

PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS 2013-14

SOCIAL SERVICES PORTFOLIO
(DEPARTMENT OF HUMAN SERVICES)

EXPLANATIONS OF ADDITIONAL ESTIMATES 2013-14



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President of the Senate
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Speaker
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Dear Mr President
Dear Madam Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2013-14 Additional Estimates for the Human Services portfolio.

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 black ink that reads 'Marise Payne'.

MARISE PAYNE

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nfp	not for publication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
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

ENQUIRIES

Should you have any enquiries regarding this publication please contact Emily Canning, Acting Chief Financial Officer in the Department of Human Services on phone number (02) 6223 4350.

A copy of this document can be located on the Australian Government Budget website at: <http://www.budget.gov.au>.

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

USER GUIDE

The purpose of the 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 agencies within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Agency Resource Statement to inform Parliament of the revised estimate of the total resources available to an agency, the focus of the PAES is on explaining the changes in resourcing by outcome since the Budget. As such, the PAES provide information on new measures and their impact on the financial and non-financial planned performance of programmes supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (Nos. 3 and 4) 2013-14. In this sense the PAES are 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) 2013-14* 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 agencies 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 agencies in the portfolio.

Agency Additional Estimates Statements

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

Section 1: Agency Overview and Resources	This section details the total resources available to an agency, the impact of any measures since Budget, and impact on 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 agency programmes.
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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.
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Glossary	Explains key terms relevant to the portfolio.
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PORTFOLIO OVERVIEW

PORTFOLIO OVERVIEW

Minister and Portfolio Responsibilities

Human Services is a portfolio within the Social Services portfolio. The Department of Human Services (the department) provides policy advice on service delivery matters to government to ensure effective, innovative and efficient implementation of government service delivery. The department delivers a range of government and other payments and services to Australians, including through its three main programmes:

- **Centrelink** delivers a range of government payments and services for retirees, the unemployed, families, carers, parents, students, people with disabilities, Indigenous Australians, people from diverse cultural and linguistic backgrounds, and provides services at times of major change.
- **Medicare** looks after the health of Australians through efficient services and payments such as Medicare, the Pharmaceutical Benefits Scheme, the Australian Childhood Immunisation Register, and the Australian Organ Donor Register.
- **Child Support** provides support to separated parents to provide the financial and emotional support necessary for their children's wellbeing.

The department also delivers other programmes including CRS Australia, the Healthcare Identifiers Service and Early Release of Superannuation.

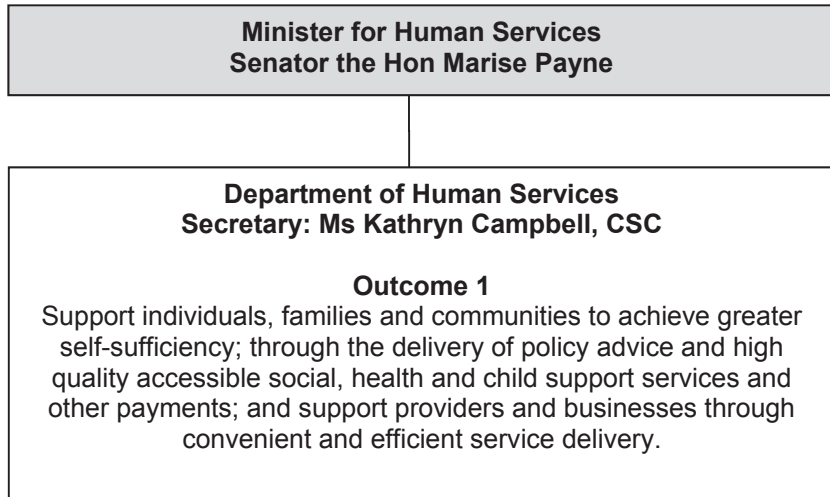
The Human Services portfolio also includes Australian Hearing which is a non-General Government Sector entity. As such, Australian Hearing is not consolidated into the Commonwealth general government sector fiscal estimates. Accordingly, Australian Hearing is not reported in the Portfolio Budget Statements or Portfolio Additional Estimates Statements.

More comprehensive information on the department's activities is available at the following website:

<http://www.humanservices.gov.au>

The Social Services portfolio also includes the Department of Social Services. The Department of Human Services is administered separately to the Department of Social Services. Detail of the allocation of resources for the Department of Social Services can be found in the Social Services Portfolio Additional Estimates Statements.

Figure 1: Human Services portfolio structure and outcome



Portfolio Resources

Table 1 shows for those agencies reporting under the Human Services portfolio in these PAES, the additional resources provided in the 2013-14 budget year, by agency.

Table 1: Portfolio Resources 2013-14

	Appropriation			Receipts	Total
	Bill No. 3 \$m	Bill No. 4 \$m	Special \$m	\$m	\$m
Department of Human Services					
Administered appropriations	..	-	-	24.0	24.0
Departmental appropriations	78.0	4.3	-	-	82.3
Total:	78.0	4.3	-	24.0	106.3
Portfolio total					106.3
				Additional resources available within portfolio:	106.3

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DEPARTMENT OF HUMAN SERVICES

Section 1: Agency Overview and Resources

1.1 STRATEGIC DIRECTION

There have been no changes to the department's strategic direction since the publication of the 2013-14 Portfolio Budget Statements.

The department is seeking an additional \$78.0 million in departmental operating funding and \$0.047 million in administered funding through Appropriation Bill (No. 3) 2013-14.

The department is seeking additional equity injections of \$4.3 million for capital measures and other variations through Appropriation Bill (No. 4) 2013-14.

1.2 AGENCY RESOURCE STATEMENT

The Agency 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 2013-14 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 2013-14 as at Additional Estimates February 2014

	Estimate as at Budget +	Proposed Additional = Estimates	Total estimate at Additional Estimates	Total available appropriation
	2013-14	2013-14	2013-14	2012-13
	\$'000	\$'000	\$'000	\$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	745,768	-	745,768	685,104
Departmental appropriation ³	4,008,936	77,987	4,086,923	4,039,132
s31 Relevant agency receipts ⁴	284,724	(24,080)	260,644	428,170
Total	5,039,428	53,907	5,093,335	5,152,406
Administered expenses				
Prior year administered appropriation ²	719	-	719	652
Outcome 1 ⁵	16,958	47	17,005	10,273
Total	17,677	47	17,724	10,925
Total ordinary annual services	A 5,057,105	53,954	5,111,059	5,163,331
Other services⁶				
Departmental non-operating				
Prior year departmental appropriation ²	-	-	-	7,515
Equity injections	39,161	4,279	43,440	46,245
Total	39,161	4,279	43,440	53,760
Total other services	B 39,161	4,279	43,440	53,760
Total available annual appropriations	5,096,266	58,233	5,154,499	5,217,091
Special appropriations				
Special appropriations limited by criteria/entitlement				
<i>Child Support (Registration and Collection) Act 1988 -</i>				
<i>Section 77 - unremitted deductions</i>	83,137	(11,030)	72,107	69,184
<i>Section 78 - unexplained remittances</i>	50	-	50	-
Total special appropriations	C 83,187	(11,030)	72,157	69,184
Total appropriations excluding Special accounts	5,179,453	47,203	5,226,656	5,286,275
Special Accounts				
Opening balance ^{2,7}	57,072	-	57,072	58,838
Appropriation receipts ⁸	85,327	(10,992)	74,335	70,451
Non-appropriation receipts to Special accounts ⁹	1,350,444	23,966	1,374,410	1,261,995
Total Special Account	D 1,492,843	12,974	1,505,817	1,391,284
Total resourcing				
A+B+C+D	6,672,296	60,177	6,732,473	6,677,559
Less appropriations drawn from annual or special appropriations above and credited to special accounts	85,327	(10,992)	74,335	70,451
Total net resourcing for the Department of Human Services	6,586,969	71,169	6,658,138	6,607,108

Table 1.1: Department of Human Services Resource Statement — Additional Estimates for 2013-14 as at Additional Estimates February 2014 (continued)

1. *Appropriation Act (No.1) 2013-14* and Appropriation Bill (No.3) 2013-14.
2. The 'Estimate as at Budget' has been updated to reflect the actual balance carried forward from previous year for annual appropriations.
3. Includes an amount of \$115.2 million in 2013-14 for the Departmental Capital Budget (refer to Table 3.2.5 for further details). The actual for 2012-13 includes an amount of \$131.8 million for the Departmental Capital Budget. For accounting purposes this amount is designated as 'contributions by owners'.
4. Section 31 Relevant Agency receipts — estimate.
5. The Department of Human Services does not have an Administered Capital Budget for 2013-14.
6. *Appropriation Act (No.2) 2013-14* and Appropriation Bill (No. 4) 2013-14.
7. Actual opening balance for Special Accounts (excluding 'Special Public Money' held in accounts such as Services for Other Entities and Trust Moneys Special Accounts). For further details on special accounts see Table 3.1.1.
8. Includes appropriation receipts from the Department of Human Services annual Administered appropriation relating to Child Support payments and special appropriations for 2013-14 included above.
9. Includes receipts from non-custodial parents through the Child Support Account and compensation recoveries in 2012-13 actuals.

