

**Portfolio Budget Statements 2013‑14**

Budget related paper No. 1.10

Human Services Portfolio

budget initiatives and explanations of

appropriations specified by outcomes

and Programs by agency

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President of the Senate

Australian Senate

Parliament House

CANBERRA ACT 2600

Speaker

House of Representatives

Parliament House

CANBERRA ACT 2600

Dear Mr President

Dear Madam Speaker

I hereby submit Portfolio Budget Statements in support of the 2013‑14 Budget for the Human Services portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

Signed

#### Abbreviations and conventions

The following notation may be used:

NEC/nec not elsewhere classified

- nil

.. not zero, but rounded to zero

na not applicable (unless otherwise specified)

nfp not for publication

$m $ million

$b $ billion

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

#### Enquiries

Should you have any enquiries regarding this publication please contact Mr Darren Box, Chief Financial Officer, Department of Human Services on (02) 6223 4433.

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User Guide

to the

Portfolio Budget Statements

# User Guide

The purpose of the 2013‑14 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. Agencies receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts) and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills No. 1 and No. 2 2013‑14 (or Appropriation Bill [Parliamentary Departments] No. 1 2013‑14 for the parliamentary departments). In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ for the interpretation of the Acts under section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, non‑general government sector entities are not consolidated into the Commonwealth general government sector fiscal estimates and accordingly, these entities are not reported in the PB Statements.

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Portfolio Overview

# Human Services Portfolio Overview

## Minister and Portfolio Responsibilities

On 1 July 2011 the *Human Services Legislation Amendment Act 2011* integrated Medicare Australia and Centrelink into the Department of Human Services (the department).

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 programs:

* **Centrelink** delivers a range of government payments and services for retirees, the unemployed, families, carers, parents, people with disabilities, Indigenous Australians, and 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 programs including CRS Australia, the Healthcare Identifiers Service, the Small Business Superannuation Clearing House and Early Release of Superannuation.

The Human Services portfolio 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: humanservices.gov.au](http://humanservices.gov.au)Figure 1: Human Services Portfolio Structure and Outcomes

**Portfolio Minister for Human Services**

**Senator the Hon Jan McLucas**

**Department of Human Services**

**Portfolio Secretary: Ms Kathryn Campbell, CSC**

**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.

### Portfolio resources

Table 1 shows the total new resources provided to the portfolio in the 2013‑14 budget year by agency.

Table 1: Portfolio Resources 2013‑14

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | AppropriationBill No. 1 | AppropriationBill No. 2 | SpecialAppropriation | Receipts | Total |
|  | $m | $m | $m | $m | $m |
| **Department of Human Services** |  |  |  |  |  |
| Administered appropriations | 17.0 | - | 83.2 | 1,350.4 | 1,450.6 |
| Departmental appropriations | 4,008.9 | 39.2 | - | 284.7 | 4,332.8 |
| **Portfolio total:** | **4,025.9** | **39.2** | **83.2** | **1,635.2** | **5,783.4** |
| **Resources available within portfolio** | **5783.4** |

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# Department of Human Services

## Section 1: Agency Overview and Resources

### 1.1 Strategic Direction Statement

The Department of Human Services delivers social and health related services, through its Centrelink, Medicare, CRS Australia and Child Support programs. The department builds on its foundation of service excellence to improve the delivery of services to the Australian community. Through close collaboration with the community and partner agencies, the department plays an active role in developing new approaches to social and health related policy and service delivery.

The contribution of the department to the government’s agenda is reflected in its Outcome Statement which is to:

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.

The department works with other government agencies to provide access to government social and health related services that support self-sufficiency through:

* the development of innovative and flexible service delivery policy that supports the implementation of government policy and programs;
* the design and development of service delivery systems that are convenient and accessible; and meet the diverse needs of the community;
* the provision of payments and services that match the circumstances of members of the community;
* support for people to help them understand their rights and responsibilities and meet their obligations;
* work with the public, private and non-government organisations, state and territory governments and other Australian Government departments and agencies to build partnerships for the delivery of services.

The department is the face of government to the majority of Australians and underpins the Commonwealth’s relationship with its people – as children and parents; as patients and carers; in study, in work and in retirement.

The department provides support to Australians facing financial hardship or structural adjustment and works with them through every stage of their lives.

The department’s payments and services support government outcomes in policy and program areas such as Aged Care, Personally Controlled Electronic Health Records, Clean Energy Future Household Assistance Package, Closing the Gap, Welfare Reform, the National Health Reforms, the National Health Funding Body, the Building Australia’s Future Workforce package and Emergency Management.

The department’s priorities include the following:

* Improve our responsiveness to government and ensure that we understand and meet the priorities of the Minister and broader government.
* Ensure we have controls and processes in place in order to meet our strategic objectives, manage risks and make effective use of our resources.
* Make access to our services easier and more efficient. Where appropriate, move transactions from a personal service basis (face-to-face or phone) to self‑managed mechanisms. Where possible, provide access to our services online, including from mobile devices.
* Through direct involvement with the community and users of our services, build services that better meet the needs of individuals and more closely match the way that people wish to interact with government.
* Seek input from relevant specialist sources, including service providers, practitioners and domain experts during the development of our services.
* Work closely with our partner agencies to shape government policy on service delivery and to develop new and innovative services.
* Continually evaluate the effectiveness of all our services using input from the community, users, service providers and our partner agencies.
* Develop new, innovative and effective service approaches that support self‑sufficiency and increase efficiency, while identifying and supporting those most in need.
* Work with other government agencies at all levels (including state, territory and local) to develop service approaches that maximise the ease of access to government services for all Australians, regardless of the level of government.

### 1.2 Agency resource statement

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classification.

