income Stream — automated reviews						
	Departmental capital	1.1	-	1,810	-	-
Total capital measures						
	Administered		-	-	-	-
	Departmental		41,139	25,644	8,601	1,635
	Total		41,139	25,644	8,601	1,635

Prepared on a Government Financial Statistics (fiscal) basis.

(a) Measures are listed by lead entity. Full measure details appear in the 2016-17 MYEFO under the relevant portfolio.

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

1.4 ADDITIONAL ESTIMATES, RESOURCING AND VARIATIONS TO OUTCOMES

The following tables detail the changes to the resourcing for the department at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2016-17 Budget in Appropriation Bills Nos. 3 and 4.

Table 1.3: Additional estimates and other variations to outcomes since 2016-17 Budget

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Outcome 1					
Administered					
Annual appropriations					
Changes in Parameters					
Program specific	1.3	(31)			
Special appropriations					
Changes in Parameters					
Program specific	1.3	(1,155)			
Net impact on appropriations for Outcome 1 (administered)		(1,186)	-	-	-
Departmental					
Annual appropriations					
Measures					
Better Management of the Social Welfare System	1.1	87,463	203,129	150,713	132,127
Welfare Payment Infrastructure Transformation — Tranche Two	1.1	82,898	238,437	(2,111)	(5,874)
Dairy Industry Assistance Package	1.1	-	-	-	-
Regional and Remote Student Access to Education — additional support	1.1	982	1,997	1,206	1,322
Green Army Program — termination	1.1	365	1,858	2,607	1,687
Aged Care Provider Funding — addressing growth in residential aged care	1.1	1,605	179	139	139
Changes to Bulk Billing incentives for Diagnostic Imaging and Pathology Services — further consultation	1.2	(7,574)	932	1,542	(24)
Investing in Medicare					
– Magnetic Resonance Imaging licences for Frankston and Maroondah Hospitals	1.2	3	7	8	8
– Medicare Benefits Schedule — new and amended listings	1.2	343	431	70	68
– modernising health and aged care payment services	1.2	1,678	-	-	-
Pharmaceutical Benefits Scheme — new and amended listings	1.2	933	419	502	588

Table 1.3: Additional estimates and other variations to outcomes since 2016-17 Budget (continued)

Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	
Outcome 1					
Departmental					
Annual appropriations					
Measures (continued)					
Radiation Oncology Health Program Grants Scheme — efficiencies	1.2	509	107	(51)	(51)
Reform of the High Cost Claims Scheme and Review of the Medical Indemnity Insurance Fund	1.2	-	163	14	-
Revised Arrangements for Commonwealth Dental Funding	1.2	6,325	10,446	10,539	10,800
Specialist Dementia Care Units — establishment	1.2	1,998	286	204	203
Budget Savings (Omnibus) Bill — amendments	1.1	8,537	4,093	(2,012)	(2,140)
Extending Existing Freezes on Certain Family Payment Thresholds	1.1	578	(45)	(479)	(1,043)
Income Stream — automated reviews	1.1	306	5,372	(1,476)	(821)
Pension Supplement — changes to the payment of the Pension Supplement for permanent departures overseas and temporary absences	1.1	2,248	249	105	85
Seasonal Work Incentives for Job Seekers — trial	1.1	990	1,507	1,451	185
Changes in Parameters					
Indexation	1.1, 1.2, 1.3	-	(19,305)	(22,731)	(30,236)
Efficiency Dividend	1.1, 1.2, 1.3	-	(61,789)	(101,523)	(121,941)
Program specific	1.1	258	-	-	-
Other Variations					
Section 75 Transfers	1.1	-	(700)	(700)	(700)
Transfer from DCB funding	1.1	(25,000)	-	-	-
Transfer to operating funding	1.1	25,000	-	-	-
Legislation delays	1.1, 1.2	4,856	13,852	2,861	4,698
Transfers from Contingency Reserve (operating)	1.1	39,646	-	-	-
Other	1.1, 1.2, 1.3	(29)	(40)	(40)	(40)
Net impact on appropriations for Outcome 1 (departmental)		234,918	401,585	40,838	(10,960)
Total net impact on appropriations for Outcome 1 (a)		233,732	401,585	40,838	(10,960)
Total decisions taken but not yet announced for all Outcomes		-	-	-	-