Reader note: All figures are GST exclusive.

Table 1.1: Department of Human Services Resource Statement — Additional Estimates for 2013-14 as at Additional Estimates February 2014 (continued)

Third Party Payments on behalf of and receipts from other agencies

	Estimate as at Budget	Estimate at Additional Estimates
	2013-14	2013-14
	\$'000	\$'000
Payments made on behalf of other agencies^{1,2} (disclosed in the respective Agency Resource Statement)		
Department of Social Services		
Special Appropriation - <i>Social Security (Administration) Act 1999</i>	81,058,347	82,169,070
Special Appropriation - <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	21,362,101	21,300,955
Special Appropriation - <i>Paid Parental Leave Act 2010</i>	1,609,306	1,615,274
Special Appropriation - <i>Student Assistance Act 1973</i>	294,025	779,687
Annual Appropriation - Ex Gratia and Act of Grace Payments	3,775	3,775
Annual Appropriation - Compensation and Debt Relief	198	198
Special Appropriation - <i>Aged Care Act 1997 (Total)</i>	9,853,374	9,937,391
Special Appropriation - <i>National Health Act 1953 - Contingence Aids Payment</i>	76,864	67,676
Total	114,257,990	115,874,026
Department of Industry		
Annual Appropriation - Liquefied Petroleum Gas Vehicle Scheme	21,818	21,818
Total	21,818	21,818
Attorney-General's Department		
Special Appropriation - <i>Social Security (Administration) Act 1999 - National Security and Criminal Justice</i>	8,000	8,000
Special Appropriation - <i>Social Security (Administration) Act 1999 - Disaster Recovery Allowance</i>	-	5,000
Annual Appropriation - Ex Gratia assistance - New Zealand citizens	1,000	1,000
Annual Appropriation - Disaster Income Recovery Subsidy	1,000	1,000
Total	10,000	15,000
Department of Infrastructure and Regional Development		
Annual Appropriation - Bass Strait Passenger Vehicle Equalisation Scheme	42,000	37,000
Annual Appropriation - Tasmanian Freight Equalisation Scheme	114,300	114,300
Annual Appropriation - Tasmanian Wheat Freight Scheme	1,050	1,050
Total	157,350	152,350
Department of Education		
Special Appropriation - <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	5,048,234	5,442,663
Annual Appropriation - Child Care For Eligible Parents Undergoing Training	82,941	82,941
Total	5,131,175	5,525,604
Department of Agriculture		
Annual Appropriation - Transitional Farm Family Payment	7,608	7,542
Special Appropriation - <i>Farm Household Support Act 1992 - s57(3)</i>	-	50
Total	7,608	7,592

Table 1.1: Department of Human Services Resource Statement — Additional Estimates for 2013-14 as at Additional Estimates February 2014 (continued)

Third Party Payments on behalf of and receipts from other agencies (continued)

	Estimate as at Budget	Estimate at Additional Estimates
	2013-14 \$'000	2013-14 \$'000
Payments made on behalf of other agencies¹ (continued)		
Department of Veterans' Affairs		
Special Appropriation - <i>Veterans' Entitlements Act 1986</i> & Related Acts	4,046,737	4,046,737
Special Appropriation - <i>Military Rehabilitation and Compensation Act 2004</i>	16,587	21,465
Special Appropriation - <i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	274	420
Total	4,063,598	4,068,622
Department of Health		
Special Appropriation - <i>Health Insurance Act 1973</i> - Medical Benefits	18,838,215	19,009,267
Special Appropriation - <i>Dental Benefits Act 2008</i>	244,034	244,034
Special Appropriation - <i>National Health Act 1953</i> - Pharmaceutical Benefits	9,882,989	9,253,606
Special Appropriation - <i>National Health Act 1953</i> - Aids and Appliances	300,095	302,765
Special Appropriation - <i>Private Health Insurance Act 2007</i>	4,916,721	5,338,097
Special Appropriation - <i>Medical Indemnity Agreement Act 2002</i>	98,602	98,602
Special Appropriation - <i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	1,391	1,391
Special Account - Australian Childhood Immunisation Register	9,388	9,388
Total	34,291,435	34,257,150
Australian Bureau of Statistics		
Annual Appropriation - Australian Health Survey	5	1
Total	5	1
Total third party payments	157,940,979	159,922,163

Table 1.1: Department of Human Services Resource Statement — Additional Estimates for 2013-14 as at Additional Estimates February 2014 (continued)

Third Party Payments on behalf of and receipts from other agencies (continued)

	Estimate as at Budget	Estimate at Additional Estimates
	2013-14 \$'000	2013-14 \$'000
Receipts received from other agencies for the provision of services²		
(disclosed above within Departmental section 31)		
Attorney-General's Department	1,183	1,539
Australian Electoral Commission	4,058	4,058
Australian Taxation Office	997	1,120
Department of Communications	451	451
Department of Employment ³	155,150	134,010
Department of Social Services	6,660	3,895
Department of Foreign Affairs and Trade	5,458	6,349
Department of Health ⁴	15,876	21,096
Department of Immigration and Border Protection	291	291
Department of Industry	25	-
Department of Veterans' Affairs	35,339	31,084
Total s31 relevant agency receipts received for the provision of services	225,488	203,893

- Third party payments reported in the Human Services 2013-14 Portfolio Budget Statements have been affected by the Administrative Arrangements Order (AAO) dated 12 December 2013 as summarised below:
 - Payments made on behalf of the Department of Families, Housing, Community Services and Indigenous Affairs are now made on behalf of the Department of Social Services.
 - Payments made on behalf of the Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education (DIICCSRTE) under the *Social Security (Administration) Act 1999* were transferred to the Department of Social Services. Payments made on behalf of DIICCSRTE in respect of the Liquefied Petroleum Gas Vehicle Scheme are now made on behalf of the Department of Industry.
 - Payments made on behalf of the Department of Infrastructure and Transport are now made on behalf of the Department of Infrastructure and Regional Development.
 - Payments made on behalf of the Department of Education, Employment and Workplace Relations (DEEWR) under the Special Appropriation - *A New Tax System (Family Assistance) (Administration) Act 1999* and Child Care Payments for Eligible Parents Undergoing Training are now made on behalf of the Department of Education. Payments previously made on behalf of DEEWR under the Special Appropriation - *Social Security (Administration) Act 1999*; Special Appropriation - *Student Assistance Act 1973*; and Annual Appropriation - Compensation and Debt Relief, are now made on behalf of the Department of Social Services.
 - Payments made on behalf of the Department of Agriculture, Fisheries and Forestry are now made on behalf of the Department of Agriculture.
 - Payments made on behalf of the Department of Health and Ageing for continence aids under the *National Health Act 1953* and Special Appropriation payments made under the *Aged Care Act 1997*, are now made on behalf of the Department of Social Services.
- Agencies' names have been restated to reflect the AAO dated 12 December 2013.
- Comprises receipts related to the "services to help people with disabilities obtain employment" function, which will be transferred to the Department of Social Services consistent with the AAO dated 12 December 2013. The revised arrangement will be reflected in the next PB Statement.
- Includes receipts related to the "aged care" function, which will be transferred to the Department of Social Services consistent with the AAO dated 12 December 2013. The revised arrangement will be reflected in the next PB Statement.

1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2013-14 Budget. The table is split into revenue, expense and capital measures, with the affected programme identified.