Table 1.1: Department of Human Services Resource Statement — Budget
Estimates for 2013‑14 as at Budget May 2013

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Estimate of****Prior****year amounts****available in****2013-14** | **+** | **Proposed** **at Budget****2013-14** | **=** | **Total****Estimate****2013-14** |  | **Actual****available****appropriation****2012-13** |
|  |  | $'000 |  | $'000 |  | $'000 |  | $'000 |
| **Ordinary annual services**1 |  |  |  |  |  |  |  |  |
| **Departmental appropriation** |  |  |  |  |  |  |  |  |
| Prior year departmental appropriation 2 |  | 706,175 |  | - |  | 706,175 |  | 770,267 |
| Departmental appropriation 3 |  |  |  | 4,008,936 |  | 4,008,936 |  | 4,039,132 |
| s31 Relevant agency receipts 4 |  |  |  | 284,724 |  | 284,724 |  | 294,691 |
| **Total** |  | **706,175** |  | **4,293,660** |  | **4,999,835** |  | **5,104,090** |
|  |  |  |  |  |  |  |  |  |
| **Administered expenses** |  |  |  |  |  |  |  |  |
| Outcome 1 5 |  | - |  | 16,958 |  | 16,958 |  | 14,874 |
| **Total** |  | **-** |  | **16,958** |  | **16,958** |  | **14,874** |
|  |  |  |  |  |  |  |  |  |
| **Total ordinary annual services**  | **A** | **706,175** |  | **4,310,618** |  | **5,016,793** |  | **5,118,964** |
|  |  |  |  |  |  |  |  |  |
| **Other services**6 |  |  |  |  |  |  |  |  |
| **Departmental non-operating** |  |  |  |  |  |  |  |  |
| Prior year departmental appropriation 2 |  | - |  | - |  | - |  | 7,515 |
| Equity injections |  | - |  | 39,161 |  | 39,161  |  | 46,245 |
| **Total** |  | **-** |  | **39,161** |  | **39,161** |  | **53,760** |
|  |  |  |  |  |  |  |  |  |
| **Total other services**  | **B** | **-** |  | **39,161** |  | **39,161** |  | **53,760** |
|  |  |  |  |  |  |  |  |  |
| **Total available annual**  |  |  |  |  |  |  |  |  |
| **appropriations** |  | **706,175** |  | **4,349,779** |  | **5,055,954** |  | **5,172,724** |
|  |  |  |  |  |  |  |  |  |
| **Special appropriations** |  |  |  |  |  |  |  |  |
| **Special appropriations limited** **by criteria/entitlement** |  |  |  |  |  |  |  |  |
| *Child Support (Registration and Collection) Act 1988* |  |  |  |  |  |  |  |  |
|  Section 77 - unremitted deductions |  | - |  | 83,137 |  | 83,137  |  | 82,732 |
|  Section 78 - unexplained remittances |  | - |  | 50 |  | 50  |  | 50 |
| **Total Special appropriations** | **C** | **-** |  | **83,187** |  | **83,187** |  | **82,782** |
|  |  |  |  |  |  |  |  |  |
| **Total appropriations excluding** |  |  |  |  |  |  |  |  |
| **Special accounts** |  | **706,175** |  | **4,432,966** |  | **5,139,141** |  | **5,255,506** |

Table 1.1: Department of Human Services Resource Statement — Budget
Estimates for 2013‑14 as at Budget May 2013 *(continued*)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Estimate of****Prior****year amounts****available in****2013-14** | **+** | **Proposed** **at Budget****2013-14** | **=** | **Total****Estimate****2013-14** |  | **Actual****available****appropriation****2012-13** |
|  |  | $'000 |  | $'000 |  | $'000 |  | $'000 |
| **Special Accounts** |  |  |  |  |  |  |  |  |
| + Opening balance 7 |  | 58,838 |  | - |  | 58,838  |  | 58,838 |
| Appropriation receipts 8 |  | - |  | 85,327 |  | 85,327  |  | 84,912 |
| Non-appropriation receipts to |  |  |  |  |  |  |  |  |
| Special Accounts 9 |  | - |  | 1,350,444 |  | 1,350,444 |  | 1,343,869 |
| **Total Special Account**  | **D** | **58,838** |  | **1,435,771** |  | **1,494,609** |  | **1,487,619** |
| **Total resourcing** |  |  |  |  |  |  |  |  |
| A+B+C+D |  | **765,013** |  | **5,868,737** |  | **6,633,750** |  | **6,743,125** |
| Less appropriations drawn from |  |  |  |  |  |  |  |  |
| annual or special appropriations above |  |  |  |  |  |  |  |  |
| and credited to special accounts |  |  |  |  |  |  |  |  |
| and/or CAC Act bodies through |  |  |  |  |  |  |  |  |
| annual appropriations |  | - |  | 85,327 |  | 85,327 |  | 84,912 |
| **Total net resourcing for the Department of Human Services** |  | **765,013** |  | **5,783,410** |  | **6,548,423** |  | **6,658,213** |

Reader note: All figures are GST exclusive.

1. Appropriation Bill (No.1) 2013‑14.
2. Estimated adjusted 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). 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 any funding for an Administered Capital Budget for 2013-14.
6. Appropriation Bill (No.2) 2013‑14.
7. Estimated opening balance for Special Accounts (excluding ‘Special Public Money’ held in accounts such as Services for Other Entities and Trust Moneys Special Accounts (SOETM)). For further details on special accounts see Table 3.1.2.
8. Includes Appropriation receipts of $2.140 million from the Department of Human Services annual Administered appropriation relating to Child Support payments and special appropriations of $83.187 million for 2013-14 included above.
9. Includes receipts from non-custodial parents for the Child Support Account.