(a) The total net impact on appropriations includes capital funding as follows: 2016-17 \$79.1 million; 2017-18 \$75.3 million; 2018-19 \$8.6 million; 2019-20 \$1.6 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 1.4: Appropriation Bill (No. 3) 2016-17

	2015-16 Available \$'000	2016-17 Budget '000	2016-17 Revised '000	Increased 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.	2,252	1,565	1,534	-	(31)
Total administered	2,252	1,565	1,534	-	(31)
Departmental programs					
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.	4,439,651	4,266,866	4,422,688	180,822	(25,000)
Total departmental	4,439,651	4,266,866	4,422,688	180,822	(25,000)
Total administered and departmental	4,441,903	4,268,431	4,424,222	180,822	(25,031)

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Table 1.5: Appropriation Bill (No. 4) 2016-17

	<i>2015-16 Available \$'000</i>	<i>2016-17 Budget \$'000</i>	<i>2016-17 Revised \$'000</i>	<i>Increased Estimates \$'000</i>	<i>Reduced Estimates \$'000</i>
Non-operating					
Equity injections	47,638	59,325	138,421	79,096	-
Total non-operating	47,638	59,325	138,421	79,096	-
Total other services	47,638	59,325	138,421	79,096	-

Section 2: Revisions to outcomes and planned performance

2. CHANGES TO OUTCOME AND PROGRAM STRUCTURES

There have been no changes to the outcome or program structure since the publication of the 2016-17 PB Statements.

For full details of outcomes and planned performance refer to pages 23 to 38 of the PB Statements 2016-17, Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services).

2.1 BUDGETED EXPENSES AND PERFORMANCE 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.

Linked programs for Outcome 1

For full details of linked programs refer to pages 24-27 of the 2016-17 PB Statements, Budget Related Paper No. 1.15B, Social Services Portfolio (Department of Human Services).

Program links have been revised as follows since the 2016-17 Budget:

Australian Taxation Office
Program added
<ul style="list-style-type: none"> • Program 1.12 – Private Health Insurance Rebate (a)
Department of Education and Training
Program added
<ul style="list-style-type: none"> • Program 1.9 – Child Care Subsidy (b)
Program deleted
<ul style="list-style-type: none"> • Program 2.7- International Education Support (c)
Contribution made by Outcome 1 to linked programs
Outcome 1 contributes to the linked programs above by the provision of information, services and payments on behalf of the entities listed, within Australia and where applicable, overseas.

- (a) Omitted from 2016-17 PB Statements.
 (b) New program in 2016-17 Budget.
 (c) Program ceased 30 June 2015.

Budgeted expenses for Outcome 1

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

Table 2.1.1 Budgeted expenses for Outcome 1

	2015-16 Actual expenses \$'000	2016-17 Revised estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.1: Services to the Community - Social Security and Welfare					
Administered expenses					
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	1	-	-	-	-
Expenses not requiring appropriation in the Budget year (a)	16	273	273	273	273
Administered total	17	273	273	273	273
Departmental expenses					
Departmental appropriations 74 Retained revenue receipts (b)	3,247,305	3,398,334	3,332,666	3,024,570	2,984,312
Expenses not requiring appropriation in the Budget year (a)	213,258	189,304	208,704	231,806	229,956
Departmental total	3,591,110	3,759,649	3,689,465	3,417,741	3,361,361
Total expenses for program 1.1	3,591,127	3,759,922	3,689,738	3,418,014	3,361,634
Program 1.2: Services to the Community - Health					
Departmental expenses					
Departmental appropriations 74 Retained revenue receipts (b)	553,182	478,574	471,857	461,484	473,542
Expenses not requiring appropriation in the Budget year (a)	36,329	36,715	38,383	40,136	39,541
Departmental total	611,750	581,494	574,090	512,071	513,393
Total expenses for program 1.2	611,750	581,494	574,090	512,071	513,393