Table 1.2: Agency 2013-14 Measures since Budget

	Programme	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Expense measures¹					
Call Centre - supplementation					
Departmental expenses	1.1	-	20,000	20,000	20,000
Attorney-General's Department					
Australian Victims of Terrorism Overseas Payment					
Departmental expenses	1.1	2,776	274	162	13
Department of Employment					
Job Commitment Bonus - establishment					
Departmental expenses	1.1	1,200	3,971	2,010	2,546
Relocation Assistance to Take up a Job programme - establishment					
Departmental expenses	1.1	606	35	11	11
Department of the Environment					
Green Army - establishment					
Departmental expenses	1.1	4,389	38	(1,013)	(1,555)
Department of Health					
Medicare Benefits Schedule - new and amended listings					
Departmental expenses	1.2	(24)	(11)	1	14
Pharmaceutical Benefits Scheme - new and amended listings ²					
Departmental expenses	1.2	893	303	466	668
Department of Immigration and Border Protection					
2013-14 Humanitarian Programme					
Departmental expenses	1.1, 1.2	(3,558)	(6,876)	(9,134)	(12,111)
Addressing the Backlog and Reintroducing Temporary Protection Visas					
Departmental expenses	1.1	4,143	-	-	-
Department of Social Services					
Fraud Prevention and Compliance - increase compliance of customers with earned income					
Departmental expenses	1.1	-	2,568	2,538	2,563

Prepared on a Government Financial Statistics (fiscal) basis.

Table 1.2: Agency 2013-14 Measures since Budget (continued)

	Programme	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Expense measures¹					
Department of Social Services					
Improved operating environment for small and medium enterprises ³					
Departmental expenses	1.1	4,507	996	791	798
Living Longer. Living Better					
- Homeless Supplement					
Departmental expenses	1.1	1,120	-	-	-
- Improved consistency in leave arrangements for residential care					
Departmental expenses	1.1	558	-	-	-
Paid Parental Leave					
- removing the mandatory obligation for employers to administer payments					
Departmental expenses	1.1	(1,345)	(204)	(246)	(254)
Repeal of the Minerals Resource Rent Tax - cessation of certain social security payments					
Departmental expenses	1.1	7,567	(3,014)	(3,578)	(5,042)
Department of the Treasury					
Improved operating environment for small and medium enterprises ³					
Departmental expenses	1.1	2,651	907	515	649
Reducing superannuation compliance costs for small business					
Departmental expenses	1.1	(1,182)	(6,099)	(6,210)	(6,186)
Expense measures¹					
Cross Portfolio					
Efficiency Dividend - temporary increase in the rate					
Departmental expenses	1.1, 1.2	-	(38,339)	(82,562)	(128,750)
Public Service efficiencies ⁴					
Departmental expenses	1.1, 1.2	(888)	(3,604)	(7,943)	(11,012)
Reforms to APS management and efficient procurement of agency software					
Departmental expenses	1.1, 1.2	(5,992)	(8,874)	(13,215)	(11,012)
Total expense measures					
Administered		-	-	-	-
Departmental		17,421	(37,929)	(97,407)	(148,660)
Total		17,421	(37,929)	(97,407)	(148,660)

Prepared on a Government Financial Statistics (fiscal) basis.

Table 1.2: Agency 2013-14 Measures since Budget (continued)

	Programme	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	
Capital measures¹						
Department of Employment						
Job Commitment Bonus - establishment						
	Departmental Capital	1.1	361	2,896	833	-
Department of Social Services						
Improved operating environment for small and medium enterprises ³						
	Departmental Capital	1.1	3,188	-	-	-
Paid Parental Leave - removing the mandatory obligation for employers to administer payments						
	Departmental Capital	1.1	(1,328)	-	-	-
Repeal of the Minerals Resource Rent Tax - cessation of certain social security payments						
	Departmental Capital	1.1	-	(282)	-	-
Department of the Treasury						
Improved operating environment for small and medium enterprises ³						
	Departmental Capital	1.1	39	-	-	-
Cross Portfolio						
Efficiency Dividend - temporary increase in the rate - Departmental Capital Budget						
	Departmental Capital	1.1, 1.2	-	(2,016)	(4,579)	(6,985)
Total capital measures						
	Administered		-	-	-	-
	Departmental		2,260	598	(3,746)	(6,985)
Total			2,260	598	(3,746)	(6,985)

Prepared on a Government Financial Statistics (fiscal) basis.

1. Measures are listed by lead portfolio agency where applicable.
2. Includes decisions made after Mid-Year Economic and Fiscal Outlook 2013-14.
3. Responsibility for this measure is shared between the Department of Social Services and the Department of the Treasury.
4. This is a measure announced in the 2013-14 Budget but not previously reported in a portfolio statement.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the Department of Human Services at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2013-14 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 2013-14 Budget

	Programme impacted	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Outcome 1					
Increase in estimates (departmental)					
Call Centre - supplementation	1.1	-	20,000	20,000	20,000
Australian Victims of Terrorism Overseas Payment	1.1	2,776	274	162	13
Job Commitment Bonus - establishment	1.1	1,561	6,867	2,843	2,546
Relocation Assistance to Take up a Job programme - establishment	1.1	606	35	11	11
Green Army - establishment	1.1	4,389	38	(1,013)	(1,555)
Pharmaceutical Benefits Scheme - new and amended listings	1.2	893	303	466	668
Living Longer. Living Better - Homeless Supplement	1.1	1,120	-	-	-
- Improved consistency in leave arrangements for residential care	1.1	558	-	-	-
Addressing the Backlog and Reintroducing Temporary Protection Visas	1.1	4,143	-	-	-
Fraud Prevention and Compliance - increase compliance of customers with earned income	1.1	-	2,568	2,538	2,563
Improved operating environment for small and medium enterprises	1.1	10,385	1,903	1,306	1,447

Table 1.3: Additional Estimates and Variations to Outcomes from Measures since 2013-14 Budget (continued)

	Programme impacted	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Outcome 1					
Decrease in estimates (departmental)					
Medicare Benefits Schedule					
- new and amended listings	1.2	(24)	(11)	1	14
2013-14 Humanitarian Programme	1.1, 1.2	(3,558)	(6,876)	(9,134)	(12,111)
Paid Parental Leave					
- removing the mandatory obligation for employers to administer payments	1.1	(2,673)	(204)	(246)	(254)
Reducing superannuation compliance costs for small business	1.1	(1,182)	(6,099)	(6,210)	(6,186)
Efficiency Dividend - temporary increase in the rate	1.1, 1.2	-	(38,339)	(82,562)	(128,750)
Efficiency Dividend - temporary increase in the rate - Departmental Capital Budget	1.1, 1.2	-	(2,016)	(4,579)	(6,985)
Public Service efficiencies	1.1, 1.2	(888)	(3,604)	(7,943)	(11,012)
Reforms to APS management and efficient procurement of agency software	1.1, 1.2	(5,992)	(8,874)	(13,215)	(11,012)
Repeal of the Minerals Resource Rent Tax - cessation of certain social security payments	1.1	7,567	(3,296)	(3,578)	(5,042)
Net impact on estimates for Outcome 1 (departmental)		19,681	(37,331)	(101,153)	(155,645)

Table 1.4: Additional Estimates and Variations to Outcomes from Other Variations

	Programme impacted	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Outcome 1					
Increase in estimates (administered)					
Economic parameter update	1.1	9	15	-	-
Other changes in programme specific parameters	1.3	38	28	22	18
Net impact on estimates for Outcome 1 (administered)		47	43	22	18
Increase in estimates (departmental)					
Top up funding for Call Centres	1.1	4,147	-	-	-
Changes in workload volumes	1.1	50,119	55,355	9,739	1,839
More convenient access to online government services	1.1	220	220	220	220
Early Release of Superannuation Benefit - adjustment to match levy determination	1.1	31	-	-	-
Funding adjustment to implement Family payments reform – replacing the Baby Bonus					
Expense	1.1	6,049	550	502	1,214
Capital	1.1	2,019	126	101	-
Decrease in estimates (departmental)					
Economic parameter update - Expenses	1.1, 1.2	-	(10,768)	(17,184)	(20,702)
Economic parameter update - Departmental Capital Budget	1.1, 1.2	-	(586)	(980)	(1,156)
Net impact on estimates for Outcome 1 (departmental)		62,585	44,897	(7,602)	(18,585)

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the Department of Human Services through Appropriation Bills Nos. 3 and 4.

Table 1.5: Appropriation Bill (No. 3) 2013-14

	2012-13 Available \$'000	2013-14 Budget \$'000	2013-14 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.	10,273	16,958	17,005	47	-
Total	10,273	16,958	17,005	47	-
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.	4,039,132	4,008,936	4,086,923	90,976	(12,989)
Total	4,039,132	4,008,936	4,086,923	90,976	(12,989)
Total administered and departmental	4,049,405	4,025,894	4,103,928	91,023	(12,989)

Table 1.6: Appropriation Bill (No. 4) 2013-14

	2012-13 Available \$'000	2013-14 Budget \$'000	2013-14 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Non-operating					
Equity injections	46,245	39,161	43,440	5,607	(1,328)
Total non-operating	46,245	39,161	43,440	5,607	(1,328)
Department of Human Services					
Total	46,245	39,161	43,440	5,607	(1,328)

Section 2: Revisions to Outcomes and Planned Performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

There have been no changes to the Department of Human Services outcome since the publication of the 2013-14 Portfolio Budget Statements.