Table 1.1: Department of Human Services Resource Statement — Budget
Estimates for 2013‑14 as at Budget May 2013 *(continued)*

Third party payments on behalf of and receipts from other agencies

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2013-14**$'000 |  | **2012-13**$'000 |
| **Payments made on behalf of other agencies** |  |  |  |
| (disclosed in the respective Agency Resource Statement) |  |  |  |
| **Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)** |  |  |  |
| Special Appropriation - *Social Security (Administration) Act 1999* | 62,542,601 |  | 58,073,946 |
| Special Appropriation - *A New Tax System (Family Assistance)(Administration) Act 1999* | 21,362,101 |  | 20,600,438 |
| Special Appropriation - *Paid Parental Leave Act 2010* | 1,609,306 |  | 1,449,144 |
| Annual Appropriation - Ex Gratia and Act of Grace Payments | 3,775 |  | 8,821 |
| Total FaHCSIA | 85,517,783 |  | 80,132,349 |
| **Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education (DIICCSRTE)** |  |  |  |
| Annual Appropriation - Liquefied Petroleum Gas Vehicle Scheme | 21,818 |  | 10,000 |
| Special Appropriation - *Social Security (Administration) Act 1999* | 3,051,846 |  | 2,988,034 |
| Total DIICCSRTE | 3,073,664  |  | 2,998,034  |
| **Attorney-General's Department (AG)** |  |  |  |
| Special Appropriation - *Social Security (Administration) Act 1999 -*National Security and Criminal Justice | 8,000 |  | 212,258 |
| Annual Appropriation - Ex Gratia assistance - New Zealand citizens | 1,000 |  | 10,784 |
| Annual Appropriation - Disaster Income Recovery Subsidy | 1,000  |  | - |
| Total AG | 10,000 |  | 223,042 |
| **Department of Infrastructure and Transport (DIT)** |  |  |  |
| Annual Appropriation - Bass Strait Passenger Vehicle Equalisation Scheme | 42,000 |  | 41,100 |
| Annual Appropriation - Tasmanian Freight Equalisation Scheme | 114,300 |  | 112,200 |
| Annual Appropriation - Tasmanian Wheat Freight Scheme | 1,050 |  | - |
| Total DIT | 157,350 |  | 153,300 |
| **Department of Education, Employment and Workplace Relations (DEEWR)** |  |  |  |
| Special Appropriation - *A New Tax System (Family Assistance) (Administration) Act 1999* | 5,048,234 |  | 4,661,007 |
| Special Appropriation - *Social Security (Administration) Act 1999* | 15,463,900 |  | 14,788,807 |
| Special Appropriation - *Student Assistance Act 1973* | 294,025 |  | 288,816 |
| Annual Appropriation - Compensation and Debt Relief  | 198 |  | 198 |
| Annual Appropriation - Child Care For Eligible Parents Undergoing Training | 82,941 |  | 110,900 |
| Total DEEWR | 20,889,298 |  | 19,849,728 |
| **Department of Agriculture, Fisheries and Forestry (DAFF)** |  |  |  |
| Annual Appropriation - Transitional Farm Family Payment | 7,608 |  | 11,949 |
| Total DAFF | 7,608 |  | 11,949 |
| **Department of Veterans' Affairs (DVA)** |  |  |  |
| Special Appropriation - *Veterans’ Entitlements Act 1986* & Related Acts | 4,046, 737 |  | 3,991,779 |
| Special Appropriation - *Military Rehabilitation and Compensation Act 2004* | 16,587 |  | 14,299 |
| Special Appropriation - *Australian Participants in British Nuclear Tests (Treatment) Act 2006* | 274 |  | 406 |
| Total DVA | 4,063,598 |  | 4,006,484 |

Table 1.1: Department of Human Services Resource Statement — Budget
Estimates for 2013‑14 as at Budget May 2013 *(continued)*

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2013-14**$'000 |  | **2012-13**$'000 |
| **Payments made on behalf of other agencies (continued)** |  |  |  |
| **Department of Health and Ageing (DoHA)** |  |  |  |
| Special Appropriation - *Health Insurance Act 1973* – Medical Benefits | 18,838,215 |  | 18,459,874 |
| Special Appropriation - *Dental Benefits Act 2008* | 244,034 |  | 83,087 |
| Special Appropriation - *National Health Act 1953* – Pharmaceutical Benefits | 9,882,989 |  | 9,471,178 |
| Special Appropriation - *National Health Act 1953* - Aids and Appliances | 300,095 |  | 279,772 |
| Special Appropriation - *Private Health Insurance Act 2007* | 4,916,721 |  | 5,135,350 |
| Special Appropriation - *Medical Indemnity Agreement Act 2002* | 98,602 |  | 96,589 |
| Special Appropriation *- Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010*  | 1,391 |  | 334 |
| Special Appropriation - *Aged Care Act 1997* (Total) | 9,853,374 |  | 9,309,702 |
| Special Account - Australian Childhood Immunisation Register | 9,388 |  | 6,457 |
| Special Appropriation - *National Health Act 1953* - Continence Aids Payment | 76,864 |  | 63,326 |
| Total DoHA | 44,221,673 |  | 42,905,669 |
| **Australian Bureau of Statistics (ABS)** |  |  |  |
| Annual Appropriation - Annual Health Survey | 5 |  | 63 |
| Total ABS | 5 |  | 63 |
|  |  |  |  |
| **Total Third party payments** | **157,940,979** |  | **150,280,618** |
|  |  |  |  |
| **Receipts received from other agencies for the provision of services** |  |  |  |
| disclosed above within Departmental section 31) |  |  |  |
| Attorney-General's Department (AG) | 1,183 |  | 1,943 |
| Australian Electoral Commission (AEC) | 4,058 |  | 272 |
| Australian Taxation Office (ATO) | 997 |  | 330 |
| Department of Broadband, Communications and the Digital Economy (DBCDE) | 451 |  | 1,034 |
| Department of Education, Employment and Workplace Relations (DEEWR) | 155,150 |  | 155,318 |
| Department of Families, Housing, Community Servicesand Indigenous Affairs (FaHCSIA)  | 6,660 |  | 8,121 |
| Department of Foreign Affairs and Trade (DFAT) | 5,458 |  | 5,458 |
| Department of Health and Ageing (DoHA) | 15,876 |  | 14,982 |
| Department of Immigration and Citizenship (DIAC) | 291 |  | 689 |
| Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education (DIICCSRTE) | 25 |  | 633 |
| Department of Veterans' Affairs (DVA) | 35,339 |  | 27,883 |
| **Total s31 Relevant agency receipts received for the provision of services** | **225,488** |  | **216,663** |

### 1.3 Budget measures

Budget measures in Part 1 relating to the Department of Human Services are detailed in Budget Paper No. 2 and summarised below.

