

**PORTFOLIO
SUPPLEMENTARY
ADDITIONAL ESTIMATES
STATEMENTS**

**APPROPRIATION BILL (NO. 5) 2005-06
AND
APPROPRIATION BILL (NO. 6) 2005-06**

**DEPARTMENT OF HUMAN SERVICES
FINANCE AND ADMINISTRATION PORTFOLIO**

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THE HON. JOE HOCKEY MP
MINISTER FOR HUMAN SERVICES
PARLIAMENT HOUSE
CANBERRA 2600

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 these Portfolio Supplementary Additional Estimates Statements in support of the additional appropriations sought for the Department of Human Services and its agencies, a part of the Finance and Administration Portfolio, through Appropriation Bill (No. 5) 2005-06 and Appropriation Bill (No. 6) 2005-06.

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

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

Yours sincerely

JOE HOCKEY MP

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USER GUIDE

INTRODUCTION

The purpose of the Portfolio Supplementary Additional Estimates Statements (SAES) is to explain Appropriation Bill (No. 5) 2005-06 and Appropriation Bill (No. 6) 2005-06. This document serves to inform senators and members of Parliament of the proposed allocation of extra appropriation resources to Government outcomes by agencies within the portfolio.

The SAES are declared by Appropriation Bill (No. 5) 2005-06 and Appropriation Bill (No. 6) 2005-06 to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

The SAES should be read in conjunction with the 2006-07 Portfolio Budget Statements, which accompany this document, and include information from the appropriation bills explained in this document.

**AGENCY SUPPLEMENTARY
ADDITIONAL ESTIMATES STATEMENTS**

DEPARTMENT OF HUMAN SERVICES

OVERVIEW OF ADDITIONAL APPROPRIATIONS SOUGHT

As a result of decisions taken by the Australian Government since the 2005-06 Portfolio Additional Estimates Statements, the Department of Human Services (DHS) is seeking additional appropriations through Appropriations Bills (Nos 5 & 6) 2005-06.

The funding is for “Child Support Reforms” measures.

VARIATIONS — MEASURES AND OTHER

Table 1.1: Supplementary additional estimates and variations to outcome – measures

	2005-06 (\$'000)	2006-07 (\$'000)	2007-08 (\$'000)	2008-09 (\$'000)
Outcome 1				
Increase in departmental appropriations				
Child Support Reforms - a new formula	4,550	7,122	63,190	59,254
Child Support Reforms - improving compliance	725	29,962	52,886	39,107
Child Support Reforms - aligning income definitions	-	-	394	408
Child Support Reforms - external review	-	1,281	939	2,385
Child Support Reforms - changes to Family Tax Benefit maintenance arrangements	-	378	809	440
Child Support Reforms - Family Relationship Centres	-	216	(26)	(171)
Child Support Reforms - communication strategy	430	4,170	17,721	151
Child Support Reforms - building a better Child Support Agency	3,711	38,797	35,760	38,698
Increase in capital appropriations				
Child Support Reforms - a new formula	-	8,087	6,453	900
Decrease in administered appropriations				
Child Support Reforms - building a better Child Support Agency	(1,998)	(2,068)	-	-

Other variations

Table 1.2: Supplementary additional estimates and variations to outcome – other variations

This table is not included as the department did not have any other variations.

MEASURES — SUMMARY

Table 1.3: Summary of measures since Portfolio Additional Estimates Statements 2005-06