Table 2.1.1 Budgeted expenses for Outcome 1 (continued)

	2015-16 Actual expenses \$'000	2016-17 Revised estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.3: Child Support					
Administered expenses					
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	1,254	1,534	1,568	1,597	1,629
Special appropriations Child Support Act (c)					
- s 77 - unremitted deductions	47,458	57,138	58,376	59,453	60,633
- s 78 - unexplained remittances	-	50	50	50	50
Special accounts:					
Child Support special account	1,343,420	1,406,409	1,410,029	1,435,964	1,464,417
Expenses not requiring appropriation in the Budget year (a)	148,049	72,414	90,055	80,661	91,323
Administered total	1,540,181	1,537,545	1,560,078	1,577,725	1,618,052
Departmental expenses					
Departmental appropriation	422,276	423,199	416,038	413,286	413,009
s 74 Retained revenue receipts (b)	16,976	2,804	2,804	2,804	2,804
Expenses not requiring appropriation in the Budget year (a)	27,732	23,865	24,486	24,926	23,912
Departmental total	466,984	449,868	443,328	441,016	439,725
Total expenses for program 1.3	2,007,165	1,987,413	2,003,406	2,018,741	2,057,777
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Act No. 1 and Bill No. 3)	1,255	1,534	1,568	1,597	1,629
Special appropriations	47,458	57,188	58,426	59,503	60,683
Special accounts	1,343,420	1,406,409	1,410,029	1,435,964	1,464,417
Expenses not requiring appropriation in the Budget year (a)	148,065	72,687	90,328	80,934	91,596
Administered total	1,540,198	1,537,818	1,560,351	1,577,998	1,618,325
Departmental expenses					
Departmental appropriation	4,222,763	4,300,107	4,220,561	3,899,340	3,870,863
s 74 Retained revenue receipts (b)	169,762	241,020	214,749	174,620	150,207
Expenses not requiring appropriation in the Budget year (a)	277,319	249,884	271,573	296,868	293,409
Departmental total	4,669,844	4,791,011	4,706,883	4,370,828	4,314,479
Total expenses for Outcome 1	6,210,042	6,328,829	6,267,234	5,948,826	5,932,804
	2015-16	2016-17			
Average staffing level	30,197	29,435			

Table 2.1.1 Budgeted expenses for Outcome 1 (continued)

- (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; and resources consumed free of charge.
- (b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
- (c) *Child Support (Registration and Collection) Act 1988*.

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

Performance criteria for Outcome 1

There have been no changes to the performance criteria since the publication of the 2016-17 PB Statements.

For full details of the performance criteria for Outcome 1 refer pages 31 to 38 of the *Portfolio Budget Statements 2016-17, Budget related Paper No. 1.15B Social Services Portfolio (Department of Human Services)*.

Section 3: Special account flows and budgeted financial statements

3.1 SPECIAL ACCOUNT FLOWS

Estimates of special account flows

Special Accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1 shows the expected additions (receipts) and reductions (payments) for each account used by the department.

Table 3.1: Estimates of special account flows and balances

	Outcome	Opening balance \$'000	Receipts \$'000	Payments \$'000	Adjustments \$'000	Closing balance \$'000
Child Support Account (a) (A)	1					
2016-17 Revised estimate		61,078	1,453,546	(1,453,546)	-	61,078
2015-16 Actual		54,275	1,404,990	(1,398,187)	-	61,078
Recovery of Compensation for Health Care & Other Services Special Account (b) (A)	1					
2016-17 Revised estimate		73,860	340,516	(340,516)	-	73,860
2015-16 Actual		43,726	335,484	(305,350)	-	73,860
Services for Other Entities and Trust Moneys - Department of Human Services Special Account (c) (A) & (D)	1					
2016-17 Revised estimate		-	-	-	-	-
2015-16 Actual		-	-	-	-	-
Total special accounts 2016-17 Revised estimate		134,938	1,794,062	(1,794,062)	-	134,938
<i>Total special accounts 2015-16 Actual</i>		<i>98,001</i>	<i>1,740,474</i>	<i>(1,703,537)</i>	<i>-</i>	<i>134,938</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: section 78(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)

Since the 2016–17 Budget, revenue from government in 2016-17 has increased by \$179.9 million, reflecting additional expense measures of \$143.4 million and other variations of \$36.4 million (refer Table 1.3).