Table 1.2: Agency 2013‑14 Budget measures

Part 1: Measures announced since the 2012-13 MYEFO

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2012-13$'000 | 2013-14$'000 | 2014-15$'000 | 2015-16$'000 | 2016-17$'000 |
| **Expense measures 1** |  |  |  |  |  |  |
| Call Centre supplementation – reducing waiting times |  |  |  |  |  |  |
| Departmental expenses | 1.1 | 9,999 | 19,997 | - | - | - |
| Child Support System (Cuba) –Replacement |  |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (12,933) | (7,207) | (9,953) | (4,025) |
| Department of Human Services –efficiencies |  |  |  |  |  |  |
| Departmental expenses | 1.1 | 358 | (6,784) | (18,639) | (18,636) | (18,693) |
| Fraud prevention and compliance - improve billing practices within public hospitals 2 |  |  |  |  |  |  |
| Departmental expenses | 1.1 | - | - | - | - | - |
| - increase compliance for customers with earned income |  |  |  |  |  |  |
| Departmental expenses | 1.1 | - | 8,775 | - | - | - |
| Income Security Integrated System Business Case |  |  |  |  |  |  |
| Departmental expenses | 1.1 | - | - | - | - | - |
| **Attorney-General's Department** |  |  |  |  |  |  |
| Natural disaster support –Commonwealth Disaster Recovery Allowance |  |  |  |  |  |  |
| Departmental expenses | 1.1 | - | - | - | - | - |
| **Department of Agriculture, Fisheries and Forestry** |  |  |  |  |  |  |
| National Drought Program Reform |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | 9,094 | 6,780 | 7,135 | 8,907 |
| **Department of Education, Employment and Workplace Relations** |  |  |  |  |  |  |
| Child Care Rebate – indexation pause – extension |  |  |  |  |  |  |
| Departmental expenses | 1.1 | 2 | 14 | 6 | 6 | - |
| Improving incentives to study –extension of the Pensioner Education Supplement for single parents |  |  |  |  |  |  |
| Departmental expenses | 1.1 | 54 | 1,472 | 138 | 127 | 125 |
|  |  |  |  |  |  |  |

Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Agency 2013‑14 Budget measures *(continued)*

Part 1: Measures announced since the 2012-13 MYEFO *(continued)*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2012-13$'000 | 2013-14$'000 | 2014-15$'000 | 2015-16$'000 | 2016-17$'000 |
| **Department of Education, Employment and Workplace Relations *(continued)*** |  |  |  |  |  |  |
| Improving incentives to work – extended Pensioner Concession Card entitlements for single parents |  |  |  |  |  |  |
| Departmental expenses | 1.1 | 9  | 354  | 31  | 31  | 31  |
| Jobs, Education and Training Child Care Fee Assistance – continuation of bridging and foundation courses 3 |  |  |  |  |  |  |
| Departmental expenses | 1.1 | 289  | 394  | -  | -  | -  |
| Supporting jobseekers in the transition to work – increase and index the income free area for eligible income support recipients |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | 1,215  | 54  | 48  | 44  |
| Youth Attainment and Transitions – extension |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | 173  | 26  | -  | -  |
| **Department of Families, Housing, Community Services and Indigenous Affairs** |  |  |  |  |  |  |
| Cape York Welfare Reform – Embedding and Building |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | 3,061  | 2,616  | 1,253  | -  |
| Family and Parental Payments – change to rules for receiving payments overseas |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | 2,701  | 1,728  | 569  | 642  |
| Family payments reform- continuing indexation pauses on upper income limits and supplements |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  |  267  | (1,810) | (2,407) | (3,177) |
| - replacing the Baby Bonus |  |  |  |  |  |  |
| Departmental expenses | 1.1 |  381  | 10,322  | 7,246  | 4,019  | 4,654  |
| Family Tax Benefit and Child Care Assistance – realignment of time period for income reconciliation |  |  |  |  |  |  |
| Departmental expenses | 1.1 | 1,435  | 6,003  | 2,199  | 749  | (251) |
| Family Tax Benefit Part A – Changes to age of eligibility |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | 3,458  | 1,037  |  392  |  267  |
|  |  |  |  |  |  |  |

Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Agency 2013‑14 Budget measures *(continued)*

Part 1: Measures announced since the 2012-13 MYEFO *(continued)*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Department of Families, Housing, Community Services and Indigenous Affairs *(continued)*** |  |  |  |  |  |  |
| Income Management  |  |  |  |  |  |  |
| - continuation and expansion in Western Australia |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | 6,373  | -  | -  | -  |
|  - enhanced service delivery |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | -  | -  | -  | -  |
| Not proceeding with the additional increase to Family Tax Benefit Part A payments |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  |  (76) | (2,443) | (1,473) |  (151) |
| Pension Bonus Scheme – cease late registrations |  |  |  |  |  |  |
| Departmental expenses | 1.1 |  38  | 1,326  |  275  |  38  | -  |
| Supporting Senior Australians – Housing Help for Seniors – pilot |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | 3,400  | 2,325  | 2,471  | 2,495  |
| Superannuation reforms – extending the normal deeming rules to new superannuation account-based income streams |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  |  881  | 5,191  | 1,175  |  799  |
| **Department of Health and Ageing** |  |  |  |  |  |  |
| Extended Medicare Safety Net –increasing the general threshold |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | -  |  558  | -  | -  |
| Living Longer. Living Better – staying at home – improvements |  |  |  |  |  |  |
| Departmental expenses | 1.1 |  59  |  263  | -  | -  | -  |
| Medicare Benefits Schedule |  |  |  |  |  |  |
| - realigning indexation with the financial year |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  |  42  |  46  | -  | -  |
| - remove out-of-hospital Medicare rebate for selected items 4 |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | -  | -  | -  | -  |
|  - removing double billing |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | -  |  (408) |  (806) |  (946) |

 Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Agency 2013‑14 Budget measures *(continued)*

Part 1: Measures announced since the 2012-13 MYEFO *(continued)*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Department of Health and Ageing *(continued)*** |  |  |  |  |  |  |
| Mental Health Nurse Incentive Program |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  |  529  | -  | -  | -  |
| Pharmaceutical Benefits Scheme |  |  |  |  |  |  |
| - additional funding for further pricing reform 5 |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | -  | -  | -  | -  |
|  - new and amended listings 6 |  |  |  |  |  |  |
| Departmental expenses | 1.1 |  27  |  12  |  13  |  12  |  11  |
|  - price changes |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | -  | -  | -  | -  |
| World Leading Cancer Care – National Bowel Cancer Screening Program – additional funding |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  |  2  |  2  |  2  |  2  |
| **Department of Immigration and Citizenship** |  |  |  |  |  |  |
| Integrated Service Delivery Framework |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | 10,942  | 14,158  | 12,246  | 12,177  |
| **Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education** |  |  |  |  |  |  |
| Student Start-up Scholarships – conversion to Income Contingent Loans |  |  |  |  |  |  |
| Departmental expenses | 1.1 |  610  | 5,533  | 2,577  | 3,363  | 3,635  |
| **Department of Veterans' Affairs** |  |  |  |  |  |  |
| Mental health services – expansion |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | -  |  (15) |  (20) |  (25) |
|  |  |  |  |  |  |  |
| **Total expense measures** |  |  |  |  |  |  |
| Administered |  | -  | -  | -  | -  | -  |
| Departmental |  | 13,261  | 76,810  | 16,484  |  341  | 6,521  |
| **Total** |  | **13,261**  | **76,810**  | **16,484**  |  **341**  | **6,521**  |

 Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Agency 2013‑14 Budget measures *(continued)*

Part 1: Measures announced since the 2012-13 MYEFO *(continued)*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Capital measures 1** |  |  |  |  |  |  |
| Child Support System (Cuba) – Replacement |  |  |  |  |  |  |
| Departmental Capital | 1.1 | -  | 13,157  | 7,333  | 10,044  | 4,179  |
| **Department of Agriculture, Fisheries and Forestry** |  |  |  |  |  |  |
| National Drought Program Reform |  |  |  |  |  |  |
| Departmental Capital | 1.1 | -  | 5,196  |  202  | -  | -  |
| **Department of Families, Housing, Community Services and Indigenous Affairs** |  |  |  |  |  |  |
| Family and Parental Payments – change to rules for receiving payments overseas |  |  |  |  |  |  |
| Departmental Capital | 1.1 | -  | 2,200  | -  | -  | -  |
| Family Tax Benefit Part A – Changes to age of eligibility |  |  |  |  |  |  |
| Departmental Capital | 1.1 | -  | 1,828  |  207  |  125  | -  |
| Family payments reform – replacing the Baby Bonus |  |  |  |  |  |  |
| Departmental Capital | 1.1 |  94  | 3,814  | 4,946  | 1,530  |  987  |
| Supporting Senior Australians –Housing Help for Seniors – pilot |  |  |  |  |  |  |
| Departmental Capital | 1.1 | -  | 1,332  | -  | -  | -  |
| Superannuation reforms – extending the normal deeming rules to new superannuation account-based income streams |  |  |  |  |  |  |
| Departmental Capital | 1.1 | -  |  256  |  323  | -  | -  |
| **Department of Health and Ageing** |  |  |  |  |  |  |
| Pharmaceutical Benefits Scheme – additional funding for further pricing reform 5 |  |  |  |  |  |  |
| Departmental Capital | 1.1 | -  | -  | -  | -  | -  |
| **Department of Immigration and Citizenship** |  |  |  |  |  |  |
| Integrated Service Delivery Framework |  |  |  |  |  |  |
| Departmental Capital | 1.1 | -  | 1,776  | -  | -  | -  |
|  |  |  |  |  |  |  |

 Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Agency 2013‑14 Budget measures *(continued)*

Part 1: Measures announced since the 2012-13 MYEFO *(continued)*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education** |  |  |  |  |  |  |
| Student Start-up Scholarships – conversion to Income Contingent Loans |  |  |  |  |  |  |
| Departmental Capital | 1.1 |  361  | 3,405  |  85  | -  | -  |
|  |  |  |  |  |  |  |
| **Total capital measures** |  |  |  |  |  |  |
| Administered |  | -  | -  | -  | -  | -  |
| Departmental |  |  455  | 32,964  | 13,096  | 11,699  | 5,166  |
| **Total** |  |  **455**  | **32,964**  | **13,096**  | **11,699**  | **5,166**  |

 Prepared on a Government Finance Statistics (fiscal) basis.

Part 2: MYEFO measures not previously reported in a portfolio statement

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Program | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  |  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Measures** |  |  |  |  |  |  |
| **Cross Portfolio** |  |  |  |  |  |  |
| Targeted savings – public service efficiencies 7 |  |  |  |  |  |  |
| Departmental expenses | 1.1 | -  | (7,748) | (5,247) | (4,208) | (2,862) |
|  |  |  |  |  |  |  |
| **Total measures** |  |  |  |  |  |  |
| Administered |  | -  | -  | -  | -  | -  |
| Departmental |  | -  | (7,748) | (5,247) | (4,208) | (2,862) |
| **Total** |  | **-**  | **(7,748)** | **(5,247)** | **(4,208)** | **(2,862)** |

 Prepared on a Government Financial Statistics (fiscal) basis.