The department’s programme structure has been updated since the 2013-14 Budget to meet updated requirements from the Department of Finance. Details of the changes are provided below. Further details on the original programme structure can be found in the 2013-14 Portfolio Budget Statements.

OUTCOME 1

Outcome 1 Strategy

The department’s programme structure has been adjusted since the 2013-14 Budget. Services to the community is now divided into two separate programmes:

- Programme 1.1 – Services to the Community – Social Security and Welfare; and
- Programme 1.2 – Services to the Community – Health.

Changes to programme objectives, deliverables and key performance indicators are detailed under the relevant programme headings in this section.

Expenses in Section 2 have been restated based on the revised programme structure.

Figure 2: Transition Table

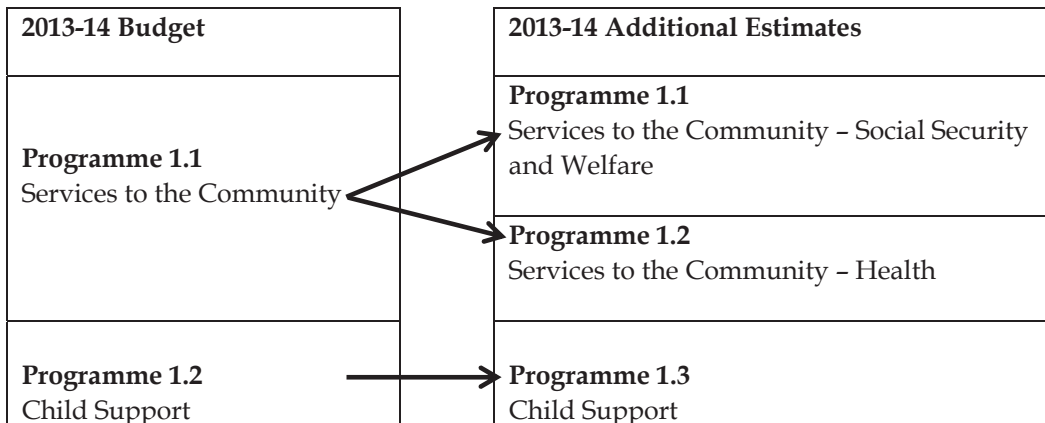


Table 2.1 Budgeted Expenses and Resources for Outcome 1

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.	2012-13 Actual ³ expenses \$'000	2013-14 Revised estimated expenses \$'000
Programme 1.1: Services to the Community - Social Security and Welfare		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	10,196	14,827
Special accounts	11,964	-
Expenses not requiring appropriation in the Budget year ¹	942	234
Departmental expenses		
Departmental Appropriation ²	3,564,240	3,574,169
Expenses not requiring appropriation in the Budget year ¹	226,785	225,717
Total for Programme 1.1	3,814,127	3,814,947
Programme 1.2: Services to the Community - Health		
Departmental expenses		
Departmental Appropriation ²	625,462	644,596
Expenses not requiring appropriation in the Budget year ¹	39,522	36,010
Total for Programme 1.2	664,984	680,606
Programme 1.3: Child Support		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	1,330	2,178
Special appropriations	69,119	72,157
Special accounts	1,259,097	1,354,617
Expenses not requiring appropriation in the Budget year ¹	170,613	135,118
Total for Programme 1.3	1,500,159	1,564,070
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	11,526	17,005
Special appropriations	69,119	72,157
Special accounts	1,271,061	1,354,617
Expenses not requiring appropriation in the Budget year ¹	171,555	135,352
Departmental expenses		
Departmental Appropriation ²	4,189,702	4,218,765
Expenses not requiring appropriation in the Budget year ¹	266,307	261,727
Total expenses for Outcome 1	5,979,270	6,059,623
	2012-13	2013-14
Average Staffing Level (number)	31,795	30,895

- Administered expenses not requiring appropriation in the Budget year include depreciation expense and net write down of assets. Departmental expenses not requiring appropriation in the Budget year comprise expenses such as unfunded depreciation expense, amortisation expense, resources consumed free of charge and operating results.
- Departmental Appropriation combines expenses funded by 'Ordinary annual services' ('Appropriation Act No. 1', 'Appropriation Bill No. 3' and 'Revenue from independent sources' (s31)).
- Actual 2012-13 expenses have been restated to reflect the new programme structure.

Programme 1.1 Services to the Community – Social Security and Welfare

Programme 1.1 Objective

Individuals, families and communities are supported to achieve greater self-sufficiency.

- Policy development and decision-making is supported by the provision of information and service delivery policy advice.
- Efficient and responsive service delivery.
- People have access to high quality social services and payments appropriate to their circumstances.
- Providers and businesses are supported by a service delivery system that facilitates payment transfers, referrals and other services.

Linked to:

Links to the outcomes and programmes of other agencies have been updated to reflect the impact of the Administrative Arrangements Order (AAO) dated 12 December 2013.

- Attorney-General's Department: 1.2, 1.7
 - AUSTRAC: 1.1
 - CRIMTRAC: 1.1
 - Family Court and Federal Circuit Court: 1.1
 - Commonwealth Director of Public Prosecutions: 1.1
- Department of Agriculture: 1.1, 1.11
 - Australian Fisheries Management Authority: 1.1
- Department of Communications: 1.3
- Department of Defence:
 - Department of Veterans' Affairs: 1.1, 1.2, 1.3, 1.4, 1.5, 2.1, 2.2, 2.3, 2.4, 2.5, 2.6
- Department of Education: 1.1, 1.2, 1.3, 3.7
- Department of Employment: 1.1
- Department of Social Services: 1.2, 1.3, 2.1, 3.1, 3.3, 3.4, 3.5, 4.1, 4.2, 5.2, 5.3, 5.4, 5.5, 8.4, 8.5, 8.6, 11.2, 11.3

Programme 1.1 Objective (continued)

Linked to (continued):

- Department of the Prime Minister and Cabinet: 2.1
 - Torres Strait Regional Authority: 2.1
- Department of Finance:
 - Australian Electoral Commission: 1.1, 1.2, 1.3
- Department of Foreign Affairs and Trade: 2.1, 2.2
- Department of Immigration and Border Protection: 2.1, 4.1, 6.1
- Department of Infrastructure and Regional Development: 2.2
- Department of Industry: 1.1, 3.5
- Department of the Treasury:
 - Australian Bureau of Statistics: 1.1
 - Australian Taxation Office: 1.1, 1.16
 - Australian Securities and Investments Commission: 1.1

Programme 1.1 Expenses

Total programme expenses are forecast to decrease by \$440.0 million over the estimates period. This is mainly due to the impact of cross portfolio savings measures and economic parameters.

	2012-13 Actual ³ \$'000	2013-14 Revised budget \$'000	2014-15 Forward year 1 \$'000	2015-16 Forward year 2 \$'000	2016-17 Forward year 3 \$'000
Annual administered expenses:					
Income Management BasicsCard	2,617	5,006	3,000	-	-
Future Workforce	7,579	9,821	8,853	-	-
Special account expenses	11,964	-	-	-	-
Administered expenses not requiring appropriation in the Budget year ¹	942	234	234	198	198
Annual departmental expenses funded by:					
Ordinary annual services (Appropriation Bills No. 1 & 3)	3,336,657	3,370,626	3,232,737	3,006,147	2,962,391
Revenues from other sources	227,583	203,543	196,013	200,856	197,625
Departmental expenses not requiring appropriation in the Budget year ²	226,785	225,717	195,364	205,921	214,766
Total programme expenses	3,814,127	3,814,947	3,636,201	3,413,122	3,374,980

1. Administered expenses not requiring appropriation in the Budget year include depreciation expense and net write down of assets.
2. Departmental expenses not requiring appropriation in the Budget year comprise expenses such as unfunded depreciation expense, amortisation expense, resources consumed free of charge and operating results.
3. Actual 2012-13 expenses have been restated to reflect the new programme structure.

Programme 1.1 Deliverables

The department supports individuals, families and communities to achieve greater self-sufficiency by providing access to payments and services on behalf of government. The department provides access through service centres (including one-stop-shop co-located offices) located across Australia; online services; call centres; and systems that support the delivery of services by providers and business.