Since Budget, estimates of own-source income have increased by \$122.9 million mainly reflecting changes in revenue from service agreements with other entities including the Australian Digital Health Agency, Departments of Health, Veterans' Affairs; and the National Disability Insurance Agency.

Total expenses in 2016–17 have increased by \$285.0 million since the 2016-17 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 3.3)

The budgeted net asset position at 30 June 2017 has increased by \$87.9 million since the 2016–17 Budget to \$755.6 million. The revised estimates take into account the 2015–16 operating result and the flow on effect of the audited financial accounts as at 30 June 2016.

Departmental statement of cash flows (Table 3.5)

Since the 2016-17 Budget, departmental cash receipts and payments have been affected by changes in changes in appropriation; own source revenue; expenses and equity injections. Budgeted cash at the end of the reporting period has decreased by \$17.6 million following a review of cash requirements.

Departmental Capital Budget Statement (DCB) (Table 3.6)

Since the 2016–17 Budget, equity injection funding has increased by \$79.1 million to \$138.4 million, through measures (\$46.7 million) and other variations (\$32.3 million). An amount of \$25.0 million was transferred from the DCB to operating expenditure, which has reduced the DCB to \$164.7 million. The transfer was to cover increased operating expenses.

Statement of departmental asset movements (Table 3.7)

The estimated net book value of land, buildings, property plant and equipment and intangible assets as at 30 June 2017 has increased by \$100.2 million since the 2016–17 Budget. This mainly reflects actual 2015–16 closing balances being \$37.4 million higher than estimated at Budget; additional capital purchases of \$46.0 million; and a reduction of \$17.8 million in depreciation expense following a revision of the estimated useful lives of assets.

3.2.1 Analysis of budgeted financial statements (continued)

Schedule of administered activity

Administered income and expenses (Table 3.8)

Since the 2016–17 Budget, administered non taxation revenue has decreased by \$15.9 million mainly reflecting a decrease in Child Support maintenance revenue.

Administered assets and liabilities (Table 3.9)

Since the 2016–17 Budget, the estimated closing asset balances for 2016–17 have decreased by \$1.3 million, while liabilities have decreased by \$4.1 million. These movements reflect an increase in the value of the Australian Hearing investment; offset by a decrease in receivables and provisions.

Administered statement of cash flows (Table 3.10)

Changes in administered cash flows and cash balances since the 2016-17 Budget reflect changes in child support receipts and payments.

3.2.2 Budgeted financial statements

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June.

	2015-16 Actual \$'000	2016-17 Revised estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Employee benefits	2,921,487	2,831,074	2,668,079	2,540,957	2,528,512
Supplier expenses	1,470,901	1,706,647	1,764,682	1,529,390	1,488,926
Depreciation and amortisation	249,509	245,430	267,985	293,280	289,821
Write down and impairment of assets	21,125	1,891	124	129	129
Other expenses	6,822	5,969	6,013	7,072	7,091
Total expenses	4,669,844	4,791,011	4,706,883	4,370,828	4,314,479
LESS:					
Own-source revenue					
Rendering of services	161,326	231,864	204,403	164,137	139,512
Rental income	8,436	9,156	10,346	10,483	10,695
Other revenue	16,330	-	-	-	-
Total own-source revenue	186,092	241,020	214,749	174,620	150,207
Gains					
Reversal of previous asset write-down and impairment	1,900	469	-	-	-
Resources received free of charge	3,466	3,588	3,588	3,588	3,588
Other gains	2,174	397	-	-	-
Total gains	7,540	4,454	3,588	3,588	3,588
Total own-source income	193,632	245,474	218,337	178,208	153,795
Net cost of services	(4,476,212)	(4,545,537)	(4,488,546)	(4,192,620)	(4,160,684)
Revenue from government (a)	4,223,484	4,300,107	4,220,561	3,899,340	3,870,863
Deficit attributable to the Australian Government	(252,728)	(245,430)	(267,985)	(293,280)	(289,821)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	33,271	-	-	-	-
Total other comprehensive income	33,271	-	-	-	-
Total comprehensive deficit attributable to the Australian Government	(219,457)	(245,430)	(267,985)	(293,280)	(289,821)