Measure	Outcome Output groups affected		2005-06 (\$'000)			2006-07 (\$'000)			2007-08 (\$'000)			2008-09 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Expense Measures - Outcome 1														
Department of Human Services														
Child Support Reforms - a new formula	1	2	-	4,550	4,550	-	7,122	7,122	-	63,190	63,190	-	59,254	59,254
Child Support Reforms - improving compliance	1	2	-	725	725	-	29,962	29,962	-	52,886	52,886	-	39,107	39,107
Child Support Reforms - aligning income definitions	1	2	-	-	-	-	-	-	-	394	394	-	408	408
Child Support Reforms - external review	1	2	-	-	-	-	1,281	1,281	-	939	939	-	2,385	2,385
Child Support Reforms - changes to Family Tax Benefit maintenance arrangements	1	2	-	-	-	-	378	378	-	809	809	-	440	440
Child Support Reforms - Family Relationship Centres	1	2	-	-	-	-	216	216	-	(26)	(26)	-	(171)	(171)
Child Support Reforms - communication strategy	1	1,2	-	430	430	-	4,170	4,170	-	17,721	17,721	-	151	151
Child Support Reforms - building a better Child Support Agency	1	2	(1,998)	3,711	1,713	(2,068)	38,797	36,729	-	35,760	35,760	-	38,698	38,698
Total Expense Measures			(1,998)	9,416	7,418	(2,068)	81,926	79,858	-	171,673	171,673	-	140,272	140,272
Capital Measures - Outcome 1														
Department of Human Services														
Child Support Reforms - a new formula	1	2	-	-	-	-	8,087	8,087	-	6,453	6,453	-	900	900
Total Capital Measures			-	-	-	-	8,087	8,087	-	6,453	6,453	-	900	900
Total of All Measures			(1,998)	9,416	7,418	(2,068)	90,013	87,945	-	178,126	178,126	-	141,172	141,172

BREAKDOWN, BY APPROPRIATION BILL, OF ADDITIONAL FUNDING SOUGHT

Table 1.4: Appropriation Bill (No. 5) 2005-06

	2005-06 Budget and Additional Estimates (\$'000)	2005-06 Revised (\$'000)	2005-06 Supplementary Additional Estimates (\$'000)
ADMINISTERED ITEMS			
Outcome 1			
Effective and efficient delivery of social and health related services, including financial assistance to the Australian community	5,210	5,210	-
Total	5,210	5,210	-
DEPARTMENTAL OUTPUTS			
Outcome 1			
Effective and efficient delivery of social and health related services, including financial assistance to the Australian community	309,048	318,464	9,416
Total	309,048	318,464	9,416
Total administered and departmental	314,258	323,674	9,416

Table 1.5: Appropriation Bill (No. 6) 2005-06

This table is not included as the department will not receive any appropriations from Appropriation Bill (No. 6) 2005-06.

ESTIMATED SPECIAL ACCOUNT FLOWS

Table 1.6: Estimated special account flows

	Opening balance 2005-06 2005-06 (\$'000)	Receipts 2005-06 2005-06 (\$'000)	Payments 2005-06 2005-06 (\$'000)	Adjustments 2005-06 2005-06 (\$'000)	Closing balance 2005-06 2005-06 (\$'000)
Child Support Trust - Child Support Act 1988 (A)	34,731 34,731	869,958 858,925	867,028 858,042	- -	37,661 35,614

CENTRELINK

OVERVIEW OF ADDITIONAL APPROPRIATIONS SOUGHT

Centrelink will not receive direct appropriations for the delivery of the measures below and as such the Additional Appropriations and Variations to Outcomes: New Measures and Additional Appropriations and Variations to Outcomes: Other Variations tables have been omitted. Table 1.3 reports the funding appropriated for Centrelink services through its Policy Departments.

MEASURES — SUMMARY

Table 1.3: Summary of measures since Portfolio Additional Estimates Statements 2005-06

Measure	Outcome	Output groups affected	2005-06 (\$'000)			2006-07 (\$'000)			2007-08 (\$'000)			2008-09 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Department of Family, Community Services and Indigenous Affairs														
Migration Programme - 3,000 additional family stream places for 2005-06	1	1		166	166		37	37		94	94		77	77
Child Support Reforms - a new formula	1	1		453	453		605	605		18,894	18,894		10,749	10,749
Child Support Reforms - Family Relationship Centres	1	1		198	198		716	716		634	634		735	735
Child Support Reforms - communication strategy	1	1		189	189		4,325	4,325		5,395	5,395		861	861
Cyclone Larry - ex-gratia payments	1	1		857	857		1	1		-	-		-	-
Cyclone Larry - fuel excise relief	1	1		437	437		1	1		-	-		-	-
Cyclone Larry - one-off income support	1	1		434	434		64	64		-	-		-	-