The department also provides access to tailored services including:

- Translated information on payments and services, interpreter services and Multicultural Service Officers.
- Access points that deliver self-help facilities.
- Agents located in rural and remote communities and remote access service centres that deliver face-to-face services.
- Australian Government Mobile Offices which provide services in rural, remote and disaster-affected communities.
- Indigenous Service Officers who connect Indigenous Australians and communities with departmental services.
- Community Engagement Officers who deliver services to people who are homeless or at risk of homelessness.
- Referrals to support services and the provision of specialist services through the department's health and allied health professionals which include psychologists, social workers, occupational therapists, registered nurses, physiotherapists, exercise physiologists and rehabilitation counsellors.
- The delivery of expert assessment, injury management, vocational rehabilitation and employment services to assist people who have a disability, injury or health condition to get and keep a job through CRS Australia.

The department also supports policy development through the provision of service delivery policy advice and the coordination and development of specific initiatives on behalf of government.

Programme 1.1 Key Performance Indicators (KPIs)

The department’s KPIs have been reordered to reflect the new programme structure. Individual KPIs have not changed since the publication of the 2013-14 Portfolio Budget Statements. KPIs that include department wide results are reported under this programme and will be reviewed in preparing the 2014-15 Portfolio Budget Statements.

Key Performance Indicators	2012-13 Actual ¹	2013-14 Revised	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Minister is satisfied with the quality, relevance and timeliness of ministerial briefing, correspondence and other departmental advice.	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied
Achievement of customer satisfaction standards.					
National	74%	≥85%	≥85%	≥85%	≥85%
Medicare	87%				
Child Support	84%				
Centrelink	72%				
Achievement of payment quality standards.					
Centrelink: Delivery of correct payments.	98%	≥95%	≥95%	≥95%	≥95%
Key initiatives delivered within timeframes and on budget and outcomes are achieved.					
Service Delivery Reform.	Achieved	Achieved	Achieved	Achieved	Achieved
Income Management Budget measures.	Achieved	Achieved	Achieved	Achieved	N/A
Fraud Prevention and Compliance Budget measures.	Achieved	Achieved	Achieved	Achieved	Achieved
Household Assistance Package.	Achieved	Achieved	Achieved	Achieved	Achieved
Effective working arrangements with other government departments are in place which support the department's contribution to policy development through service delivery policy advice.					
Strategies in place to ensure reporting against MOU and Bilateral Management arrangements are effective.	Effective	Effective	Effective	Effective	Effective
Government stakeholder assessment of the portfolio's agility, flexibility and responsiveness.	3.3	3.8	4.0	4.0	4.0

Programme 1.1 Key Performance Indicators (continued)

Key Performance Indicators	2012-13 Actual ¹	2013-14 Revised	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Support economic and social participation of Indigenous Australians through the timely delivery of appropriate departmental payments and services.					
Centrelink: Delivery of correct payments for Indigenous Australians.	99%	≥95%	≥95%	≥95%	≥95%
CRS Australia to maximise workforce participation rates for government at or above the market average for job seekers that remain in employment for 13 weeks.	75%	≥70%	≥70%	≥70%	≥70%
Increase in the proportion of self-managed transactions and electronic interactions.	Achieved	1% increase on 2012-13	1% increase on 2013-14	1% increase on 2014-15	1% increase on 2015-16
Achievement of face-to-face, call and processing service level standards.					
Face-to-face: Average wait time.	14 minutes 9 seconds	≤15 minutes	≤15 minutes	≤15 minutes	≤15 minutes
Telephony: Average speed of answer - service users.	10 minutes 2 seconds	≤16 minutes	≤16 minutes	≤16 minutes	≤16 minutes
Processing: Percentage of claims processed within standard - service users.	97%	≥82%	≥82%	≥82%	≥82%
Achievement of payment integrity standards.					
Centrelink: Debt under recovery.	61%	≥60%	≥60%	≥60%	≥60%

1. Refer to the Department of Human Services 2012-13 Annual Report for more detailed results.

Programme 1.2 Services to the Community – Health

Programme 1.2 Objective

The department supports individuals, families and communities to achieve greater self-sufficiency by providing access to health payments and services on behalf of government. The department provides access through service centres (including one-stop-shop co-located offices) located across Australia; online services; call centres; and systems that support the delivery of services by providers and business.

- Policy development and decision-making is supported by the provision of information and service delivery policy advice.
- Efficient and responsive service delivery.
- People have access to high quality health services and payments appropriate to their circumstances.
- Providers and businesses are supported by a service delivery system that facilitates payment transfers, referrals and other services.

Linked to:

Links to the outcomes and programmes of other agencies have been updated to reflect the impact of the Administrative Arrangements Order (AAO) dated 12 December 2013.

- Department of Health: 1.1, 1.5, 2.1, 2.2, 2.4, 3.1, 3.2, 5.2, 5.3, 7.1, 8.1, 9.1, 10.2, 11.1, 12.1, 13.1, 13.2
 - Australian Organ and Tissue Donation and Transplantation Authority: 1.1
 - Professional Services Review: 1.1

Programme 1.2 Expenses

Total programme expenses are forecast to decrease by \$41.3 million over the estimates period. This is mainly due to the impact of cross portfolio savings measures and economic parameters.

	2012-13 Actual ² \$'000	2013-14 Revised budget \$'000	2014-15 Forward year 1 \$'000	2015-16 Forward year 2 \$'000	2016-17 Forward year 3 \$'000
Annual departmental expenses funded by:					
Ordinary annual services (Appropriation Bills No. 1 & 3)	571,716	588,175	559,071	546,644	565,249
Revenues from other sources	53,746	56,421	35,571	37,321	37,375
Departmental expenses not requiring appropriation in the Budget year ¹	39,522	36,010	30,264	33,190	36,666
Total programme expenses	664,984	680,606	624,906	617,155	639,290

1. Departmental expenses not requiring appropriation in the Budget year comprise expenses such as unfunded depreciation expense, amortisation expense, resources consumed free of charge and operating results.
2. Actual 2012-13 expenses have been restated to reflect the new programme structure.

Programme 1.2 Deliverables

The department pays benefits to health providers and other eligible customers which are accurate, appropriate and timely through convenient and efficient service delivery.

The department also supports policy development through the provision of service delivery policy advice and the coordination and development of specific initiatives on behalf of government.

Programme 1.2 Key Performance Indicators (KPIs)

The department's KPIs have been reordered to reflect the new programme structure. Individual KPIs have not changed since the publication of the 2013-14 Portfolio Budget Statements.

Key Performance Indicators	2012-13 Actual ¹	2013-14 Revised	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Satisfaction with Medicare provider service delivery.	90%	≥70%	≥70%	≥70%	≥70%
Achievement of payment quality standards.					
Medicare: Delivery of accurate medical and pharmaceutical benefits and services.	98%	≥98%	≥98%	≥98%	≥98%
Achievement of call service level standards.					
Telephony: Average speed of answer - providers.	33 seconds	≤30 seconds	≤30 seconds	≤30 seconds	≤30 seconds
Achievement of payment integrity standards.					
Medicare: Completed audit and review cases.	2,819	2,500	2,500	2,500	2,500

1. Refer to the Department of Human Services 2012-13 Annual Report for more detailed results.

Programme 1.3 Child Support

Programme 1.3 Objective

The Child Support programme was previously reported in the 2013-14 Portfolio Budget Statements as programme 1.2. There have been no changes to the Child Support programme objective since the publication of the 2013-14 Portfolio Budget Statements.

Linked to:

Department of Social Services: 1.2, 1.3.

Programme 1.3 Expenses

Total programme expenses increase by \$121.5 million over the estimates period, mainly due to forecast increases in amounts of child support being transferred between parents through the Child Support Account.

	2012-13 Actual \$'000	2013-14 Revised budget \$'000	2014-15 Forward year 1 \$'000	2015-16 Forward year 2 \$'000	2016-17 Forward year 3 \$'000
Annual administered expenses:					
Child Support dishonoured cheques and other shortfalls	1,330	2,178	2,222	2,271	2,323
Special Appropriations:					
<i>Child Support Act</i> ¹					
- s77 - unremitted deductions	69,119	72,107	73,566	75,176	76,894
- s78 - unexplained remittances	-	50	50	50	50
Special Account Expenses:					
Child Support Account	1,259,097	1,354,617	1,363,833	1,393,816	1,425,825
Administered expenses not requiring appropriation in the Budget year ²	170,613	135,118	172,973	176,595	180,462
Total programme expenses	1,500,159	1,564,070	1,612,644	1,647,908	1,685,554

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

2. Expenses not requiring appropriation in the Budget year include net write-down of Child Support receivable.

Programme 1.3 Deliverables

The Child Support programme was previously reported in the 2013-14 Portfolio Budget Statements as programme 1.2. There have been no changes to the Child Support programme deliverables since the publication of the 2013-14 Portfolio Budget Statements.