Prepared on Australian Accounting Standards basis.

(a) The department has transferred an amount of \$0.7 million of 2016-17 revenue from government to the Digital Transformation Agency under a section 75 determination due to machinery of government changes. In 2015-16 the department transferred an amount of \$33.8 million of 2015-16 revenue from government to the Department of Health under a section 75 determination due to machinery of government changes. For further details refer to Table 1.1 in the *Portfolio Additional Estimates Statements 2015-16 Social Services Portfolio (Department of Human Services)*.

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June. (continued)

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Total comprehensive income excluding depreciation/amortisation expenses previously funded through revenue appropriations	30,052	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	249,509	245,430	267,985	293,280	289,821
Total comprehensive deficit - as per the Statement of Comprehensive Income	(219,457)	(245,430)	(267,985)	(293,280)	(289,821)

Prepared on Australian Accounting Standards basis.

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.6 Departmental Capital Budget Statement.

Table 3.3: Budgeted departmental balance sheet (as at 30 June)

	2015-16 Actual \$'000	2016-17 Revised estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash	22,406	10,000	10,000	10,000	10,000
Trade and other receivables	992,579	1,011,164	1,014,597	1,010,735	1,025,301
Other financial assets	-	-	-	-	-
Total financial assets	1,014,985	1,021,164	1,024,597	1,020,735	1,035,301
Non-financial assets					
Land and buildings	325,035	306,242	291,504	276,148	261,744
Plant and equipment	152,111	184,577	190,317	185,004	183,803
Software	480,321	520,528	539,026	461,431	375,832
Prepayments	88,609	91,126	87,497	82,269	72,752
Total non-financial assets	1,046,076	1,102,473	1,108,344	1,004,852	894,131
Total assets	2,061,061	2,123,637	2,132,941	2,025,587	1,929,432
LIABILITIES					
Payables					
Suppliers	349,129	344,370	349,738	346,432	339,540
Employee Benefits	42,057	45,800	43,193	42,821	59,671
Lease Incentives	42,143	39,765	35,549	29,684	24,357
Other payables	4,337	4,293	4,016	4,016	4,016
Total payables	437,666	434,228	432,496	422,953	427,584
Provisions					
Employee provisions	898,494	906,503	907,546	907,497	907,402
Other provisions	26,925	27,263	27,756	28,258	28,771
Total provisions	925,419	933,766	935,302	935,755	936,173
Total liabilities	1,363,085	1,367,994	1,367,798	1,358,708	1,363,757
Net assets	697,976	755,643	765,143	666,879	565,675
EQUITY					
Parent entity interest					
Contributed equity	1,676,574	1,979,670	2,257,155	2,452,171	2,640,788
Reserves	128,653	128,654	128,654	128,654	128,654
Accumulated deficit	(1,107,251)	(1,352,681)	(1,620,666)	(1,913,946)	(2,203,767)
Total parent entity interest	697,976	755,643	765,143	666,879	565,675
Total equity	697,976	755,643	765,143	666,879	565,675

Prepared on Australian Accounting Standards basis.