1. Measures are listed by lead Portfolio agency where applicable. The full measure description and package details appear in the 2013-14 Budget Paper No. 2 under the relevant lead portfolio.
2. This measure was a ‘decision taken but not yet announced’ in the 2012-13 Budget (refer page 76 of the 2012-13 Budget Paper No. 2). The funding provided to the department in the 2012-13 Budget was: 2012-13 $0.344 million; 2013-14 $0.348 million; 2014-15 $0.350 million; 2015-16 $0.122 million.
3. This measure was published in the Human Services Portfolio Additional Estimates Statements 2012‑13 with funding as follows: 2012-13 $0.533 million; 2013-14 $0.067 million. The amounts shown above represent additional funding provided for decisions made after 2012-13 Additional Estimates. The amounts shown in the 2013-14 Budget Paper No. 2 reflect the total funding for this measure.
4. This measure was published in the Human Services Portfolio Additional Estimates Statements 2012-13 in Table 1.4 with funding of $0.031 million for 2012-13 operating expenses. Funding for this measure is reflected in the measure description in the 2013-14 Budget Paper No. 2.
5. This measure was published in the Human Services Portfolio Additional Estimates Statements 2012-13 in Table 1.4 with funding as follows: 2012-13 $2.478 million for operating expenses and $0.909 million for capital expenditure, totalling $3.387 million.

Table 1.2: Agency 2013‑14 Budget measures *(continued)*

1. This measure was published in the Human Services Portfolio Additional Estimates Statements 2012‑13. This included funding decided by the Government after MYEFO as follows: 2012-13 $0.185 million; 2013-14 $0.256 million; 2014-15 $0.273 million; 2015-16 $0.314 million; 2016-17 $0.350 million. The amounts shown in the table above represent additional funding provided for decisions made after 2012-13 Additional Estimates. The amounts shown in the 2013-14 Budget Paper No. 2 reflect the total funding for this measure since MYEFO.
2. The fiscal impact reported for the measure “Targeted savings – public service efficiencies” is in addition to the impact previously reported for this measure in the 2012-13 Human Services Portfolio Additional Estimates Statements.

## Section 2: Outcomes and Planned Performance

### 2.1 Outcomes and Performance Information

Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of the Department of Human Services in achieving government outcomes.

|  |
| --- |
| 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. |

##### Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for Outcome 1 by program.

Table 2.1: Budgeted Expenses for Outcome 1

|  |  |  |  |
| --- | --- | --- | --- |
| **Outcome 1:** Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery. |  | 2012-13Estimatedactualexpense | 2012-13Estimatedactualexpense |
|  |  | $'000 | $'000 |
| **Program 1.1: Services to the Community** |  |  |  |
| Administered expenses |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) |  |  12,584  |  14,818  |
| Special accounts |  |  -  |  -  |
| Expenses not requiring appropriation in the Budget year 1 |  |  2,006  |  2,006  |
| Departmental expenses |  |  |  |
| Departmental Appropriation 2 |  | 4,192,693  | 4,166,168  |
| Expenses not requiring appropriation in the Budget year 1 |  |  322,570  |  231,864  |
| **Total for Program 1.1 3** |  | **4,529,853**  | **4,414,856**  |
| **Program 1.2: Child Support** |  |  |  |
| Administered expenses |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) |  |  2,130  |  2,140  |
| Special appropriations |  |  82,782  |  83,187  |
| Special accounts |  | 1,273,858  | 1,286,986  |
| Expenses not requiring appropriation in the Budget year 1 |  |  68,939  |  95,666  |
| **Total for Program 1.2 3** |  | **1,427,709**  | **1,467,979**  |
| **Outcome 1 Totals by appropriation type** |  |  |  |
| Administered Expenses |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) |  |  14,714  |  16,958  |
| Special appropriations |  |  82,782  |  83,187  |
| Special accounts |  | 1,273,858  | 1,286,986  |
| Expenses not requiring appropriation in the Budget year 1 |  |  70,945  |  97,672  |
| Departmental expenses |  |  |  |
| Departmental Appropriation 2 |  | 4,192,693  | 4,166,168  |
| Expenses not requiring appropriation in the Budget year 1 |  |  322,570  |  231,864  |
| **Total expenses for Outcome 1** |  | **5,957,562**  | **5,882,835**  |
|  |  |  2012-13  |  2013-14  |
| **Average Staffing Level (number)** |  |  32,048  |  30,707  |

1. Departmental expenses not requiring appropriation in the budget year comprise unfunded depreciation expense, amortisation expenses, resources received free of charge and operating results. Administered expenses not requiring appropriation in the Budget year comprise depreciation expense and net write-down of assets.
2. Departmental Appropriation combines expenses funded by ‘Ordinary annual services’ (‘Appropriation Act No. 1’, ‘Appropriation Act No. 3’ and ‘Revenue from independent sources’ (s31)).
3. Program Expenses by Subfunction:

|  |  |  |  |
| --- | --- | --- | --- |
|  **Expenses by subfunction** |  |  **2012-13**  |  **2013-14**  |
| **Program 1.1** |  | $'000 | $'000 |
| Health - General Administration |  |  669,405  |  669,153  |
| Assistance to People with Disabilities |  |  176,000  |  175,765  |
| Social Security and Welfare - General Administration |  | 3,684,448  | 3,569,938  |
| **Total** |  | **4,529,853**  | **4,414,856**  |
| **Program 1.2** |  |  |  |
| Assistance to Families with Children |  | **1,427,709**  | **1,467,979**  |
| **Total Expenses for Outcome 1** |  | **5,957,562**  | **5,882,835**  |

#### Contributions to Outcome 1

|  |
| --- |
| Program 1.1: Services to the Community |

|  |
| --- |
| Program 1.1 ObjectiveIndividuals, 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, health and child support 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:Program 1.1 – Services to the Community is linked to the Outcomes and Programs of other agencies as shown below. A detailed list of the services delivered under various service agreements is published in the Department of Human Services annual report:* Attorney-General’s Department: 1.2, 1.7
	+ AUSTRAC: 1.1
	+ CRIMTRAC: 1.1
	+ Family Court: 1.1
	+ Federal Circuit Court: 1.1
* Department of Agriculture, Fisheries and Forestry: 1.1, 1.11, 1.12
	+ Australian Fisheries Management Authority: 1.1
* Department of Broadband, Communications and the Digital Economy: 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, Employment and Workplace Relations: 1.1, 1.2, 2.2, 2.3, 2.8, 2.9, 3.1, 3.2, 3.5
* Department of Families, Housing, Community Services and Indigenous Affairs (including Family Assistance Office): 1.2, 1.3, 2.1, 3.1, 3.3, 3.4, 3.5, 4.1, 4.2, 5.2, 5.3
 |