Programme 1.3 Key Performance Indicators (KPIs)

The Child Support programme was previously reported in the 2013-14 Portfolio Budget Statements as programme 1.2. There have been no changes to the Child Support programme KPIs since the publication of the 2013-14 Portfolio Budget Statements.

Key Performance Indicators	2012-13 Actual	2013-14 Revised	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Total amount of child support transferred between parents.	\$3.4 billion	\$3.2 billion	\$3.2 billion	\$3.2 billion	\$3.2 billion
Child support collection rate (Child Support collect only).	93%	≥91.7%	≥91.7%	≥91.7%	≥91.7%
Percentage of private collect cases to total active cases (Child Support collect and private collect cases).	54%	≥52%	≥52%	≥52%	≥52%
Percentage of domestic active paying parents without debt.	77%	≥73.5%	≥73.5%	≥73.5%	≥73.5%

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 2013-14 Portfolio Budget Statements is Table 3.1.2.

Table 3.1.1: Estimates of Special Account Flows and Balances

		Opening balance 2013-14 2012-13	Receipts 2013-14 2012-13	Payments 2013-14 2012-13	Adjustments 2013-14 2012-13	Closing balance 2013-14 2012-13
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Child Support Account ¹ (A)	1	57,072 58,838	1,448,745 1,320,482	(1,448,745) (1,322,248)	- -	57,072 57,072
Recovery of Compensation for Health Care & Other Services Special Account ² (A)	1	93,296 75,029	295,102 296,523	(272,057) (278,256)	- -	116,341 93,296
Superannuation Clearing House Special Account ³ (A)	1	13,617 8,948	1,041,043 665,926	(1,032,332) (661,257)	- -	22,328 13,617
Services for Other Entities and Trust Moneys – Department of Human Services Special Account ⁴ (A) & (D)	1	- -	- -	- -	- -	- -
Total special accounts 2013-14 Budget Estimate		163,985	2,784,890	(2,753,134)	-	195,741
<i>Total special accounts 2012-13 Actual</i>		<i>142,815</i>	<i>2,282,931</i>	<i>(2,261,761)</i>	<i>-</i>	<i>163,985</i>

(A) = Administered
(D) = Departmental

- Child Support Account - s73 *Child Support (Registration and Collection) Act 1988*. Purpose: For the receipt of maintenance payments and the making of regular and timely payments to custodial parents.
- Recovery of Compensation for Health Care and Other Services Special Account - s20 FMA Act Determination 2005/24. 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;
 - to pay the claimant, or the claimant's authorised representative, amounts credited to the Special Account; and
 - 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
 - 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)

3. Superannuation Clearing House Special Account - s20 FMA Act Determination 2010/05. Purpose: To receive amounts for the purpose of the Superannuation Clearing House and:
 - (a) make payments to superannuation funds on behalf of small business employers in performance of the functions of the Superannuation Clearing House;
 - (b) repay to the original payer, amounts credited to the special account, including the residual after any necessary payments are made for the purpose mentioned in paragraph (a);
 - (c) reduce the balance of the special account (and, therefore the available appropriation for the special account) without making a real or notional payment; and
 - (d) repay amounts where an Act or other law requires or permits the repayment of an amount received.
4. Services for Other Entities and Trust Moneys - Department of Human Services Special Account - s20 FMA Act Determination 2011/13. Purpose: To credit and debit monies for the purpose of:
 - (a) disbursing amounts held on trust or otherwise for the benefit of a person other than the Commonwealth;
 - (b) disbursing amounts in connection with services performed on behalf of other governments and bodies that are not FMA Act agencies;
 - (c) repaying amounts where an Act or other law requires or permits the repayment of an amount received; and
 - (d) reducing the balance of the special account (and, therefore, the available appropriation for the 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 2013-14 Budget, revenue from government in 2013-14 has increased by \$78.0 million, mainly due to new expense measures of \$17.4 million (refer Table 1.2), plus other expense variations of \$60.6 million (refer Table 1.4). Over the estimates period, revenue from government decreases by \$431.2 million.

Estimates of own-source income have decreased by \$24.9 million since the 2013-14 Budget reflecting changes in revenue from service agreements with other agencies including the Departments of Employment; Social Services; Health; and Veterans' Affairs. The decrease of \$24.8 million in own source income over the estimates period reflects changes in services to be delivered over that period.

Expenses in 2013-14 have increased by \$82.5 million since the 2013-14 Budget, consistent with increased estimated revenue combined with revised estimates for depreciation and amortisation expenses.

Departmental balance sheet (Table 3.2.2)

The budgeted net asset position at 30 June 2014 has increased by \$73.4 million since the 2013-14 Budget to \$473.6 million. The revised estimates take into account the flow on effect of the 30 June 2013 audited financial accounts.

Departmental statement of changes in equity (Table 3.2.3)

Total equity has increased by \$73.4 million since the 2013-14 Budget estimate mainly due to differences between the 2012-13 estimated actual for equity items at the 2013-14 Budget and the actual 2012-13 balances as at 30 June 2013.

Departmental cash flow (Table 3.2.4)

Since the 2013-14 Budget, cash flows have been affected by new measures, changes in expenses and changes in own-source revenue. Estimated cash held at 30 June 2014 has increased by \$3.0 million since the 2013-14 Budget, to \$27.6 million.

Departmental Capital Budget Statement (Table 3.2.5)

Since the 2013-14 Budget total new capital appropriations have increased by \$4.3 million, as a result of equity injections for new measures and other variations (refer Tables 1.2 and 1.4.). The Departmental Capital Budget for asset replacement remains relatively stable over the forward years.

Statement of departmental asset movements (Table 3.2.6)

The net book value of land, buildings, property, plant and equipment and intangible assets has increased by \$44.5 million since the 2013-14 Budget. This is mainly due to the 2012-13 actual balances being \$46.2 million higher than estimated. The \$79.4 million decrease between opening and closing net book value for 2013-14 is due to depreciation expenses and asset impairments exceeding total asset additions.

Schedule of administered activity

Administered income and expenses (Table 3.2.7)

Since the 2013-14 Budget administered revenue and expenses have increased by about \$94 million in 2013-14 mainly reflecting a change in accounting treatment for Child Support penalty remissions. Previously, Child Support penalty debt remittances were recorded as an offset against revenue. Going forward, these remittances will be recognised as expenses. This has resulted in an increase to both the administered revenue and expense estimates.

Administered assets and liabilities (Table 3.2.8)

Since the 2013-14 Budget, the estimated closing asset balances have increased mainly due to higher Child Support receivables resulting from lower write-offs of past debts. This has led to a consequential increase in Other Provisions for Child Support accrued expenses, which is estimated, based on the level of Child Support receivables.

3.2.2 Budgeted Financial Statements

Departmental Financial Statements

Table 3.2.1: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services) for the period ended 30 June

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
EXPENSES					
Employee benefits	2,885,372	2,843,929	2,727,586	2,568,783	2,549,757
Supplier expenses	1,295,709	1,359,339	1,275,450	1,202,742	1,194,532
Depreciation and amortisation	260,334	266,955	230,243	242,898	254,097
Write-down and impairment of assets	7,002	3,896	7,322	7,322	7,322
Losses from asset sales	1,204	-	1,918	1,918	1,918
Finance costs	1,352	894	725	564	514
Other expenses	5,036	5,479	5,776	5,852	5,932
Total expenses	4,456,009	4,480,492	4,249,020	4,030,079	4,014,072
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	280,738	259,185	231,136	237,948	234,900
Rental income	591	679	348	129	-
Other revenue	-	100	100	100	100
Total own-source revenue	281,329	259,964	231,584	238,177	235,000
Gains					
Net Foreign Exchange Gains	2	-	-	-	-
Other gains	2,701	2,743	2,779	2,817	2,859
Total gains	2,703	2,743	2,779	2,817	2,859
Total own-source income	284,032	262,707	234,363	240,994	237,859
Net cost of (contribution by) services	4,171,977	4,217,785	4,014,657	3,789,085	3,776,213
Revenue from Government	3,908,373	3,958,801	3,791,808	3,552,791	3,527,640
Surplus (Deficit) before income tax	(263,604)	(258,984)	(222,849)	(236,294)	(248,573)
Income tax expense	315	-	-	-	-
Surplus (Deficit) after income tax	(263,919)	(258,984)	(222,849)	(236,294)	(248,573)
OTHER COMPREHENSIVE INCOME					
Items not subject to subsequent reclassification to profit or loss					
Changes in asset revaluation surplus	22,809	19,219	-	-	-
Total other comprehensive income after income tax	22,809	19,219	-	-	-
Total comprehensive income (loss)	(241,110)	(239,765)	(222,849)	(236,294)	(248,573)

Prepared on Australian Accounting Standards basis.