Table 3.4: Departmental statement of changes in equity — summary of movement (Budget Year 2016-17)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2016				
Balance carried forward from previous period	(1,107,251)	128,654	1,676,574	697,977
Adjusted opening balance	(1,107,251)	128,654	1,676,574	697,977
Comprehensive income				
Deficit for the period	(245,430)	-	-	(245,430)
Total comprehensive deficit attributable to the Australian Government	(245,430)	-	-	(245,430)
Transactions with owners				
Contribution by owners				
Equity injection:				
Equity Injection - Appropriation	-	-	138,421	138,421
Departmental Capital Budget (DCB)	-	-	164,675	164,675
Total transactions with owners	-	-	303,096	303,096
Closing balance attributable to the Australian Government	(1,352,681)	128,654	1,979,670	755,643

Prepared on Australian Accounting Standards basis.

Table 3.5: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	4,438,244	4,757,814	4,664,127	4,286,911	4,211,612
Rendering of services	157,427	246,479	219,090	177,176	152,604
Net GST received	157,251	177,164	179,409	156,434	152,612
Other	51,854	50,099	50,099	50,099	50,099
Total cash received	4,804,776	5,231,556	5,112,725	4,670,620	4,566,927
Cash used					
Employees	2,957,461	2,853,951	2,704,272	2,576,007	2,546,386
Suppliers	1,605,112	1,910,864	1,954,335	1,704,334	1,658,648
Competitive neutrality payments	487	462	497	1,547	1,555
Returns to the official public account	202,787	473,742	448,598	383,709	355,315
Other	-	5,023	5,023	5,023	5,023
Total cash used	4,765,847	5,244,042	5,112,725	4,670,620	4,566,927
Net cash from/(used by) operating activities	38,929	(12,486)	-	-	-
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of plant and equipment	44	-	-	-	-
Total cash received	44	-	-	-	-
Cash used					
Purchase of property, plant and equipment and software	287,368	300,212	277,485	195,016	188,617
Total cash used	287,368	300,212	277,485	195,016	188,617
Net cash used by investing activities	(287,324)	(300,212)	(277,485)	(195,016)	(188,617)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	244,053	300,292	277,485	195,016	188,617
Total cash received	244,053	300,292	277,485	195,016	188,617
Net cash from financing activities	244,053	300,292	277,485	195,016	188,617
Net increase/(decrease) in cash held	(4,342)	(12,406)	-	-	-
Cash at the beginning of the reporting period	26,748	22,406	10,000	10,000	10,000
Cash at the end of the reporting period	22,406	10,000	10,000	10,000	10,000

Prepared on Australian Accounting Standards basis.

Additional Estimates Statements – Department of Human Services

Table 3.6: Departmental capital budget statement (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Act No. 1 (DCB) (a)	196,094	164,675	188,810	182,941	183,508
Equity injections - Act No. 2	47,638	138,421	88,675	12,075	5,109
Total new capital appropriations	243,732	303,096	277,485	195,016	188,617
Provided for:					
<i>Purchase of non-financial assets</i>	244,053	300,212	277,485	195,016	188,617
<i>Other items</i>	(321)	2,884	-	-	-
Total Items	243,732	303,096	277,485	195,016	188,617
PURCHASE OF NON-FINANCIAL ASSETS					
ASSETS					
Funded by capital appropriations (b)	42,707	135,537	88,675	12,075	5,109
Funded by capital appropriation - DCB (c)	196,094	164,675	188,810	182,941	183,508
Funded internally from departmental resources (d)	30,118	-	-	-	-
TOTAL	268,919	300,212	277,485	195,016	188,617
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	268,919	300,212	277,485	195,016	188,617
plus reduction in payables	18,449	-	-	-	-
Total cash used to acquire assets	287,368	300,212	277,485	195,016	188,617

Prepared on Australian Accounting Standards basis.

(a) In 2015-16 the department transferred an amount of \$0.3 million in DCB Funding to Department of Health. For further details refer to Table 1.1 in the *Portfolio Additional Estimates Statements 2015-16 Social Services Portfolio (Department of Human Services)*.

(b) Includes both current and prior *Supply Act (No. 2) 2016-2017*, Bill No. 4 and prior Act No. 2/4/6 appropriations and special capital appropriations.

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

(d) May include the following sources of funding: s 74 retained receipts; and proceeds from the sale of assets.