Measure	Outcome	Output groups affected	2005-06 (\$'000)			2006-07 (\$'000)			2007-08 (\$'000)			2008-09 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Department of Employment and Workplace Relations														
Welfare to Work - financial case management for income support recipients	1	1		941	941		3,810	3,810		4,082	4,082		4,156	4,156
Child Support Reforms - a new formula	1	1		327	327		340	340		228	228		231	231
Department of Health and Aging														
Aged care income test - additional funding	1	1		892	892		985	985		1,053	1,053		1,120	1,120
Department of Agriculture, Fisheries and Forestry														
Drought assistance - Exceptional Circumstances assistance	1	1		29	29		72	72		-	-		-	-
Drought assistance - interim income support	1	1		56	56		-	-		-	-		-	-

Measure	Outcome	Output groups affected	2005-06 (\$'000)			2006-07 (\$'000)			2007-08 (\$'000)			2008-09 (\$'000)		
			Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Department of Industry, Tourism and Resources														
Cyclone Larry - Business Assistance Fund	1	1		704	704		1	1		-	-		-	-
Total				5,683	5,683		10,957	10,957		30,380	30,380		17,929	17,929

MEDICARE AUSTRALIA

OVERVIEW OF ADDITIONAL APPROPRIATIONS SOUGHT

Medicare Australia is seeking additional appropriations through Appropriations Bills (No's 5 and 6) 2005-06 to fund the following PBS drugs: Pegasys (Hep C), Efalizumab Raptiva, Thalidomide and Vytorin.

VARIATIONS — MEASURES AND OTHER

Table 1.1: Supplementary additional estimates and variations to outcome – measures

	2005-06 (\$'000)	2006-07 (\$'000)	2007-08 (\$'000)	2008-09 (\$'000)
Outcome 1				
Improving Australia's health through payments and information				
Increase in departmental appropriations				
Pegasys (Hep C)	1	6	6	6
Efalizumab Raptiva	207	835	841	851
Thalidomide	1	2	2	2
Vytorin	5	51	95	149
Total	214	894	944	1,008

Other variations

Table 1.2: Supplementary additional estimates and variations to outcome – other variations

	2005-06 (\$'000)	2006-07 (\$'000)	2007-08 (\$'000)	2008-09 (\$'000)
Outcome 1				
Improving Australia's health through payments and information				
Increase in departmental appropriations				
London Assist	61	11	11	11
- Related Capital	52	-	-	-
Total	113	11	11	11
- Expense	61	11	11	11
- Related Capital	52	-	-	-

MEASURES — SUMMARY

Table 1.3: Summary of measures since Portfolio Additional Estimates Statements 2005-06

Measure	Output groups affected	2005-06 (\$'000)			2006-07 (\$'000)			2007-08 (\$'000)			2008-09 (\$'000)		
		Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total	Admin items	Dept outputs	Total
Measure													
Pegasys (Hep C)	1.1	-	1	1	-	6	6	-	6	6	-	6	6
Efalzumab Raptiva	1.1	-	207	207	-	835	835	-	841	841	-	851	851
Thalidomide	1.1	-	1	1	-	2	2	-	2	2	-	2	2
Vytorin	1.1	-	5	5	-	51	51	-	95	95	-	149	149
Total		-	214	214	-	894	894	-	944	944	-	1008	1008

BREAKDOWN, BY APPROPRIATION BILL, OF ADDITIONAL FUNDING SOUGHT

Table 1.4: Appropriation Bill (No. 5) 2005-06

	2005-06 Budget and Additional Estimates (\$'000)	2005-06 Revised (\$'000)	2005-06 Supplementary Additional Estimates (\$'000)
DEPARTMENTAL OUTPUTS			
Outcome 1			
Improving Australia's health through payments and information	523,253	523,528	275
Total	523,253	523,528	275
Total administered and departmental	523,253	523,528	275

Table 1.5: Appropriation Bill (No. 6) 2005-06

	2005-06 Budget and Additional Estimates (\$'000)	2005-06 Revised (\$'000)	2005-06 Supplementary Additional Estimates (\$'000)
Non-operating			
Equity injections	4,778	4,830	52
Total capital	4,778	4,830	52
Medicare Australia			
Total	4,778	4,830	52