Table 3.2.1: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services) for the period ended 30 June (*Continued*)

Note: Impact of Net Cash Appropriation Arrangements					
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations¹	15,463	19,219	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations ²	256,573	258,984	222,849	236,294	248,573
Total comprehensive Income (loss) - as per the Statement of Comprehensive Income	(241,110)	(239,765)	(222,849)	(236,294)	(248,573)

Prepared on Australian Accounting Standards basis.

1. This item takes into account the changes in asset revaluation surplus, as noted in the Comprehensive Income Statement above.
2. From 2010-11, the government introduced net cash appropriation arrangements where Appropriation Act No. 1 or Act No. 3 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Appropriation Act No. 1 or Act No. 3 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)

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	45,614	27,642	27,642	27,642	27,642
Trade and other receivables	772,400	791,472	693,691	600,069	610,258
Other financial assets	82	82	73	74	73
Total financial assets	818,096	819,196	721,406	627,785	637,973
Non-financial assets					
Land and buildings	363,060	311,986	299,901	282,923	269,564
Property, plant and equipment	175,284	152,913	155,101	157,347	151,162
Intangibles	416,896	410,905	394,754	364,122	320,475
Other non-financial assets	81,155	80,485	80,913	78,365	79,199
Total non-financial assets	1,036,395	956,289	930,669	882,757	820,400
Total assets	1,854,491	1,775,485	1,652,075	1,510,542	1,458,373
LIABILITIES					
Payables					
Suppliers	274,926	296,310	269,373	242,093	234,341
Other payables	100,121	124,945	98,328	27,193	33,235
Total payables	375,047	421,255	367,701	269,286	267,576
Provisions					
Employee provisions	885,128	849,211	805,104	798,408	803,278
Other	31,918	31,428	21,995	21,995	21,995
Total provisions	917,046	880,639	827,099	820,403	825,273
Total liabilities	1,292,093	1,301,894	1,194,800	1,089,689	1,092,849
Net assets	562,398	473,591	457,275	420,853	365,524
EQUITY*					
Parent entity interest					
Contributed equity	1,087,599	1,238,557	1,445,090	1,644,962	1,838,206
Reserves	57,098	76,317	76,317	76,317	76,317
Retained surplus (accumulated deficit)	(582,299)	(841,283)	(1,064,132)	(1,300,426)	(1,548,999)
Total parent entity interest	562,398	473,591	457,275	420,853	365,524
Total Equity	562,398	473,591	457,275	420,853	365,524

Prepared on Australian Accounting Standards basis.

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

Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2013-14)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2013				
Balance carried forward from previous period	(582,299)	57,098	1,087,599	562,398
Comprehensive income				
Net asset revaluation - non-financial assets	-	19,219	-	19,219
Surplus (deficit) for the period	(258,984)			(258,984)
Total comprehensive income	(258,984)	19,219	-	(239,765)
of which:				
Attributable to the Australian Government	(258,984)	19,219	-	(239,765)
Transactions with owners				
Distribution to owners				
Returns of capital				
Distribution of equity	-	-	(7,232)	(7,232)
Contributions by owners				
Equity Injection - Appropriation	-	-	42,985	42,985
Departmental Capital Budget (DCB)	-	-	115,205	115,205
Sub-total transactions with owners	-	-	150,958	150,958
Closing balance	(841,283)	76,317	1,238,557	473,591

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	3,953,354	3,931,209	3,887,059	3,646,735	3,517,198
Sale of goods and rendering of services	363,462	279,283	250,680	254,692	252,121
Section 31 receipts redrawn from OPA	331,497	279,384	250,780	254,792	252,221
Net GST received	130,233	116,850	123,626	114,788	112,868
Other	-	100	100	100	100
Total cash received	4,778,546	4,606,826	4,512,245	4,271,107	4,134,508
Cash used					
Employees	2,847,966	2,858,958	2,792,057	2,643,593	2,536,345
Suppliers	1,472,963	1,468,094	1,457,939	1,360,640	1,333,784
Section 31 receipts transferred to OPA	347,411	279,383	250,780	254,792	252,221
Other	1,385	5,453	5,163	5,776	5,852
Total cash used	4,669,725	4,611,888	4,505,939	4,264,801	4,128,202
Net cash from (used by) operating activities	108,821	(5,062)	6,306	6,306	6,306
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant, equipment	2,929	-	-	-	-
Total cash received	2,929	-	-	-	-
Cash used					
Purchase of property, plant, equipment and intangibles	275,787	171,600	212,839	206,178	199,550
Total cash used	275,787	171,600	212,839	206,178	199,550
Net cash from (used by) investing activities	(272,858)	(171,600)	(212,839)	(206,178)	(199,550)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	185,586	158,690	206,533	199,872	193,244
Total cash received	185,586	158,690	206,533	199,872	193,244
Cash used					
Finance leases	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) financing activities	185,586	158,690	206,533	199,872	193,244
Net increase (decrease) in cash held	21,549	(17,972)	-	-	-
Cash and cash equivalents at the beginning of the reporting period	24,065	45,614	27,642	27,642	27,642
Cash and cash equivalents at the end of the reporting period	45,614	27,642	27,642	27,642	27,642

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Capital Budget Statement — Departmental (for the period ended 30 June)

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Act No. 1 (DCB)	131,826	115,205	196,800	197,236	192,209
Equity injections - Act No. 2	46,245	43,440	9,733	2,636	1,035
Total new capital appropriations	178,071	158,645	206,533	199,872	193,244
Provided for:					
Purchase of non-financial assets	175,573	158,190	206,533	199,872	193,244
Other Items	2,498	455	-	-	-
Total Items	178,071	158,645	206,533	199,872	193,244
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ¹	44,936	42,985	9,733	2,636	1,035
Funded by capital appropriation - DCB ²	136,826	115,705	196,800	197,236	192,209
Funded internally from departmental resources ³	31,881	12,910	6,306	6,306	6,306
TOTAL AMOUNT SPENT	213,643	171,600	212,839	206,178	199,550
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	213,643	171,600	212,839	206,178	199,550
plus reduction in payables	62,144	-	-	-	-
Total cash used to acquire assets	275,787	171,600	212,839	206,178	199,550

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

1. Includes both current and prior year Act 2 and Bill 4 appropriations.
2. Excludes annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).
3. Includes funding from s31 relevant agency receipts.

Table 3.2.6: Statement of Asset Movements (Budget Year 2013-14)

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2013					
Gross book value	5,225	390,466	250,899	694,683	1,341,273
Accumulated depreciation/amortisation and impairment	-	(32,631)	(75,615)	(277,787)	(386,033)
Opening net book balance	5,225	357,835	175,284	416,896	955,240
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity ¹	-	57	4,130	38,798	42,985
By purchase - appropriation ordinary annual services ²	-	31,000	33,326	51,379	115,705
By purchase - other	-	3,475	1,773	7,662	12,910
Total additions	-	34,532	39,229	97,839	171,600
Other movements					
Depreciation/amortisation expense	-	(106,447)	(56,678)	(103,830)	(266,955)
Other	-	20,841	(4,922)	-	15,919
Total other movements	-	(85,606)	(61,600)	(103,830)	(251,036)
As at 30 June 2014					
Gross book value	5,225	445,839	285,206	792,522	1,528,792
Accumulated depreciation/amortisation and impairment	-	(139,078)	(132,293)	(381,617)	(652,988)
Closing net book balance	5,225	306,761	152,913	410,905	875,804

Prepared on Australian Accounting Standards basis.

1 "Appropriation equity" refers to equity injections provided through *Appropriation Act (No.2) 2013-14* and *Appropriation Bill (No.4) 2013-14*.

2 "Appropriation ordinary annual services" refers to funding provided through *Appropriation Act (No.1) 2013-14* and *Appropriation Bill (No.3) 2013-14* for DCBs.