Table 3.7: Statement of departmental asset movements (2016-17 Budget year)

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Software \$'000	Total \$'000
As at 1 July 2016					
Gross book value	4,320	357,360	176,868	1,020,372	1,558,920
Accumulated depreciation/amortisation and impairment	-	(36,645)	(24,757)	(540,051)	(601,453)
Opening net book balance	4,320	320,715	152,111	480,321	957,467
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity (a)	-	-	37,323	98,214	135,537
By purchase - appropriation ordinary annual services (b)	-	66,600	41,322	56,753	164,675
Total additions	-	66,600	78,645	154,967	300,212
Other movements					
Depreciation/amortisation expense	-	(85,040)	(47,045)	(113,345)	(245,430)
Impairments and other movements	-	(353)	866	(1,415)	(902)
Total other movements	-	(85,393)	(46,179)	(114,760)	(246,332)
As at 30 June 2017					
Gross book value	4,320	423,162	256,104	1,173,729	1,857,315
Accumulated depreciation/amortisation and impairment	-	(121,240)	(71,527)	(653,201)	(845,968)
Closing net book balance	4,320	301,922	184,577	520,528	1,011,347

Prepared on Australian Accounting Standards basis.

(a) "Appropriation equity" refers to equity injections provided through Supply Act (No. 2) 2016-2017, Appropriation Act (No.2) 2016-17 and Bill (No.4) 2016-17.

(b) "Appropriation ordinary annual services" refers to funding provided through *Supply Act (No. 1) 2016-2017*, *Appropriation Act (No.1) 2016-17* and Bill (No.3) 2016-17 for depreciation/amortisation expenses, DCBs or other operational expenses.

Additional Estimates Statement – Department of Human Services

Table 3.8: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
EXPENSES					
Child support maintenance expense	1,392,132	1,465,131	1,470,023	1,497,064	1,526,729
Write-down and impairment of assets	148,049	72,687	90,328	80,934	91,596
Other expenses	17	-	-	-	-
Total expenses	1,540,198	1,537,818	1,560,351	1,577,998	1,618,325
Income					
Non-taxation revenue					
Child support maintenance revenue	1,517,229	1,536,735	1,560,008	1,577,654	1,617,980
Competitive neutrality revenue	14,168	13,642	15,219	17,085	18,536
Fees and fines	8,777	9,063	9,237	9,390	9,555
Dividends	12,387	14,268	14,067	16,459	18,265
Other revenue	152	-	-	-	-
Total non-taxation revenue	1,552,713	1,573,708	1,598,531	1,620,588	1,664,336
Gains					
Reversal of previous impairment	23,700	-	-	-	-
Total gains	23,700	-	-	-	-
Total income	1,576,413	1,573,708	1,598,531	1,620,588	1,664,336
Net contribution by services	36,215	35,890	38,180	42,590	46,011
Surplus	36,215	35,890	38,180	42,590	46,011
OTHER COMPREHENSIVE INCOME					
Items subject to subsequent reclassification to the net cost of services					
Gain on investment	8,430	-	-	-	-
Total comprehensive income	44,645	35,890	38,180	42,590	46,011

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2015-16 Actual \$'000	2016-17 Revised estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash	660	660	660	660	660
Child support receivables	773,531	843,100	888,118	933,913	980,561
Trade and other receivables	11,165	7,679	10,083	11,583	12,684
Investment - Australian Hearing	57,852	57,852	57,852	57,852	57,852
Total financial assets	843,208	909,291	956,713	1,004,008	1,051,757
Total assets	843,208	909,291	956,713	1,004,008	1,051,757
LIABILITIES					
Payables					
Child support and other payables	27,555	27,555	27,555	27,555	27,555
Child support payments received in advance	17,981	17,981	17,981	17,981	17,981
Total payables	45,536	45,536	45,536	45,536	45,536
Provisions					
Child support provisions	770,507	840,814	885,830	931,624	978,272
Total provisions	770,507	840,814	885,830	931,624	978,272
Total liabilities	816,043	886,350	931,366	977,160	1,023,808
Net assets/(liabilities)	27,165	22,941	25,347	26,848	27,949

Prepared on Australian Accounting Standards basis.