Program 1.1 Objective *(continued)*

|  |
| --- |
| Linked to *(continued)*:* + Torres Strait Regional Authority: 1.1
* Department of Finance and Deregulation:
	+ Australian Electoral Commission: 1.1, 1.2, 1.3
* Department of Foreign Affairs and Trade: 2.1, 2.2
* Department of Health and Ageing: 1.1, 1.5, 2.1, 2.2, 2.4, 3.1, 3.2, 4.4, 4.5, 4.6, 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
* Department of Immigration and Citizenship: 2.1, 4.1, 6.1
* Department of Infrastructure and Transport: 2.2
* Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education: 1.1, 3.3, 3.4, 3.5, 3.6
* Department of the Treasury:
	+ Australian Bureau of Statistics: 1.1
	+ Australian Taxation Office: 1.1, 1.16
	+ Australian Securities and Investments Commission: 1.1

The department also has links with various state and territory governments and countries with which Australia has an International Social Security Agreement. |

|  |
| --- |
| Program 1.1 ExpensesTotal program expenses are forecast to decrease by $295.0 million over the estimates period. This mainly comprises an increase in service delivery expenses of $10.2 million for health general administration, offset by a forecast decrease of $304.7 million for social security and welfare general administration subfunctions. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2012-13RevisedBudget | 2013-14Budget | 2014-15Forwardyear 1 | 2015-16Forwardyear 2 | 2016-17Forwardyear 3 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Income Management BasicsCard | 5,006  | 5,006  | 3,000  | -  | -  |
| Future Workforce | 7,578  | 9,812  | 8,838  | -  | -  |
| Administered expenses not requiring |  |  |  |  |  |
|  appropriation in the Budget year 1 | 2,006  | 2,006  | 2,005  | 1,970  | 1,970  |
| Annual departmental expenses |  |  |  |  |  |
| funded by: |  |  |  |  |  |
| Ordinary annual services (Appropriation Bills No. 1 & 3) |  3,908,373  |  3,880,814  |  3,784,380  |  3,656,921  |  3,693,729  |
| Revenues from other sources | 284,320  | 285,354  | 273,752  | 274,967  | 275,250  |
| Departmental expenses not requiring |  |  |  |  |  |
|  appropriation in the Budget year 2 | 322,570  | 231,864  | 228,757  | 247,144  | 263,882  |
| **Total program expenses 3** |  **4,529,853**  |  **4,414,856**  | **4,300,732**  |  **4,181,002**  |  **4,234,831**  |

1. Administered expenses not requiring appropriation in the Budget year comprise depreciation expense and net write-down of assets.
2. Departmental expenses not requiring appropriation in the Budget year comprise unfunded depreciation expense, amortisation expense, resources received free of charge and operating results.
3. Program Expenses by Subfunction:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  **Expenses by subfunction** |  2012-13  |  2013-14  |  2014-15  |  2015-16  |  2016-17  |
| **Departmental** | $'000 | $'000 | $'000 | $'000 | $'000 |
| Health - General Administration | 669,405  | 669,153  | 645,065  | 647,185  | 679,577  |
| Assistance to People withDisabilities | 176,000  | 175,765  | 175,531  | 175,531  | 175,531  |
| Social Security and Welfare - General Administration |  3,669,858  |  3,553,114  |  3,466,293  |  3,356,316  |  3,377,753  |
| ***Total Departmental*** |  **4,515,263**  |  **4,398,032**  |  **4,286,889**  |  **4,179,032**  |  **4,232,861**  |
| **Administered** |  |  |  |  |  |
| Social Security and Welfare - General Administration | 14,590  | 16,824  | 13,843  | 1,970  | 1,970  |
| ***Total Administered*** | **14,590**  | **16,824**  | **13,843**  | **1,970**  | **1,970**  |
|  |  |  |  |  |  |
| **Total Expenses by Sub Function** |  **4,529,853**  |  **4,414,856**  |  **4,300,732**  |  **4,181,002**  |  **4,234,831**  |

|  |
| --- |
| Program 1.1 Deliverables 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. 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 is also seeking to improve services and support through:* Local Connections to Work sites which aim to connect individuals to community services under one roof.
* Case coordination sites that deliver specialist services to those who suffer from multiple disadvantages.

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. |

|  |
| --- |
| Program 1.1 Key Performance Indicators (KPIs)The department’s performance against its objectives will be demonstrated through the following KPIs: |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Key PerformanceIndicators 1 | 2012-13Revisedbudget | 2013-14BudgetTarget | 2014-15Forwardyear 1 | 2015-16Forwardyear 2 | 2016-17Forwardyear 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.** | ≥85% | ≥85% | ≥85% | ≥85% | ≥85% |
|  |  |  |  |  |  |
| **Satisfaction with Medicare provider service delivery.** | ≥70% | ≥70% | ≥70% | ≥70% | ≥70% |
|  |  |  |  |  |  |
| **Achievement of payment quality standards.** |  |  |  |  |  |
| Centrelink: Delivery of correct payments. | ≥95% | ≥95% | ≥95% | ≥95% | ≥95% |
| Medicare: Delivery of accurate medical and pharmaceutical benefits and services. | ≥98% | ≥98% | ≥98% | ≥98% | ≥98% |
|  |  |  |  |  |  |
| **Key initiatives delivered within timeframes and on budget and outcomes are achieved 2** |  |  |  |  |  |
| Service Delivery Reform. | Achieved | Achieved | Achieved | Achieved | Achieved |
| Income Management Budget measures. 3 | 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.4 | 3.6 | 3.8 | 4.0 | 4.0 | 4.0 |