Schedule of Administered Activity

Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Supplier expenses	2,617	5,006	3,000	-	-
Grants	7,579	9,821	8,853	-	-
Depreciation and amortisation	35	36	36	-	-
Write-down and impairment of assets	170,674	135,316	173,171	176,793	180,660
Other expenses ¹	1,342,356	1,428,952	1,439,671	1,471,313	1,505,092
Total expenses administered on behalf of Government	1,523,261	1,579,131	1,624,731	1,648,106	1,685,752
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Compensation recoveries	11,964	-	-	-	-
Fees and fines	125,359	126,548	146,524	149,712	153,115
Dividends	1,736	2,289	2,646	3,066	3,066
Competitive Neutrality revenue	6,224	5,124	5,552	5,995	6,144
Other revenue ²	1,384,102	1,446,747	1,476,008	1,508,285	1,542,743
Total non-taxation revenue	1,529,385	1,580,708	1,630,730	1,667,058	1,705,068
Total own-source revenue administered on behalf of Government	1,529,385	1,580,708	1,630,730	1,667,058	1,705,068
Total own-source income administered on behalf of Government	1,529,385	1,580,708	1,630,730	1,667,058	1,705,068
Net Cost of (contribution by) services	(6,124)	(1,577)	(5,999)	(18,952)	(19,316)
Surplus (Deficit)	6,124	1,577	5,999	18,952	19,316
Total comprehensive income (loss)	6,124	1,577	5,999	18,952	19,316

Prepared on Australian Accounting Standards basis.

1. Other expenses include Child Support payments to custodial parents and compensation recoveries in 2012-13 only.
2. Other non-tax revenue includes Child Support revenue from non-custodial parents.

Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	133	133	133	133	133
Receivables	727,407	782,167	820,426	859,860	899,913
Investments accounted for using the equity method	38,522	38,522	38,522	38,522	38,522
Total financial assets	766,062	820,822	859,081	898,515	938,568
Non-financial assets					
Property, plant and equipment	72	36	-	-	-
Total non-financial assets	72	36	-	-	-
Total assets administered on behalf of Government	766,134	820,858	859,081	898,515	938,568
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers ¹	33,248	33,113	33,113	32,394	32,394
Other payables	16,754	16,754	16,754	16,754	16,754
Total payables	50,002	49,867	49,867	49,148	49,148
Provisions					
Other provisions	712,132	766,809	804,272	842,714	882,200
Total provisions	712,132	766,809	804,272	842,714	882,200
Total liabilities administered on behalf of Government	762,134	816,676	854,139	891,862	931,348
Net assets/(liabilities)	4,000	4,182	4,942	6,653	7,220

Prepared on Australian Accounting Standards basis.

1. Includes Child Support and Income Management BasicsCard payables.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	Actual 2012-13 \$'000	Revised budget 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000
OPERATING ACTIVITIES					
Cash received					
Dividends	2,518	1,872	2,494	2,751	3,066
Competitive Neutrality	7,377	5,874	5,456	5,875	6,144
Net GST received	1,218	1,483	1,186	72	-
Other ¹	1,330,971	1,382,886	1,411,350	1,442,205	1,475,145
Total cash received	1,342,084	1,392,115	1,420,486	1,450,903	1,484,355
Cash used					
Grants	8,337	10,803	9,739	-	-
Suppliers	2,805	5,507	3,300	791	-
Other ²	1,321,303	1,374,410	1,402,208	1,432,871	1,465,606
Total cash used	1,332,445	1,390,720	1,415,247	1,433,662	1,465,606
Net cash from (used by) operating activities	9,639	1,395	5,239	17,241	18,749
Net increase (decrease) in cash held	9,639	1,395	5,239	17,241	18,749
Cash and cash equivalents at beginning of reporting period	15	133	133	133	133
Cash from Official Public Account for:					
- Appropriations	80,578	89,162	87,691	77,497	79,267
- Special Accounts	1,247,503	1,300,075	1,326,370	1,355,374	1,386,339
- Other	1,013	1,483	1,186	791	-
	1,329,094	1,390,720	1,415,247	1,433,662	1,465,606
Cash to Official Public Account for:					
- Appropriations	71,096	74,335	75,838	77,497	79,267
- Administered Revenue	19,105	16,222	17,092	17,960	18,749
- Special Accounts	1,247,196	1,300,075	1,326,370	1,355,374	1,386,339
- Other	1,218	1,483	1,186	72	-
	1,338,615	1,392,115	1,420,486	1,450,903	1,484,355
Cash and cash equivalents at end of reporting period	133	133	133	133	133

Prepared on Australian Accounting Standards basis.

1. Other non-tax receipts include Child Support receipts from non-custodial parents.
2. Other payments include Child Support payments to custodial parents.

Table 3.2.10: Schedule of Administered Capital Budget

The Department of Human Services does not have an Administered Capital Budget for 2013-14.

Table 3.2.11: Statement of Administered Asset Movements (Budget Year 2013-14)

	Land \$'000	Buildings \$'000	Other property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2013					
Gross book value	-	-	161	-	161
Accumulated depreciation/amortisation and impairment	-	-	(89)	-	(89)
Opening net book balance	-	-	72	-	72
CAPITAL ASSET ADDITIONS					
Total additions	-	-	-	-	-
Other movements					
Depreciation/amortisation expense	-	-	(36)	-	(36)
Total other movements	-	-	(36)	-	(36)
As at 30 June 2014					
Gross book value	-	-	161	-	161
Accumulated depreciation/amortisation and impairment	-	-	(125)	-	(125)
Closing net book balance	-	-	36	-	36

Prepared on Australian Accounting Standards basis.

Notes to the Financial Statements

The Budgeted financial statements have been prepared in accordance with the:

- Finance Minister’s Orders (FMOs); 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 at fair value.

Unless alternative treatment is specifically required by an Accounting Standard or the FMOs, 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. However, assets and liabilities arising under executor contracts are not recognised unless required by an Accounting Standard.

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.

The presentation of the Comprehensive Income Statement includes the “Impact of Net Cash Appropriation Arrangements” note, whereby the department’s net operating result is adjusted by unfunded depreciation and amortisation expense. This treatment is the result of the net cash arrangement that was implemented as part of the Operation Sunlight reform agenda in 2009-10.

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 outputs; and
- employee, supplier and depreciation expenses incurred in providing departmental outputs.

Administered

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

GLOSSARY

Term	Meaning
Activities	The actions/functions performed by agencies to deliver government policies.
Actual available appropriation	The <i>Actual Available Appropriation</i> indicates the total appropriations available to the agency for 2012-13. It includes all appropriations made available to the agency in the year (+/- section 32 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 agency 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.
Agency	Generic term for Australian Government General Government Sector entities, including those governed by the <i>Financial Management and Accountability Act 1997</i> .
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.
Budget Paper 1 (BP1)	Budget Strategy and Outlook. Provides information and analysis on whole of government expenditure and revenue.
Budget Paper 2 (BP2)	Budget Measures. Provides a description of each budget measure by portfolio.

Glossary

Term	Meaning
Budget Paper 3 (BP3)	Australia's Federal Relations. Provides information and analysis on Federal funding provided to the states and territories.
Budget Paper 4 (BP4)	Agency Resourcing. Details total resourcing available to agencies.
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.
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 agency Chief Executive Officers control directly. This includes outsourced activities funded and controlled by the agency. Examples of departmental items include agency running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental programme.
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 expense. Also no funding is required for goods or services received free of charge that are then expensed: e.g. ANAO audit services – the ANAO does not charge for audit services however the expense must be recognised. 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.
<i>Financial Management and Accountability Act 1997 (FMA Act)</i>	The <i>FMA Act</i> sets out the financial management, accountability and audit obligations of agencies (including departments) that are financially part of the Commonwealth (and form part of the General Government Sector).

Term	Meaning
Forward estimates period	The three years following the budget year. For example, if 2013-14 is the budget year, 2014-15 is forward year 1, 2015-16 is forward year 2 and 2016-17 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).
Memorandum of Understanding (MOU)	A bilateral or multilateral agreement between the department and one or more government agencies.
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.

Term	Meaning
Outcome statement	An outcome statement articulates the intended results, activities and target group of an Australian Government agency. 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 agency 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 agency 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 agency running costs allocated to a programme. This is funded as part of the agency's departmental appropriations.
s31	Section 31 of the <i>FMA Act 1997</i> .
Target group	A specific group being targeted for assistance by government policy.
Transfer	Cash paid to recipients of the applicable programme. This includes welfare payments and tax rebates.