Additional Estimates Statements – Department of Human Services

Table 3.10: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Child support	1,385,711	1,394,824	1,425,007	1,451,270	1,480,081
Fees and fines	8,642	8,856	9,030	9,183	9,348
Competitive neutrality	13,695	15,171	14,788	16,644	18,200
Dividends	9,609	16,087	11,956	15,262	17,362
Other	1,259	439	439	439	439
Total cash received	1,418,916	1,435,377	1,461,220	1,492,798	1,525,430
Cash used					
Child support	1,383,727	1,394,824	1,425,007	1,451,270	1,480,081
Other	1,603	439	439	439	439
Total cash used	1,385,330	1,395,263	1,425,446	1,451,709	1,480,520
Net cash from operating activities	33,586	40,114	35,774	41,089	44,910
Net increase/(decrease) in cash held	33,586	40,114	35,774	41,089	44,910
Cash at beginning of reporting period	475	660	660	660	660
Cash from the official public account					
Special accounts	1,345,891	1,336,102	1,365,013	1,390,170	1,417,769
Appropriations	49,417	58,722	59,994	61,100	62,312
Other	71	-	-	-	-
Total cash from the official public account	1,395,379	1,394,824	1,425,007	1,451,270	1,480,081
Cash to the official public account					
Special accounts	(1,347,597)	(1,336,102)	(1,365,013)	(1,390,170)	(1,417,769)
Appropriations	(48,603)	(58,722)	(59,994)	(61,100)	(62,312)
Other	(32,580)	(40,114)	(35,774)	(41,089)	(44,910)
Total cash to the official public account	(1,428,780)	(1,434,938)	(1,460,781)	(1,492,359)	(1,524,991)
Cash and cash equivalents at end of reporting period	660	660	660	660	660

Prepared on Australian Accounting Standards basis.

Additional Estimates Statements – Department of Human Services

Table 3.11: Schedule of administered capital budget (for the period ended 30 June)

The Department does not have an administered capital budget.

Table 3.12: Statement of administered asset movements (2016-17 Budget year)

The Department does not administer any non-financial assets on behalf of 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. 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 program.
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 Supply Acts, Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes specified in the Appropriation Acts.
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.
Corporate Commonwealth entity	A corporate Commonwealth entity is a Commonwealth entity that is a body corporate.
Departmental capital budget (DCB)	Funds proposed in Supply or Appropriation Bill 1/3/5 for the ongoing replacement of minor assets.

Glossary

Term	Meaning
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 program.
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 2016-17 is the budget year, 2017-18 is forward year 1, 2018-19 is forward year 2 and 2019-20 is forward year 3. This period does not include the current or budget year.
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).

Term	Meaning
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.
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 program (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 program 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 programs supporting those outcomes.

Glossary

Term	Meaning
Program	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.
Program support	The entity running costs allocated to a program. 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. It provides a principles based framework for Commonwealth resource management, supported by rules and guidance to assist Commonwealth entities to manage public resources.
s 74 retained revenue receipts	<p>Under section 74 of the PGPA Act, non-corporate Commonwealth entities can retain receipts for the amounts prescribed in the PGPA rules. These receipts include:</p> <ul style="list-style-type: none">• retained (revenue) receipts and• retained (repayment) receipts. <p>Retained (revenue) receipts may increase a non-corporate Commonwealth entity's 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 entity receives a repayment.</p>

Term	Meaning
s 75 determination	A determination made by the Minister for Finance (Finance Minister) under section 75 of the PGPA Act which details amendments to the Supply or annual Appropriation Acts as a result of a transfer of functions from one entity to another.
Supply Act	The Supply Act appropriations are broadly equivalent to 5/12ths of the estimated appropriations, excluding Budget measures. In some cases, the appropriations also provide for a few entities that may have disproportionately high estimated expenditure early in the financial year. The balance of the appropriations including Budget measures for that year will be in the Appropriation Acts (No.1) and (No. 2).