Program 1.1 Key Performance Indicators *(continued)*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Key PerformanceIndicators | 2012-13Revisedbudget | 2013-14BudgetTarget | 2014-15Forwardyear 1 | 2015-16Forwardyear 2 | 2016-17Forwardyear 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. | ≥95% | ≥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.** | ≥70% | ≥70% | ≥70% | ≥70% | ≥70% |
|  |  |  |  |  |  |
| **Increase in the proportion of self-managed transactions and electronic interactions.** | 1% increase on 2011-12 | 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. | ≤15 minutes | ≤15 minutes | ≤15 minutes | ≤15 minutes | ≤15 minutes |
| Telephony: Average speed of answer: |  |  |  |  |  |
|  - service users. | ≤16 minutes | ≤16 minutes | ≤16 minutes | ≤16 minutes | ≤16 minutes |
|  - providers. | ≤30 seconds | ≤30 seconds | ≤30 seconds | ≤30 seconds | ≤30 seconds |
| Processing: Percentage of claims processed within standard - service users. | ≥82% | ≥82% | ≥82% | ≥82% | ≥82% |
|  |  |  |  |  |  |
| **Achievement of payment integrity standards.** |  |  |  |  |  |
| Centrelink: Debt under recovery. | ≥60% | ≥60% | ≥60% | ≥60% | ≥60% |
| Medicare: Completed audit and review cases. | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |

Duplicated KPIs from 2012-13 have been removed for 2013-14.

The list of key initiatives is determined by government priorities each financial year.

Funding for Income Management Budget measures terminates in 2015-16.

Annual government stakeholder survey - out of 5 index points.

|  |
| --- |
| Program 1.2: Child Support |

|  |
| --- |
| Program 1.2 ObjectiveThe department’s Child Support Program is designed to ensure that both parents contribute to the cost of their children, according to their capacity. The scheme is expected to transfer $3.2 billion between parents for the benefit of approximately 1.2 million children in 2013-14.  |
| Linked to :Program 1.2 – Child Support is linked to Department of Families, Housing, Community Services and Indigenous Affairs Program 1.2. A detailed list of the services delivered under various service agreements is published in the Department of Human Services annual report. |

|  |
| --- |
| Program 1.2 ExpensesTotal Program Expenses are forecast to increase by $153.3 million over the estimates period, mainly due to increases in amounts of child support, being transferred between parents through the Child Support Special Account, which are forecast to increase by 2.5 per cent per annum. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2012-13RevisedBudget | 2013-14Budget | 2014-15Forwardyear 1 | 2015-16Forwardyear 2 | 2016-17Forwardyear 3 |
|   | $'000 | $'000 | $'000 | $'000 | $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Child Support dishonoured cheques and other shortfalls | 2,130 | 2,140 | 2,194 | 2,249 | 2,305 |
| Special Appropriations: |  |  |  |  |  |
| *Child Support Act* 1 |  |  |  |  |  |
|  - s77 - unremitted deductions | 82,732 | 83,137 | 85,271 | 87,404 | 89,591 |
|  - s78 - unexplained remittances | 50 | 50 | 50 | 50 | 50 |
| Special Account Expenses:  |  |  |  |  |  |
| Child Support Account | 1,273,858 | 1,286,986 | 1,319,799 | 1,353,325 | 1,387,689 |
| Administered expenses not requiring |  |  |  |  |  |
|  appropriation in the Budget year 2 | 68,939 | 95,666 | 97,532 | 99,435 | 101,385 |
| **Total program expenses 3** | **1,427,709** | **1,467,979** | **1,504,846** | **1,542,463** | **1,581,020** |

1. *Child Support (Registration and Collection) Act 1988*.
2. Expenses not requiring appropriation in the budget year comprise net write-down of Child Support receivables.
3. Program 1.2 expenses are classified against the Assistance to Families with Children subfunction.

|  |
| --- |
| Program 1.2 DeliverablesCollect and disburse child support payments. |

|  |
| --- |
| Program 1.2 Key Performance Indicators (KPIs) |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Key PerformanceIndicators | 2012-13RevisedBudget | 2013-14BudgetTarget | 2014-15Forwardyear 1 | 2015-16Forwardyear 2 | 2016-17Forwardyear 3 |
| Total amount of child support transferred between parents. | $3.1 billion | $3.2 billion | $3.2 billion | $3.2 billion | $3.2 billion |
| Child support collection rate (Child Support collect only). | ≥91.7% | ≥91.7% | ≥91.7% | ≥91.7% | ≥91.7% |
| Percentage of private collect cases to total active cases (Child Support collect and private collect cases). | ≥52% | ≥52% | ≥52% | ≥52% | ≥52% |
| Percentage of domestic active paying parents without debt. | ≥73.5% | ≥73.5% | ≥73.5% | ≥73.5% | ≥73.5% |

## Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2013‑14 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government Indigenous expenditure.

### 3.1 Explanatory tables

#### 3.1.1 Movement of Administered Funds Between Years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period with the agreement of the Finance Minister may be moved to a future year. Table 3.1.1 shows the movement of administered funds approved between years.

Table 3.1.1: Movement of Administered Funds Between Years

There are no movements of administered funds between years for the Department of Human Services.

#### 3.1.2 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister’s Determination under the FMA Actor under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the department.

Table 3.1.2: Estimates of Special Account Flows and Balances

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Opening |  |  |  | Closing |
|  |  | balance | Receipts | Payments | Adjustments | balance |
|  |  | **2013-14** | **2013-14** | **2013-14** | **2013-14** | **2013-14** |
|  |  | *2012-13* | *2012-13* | *2012-13* | *2012-13* | *2012-13* |
|  | Outcome | $'000 | $'000 | $'000 | $'000 | $'000 |
| Child Support Account 1 (A) | 1 | 58,838  |  1,435,771  | (1,435,771) |  -  | 58,838  |
|  |  |  *58,838*  | *1,428,781*  |  *(1,428,781)* |  *-*  | *58,838*  |
|  |  |  |  |  |  |  |
| Recovery of Compensationfor Health Care & OtherServices Special Account 2 (A) | 1 | 74,427  | 275,191  |  (275,803) |  -  | 73,815  |
|  |  |  *75,029*  |  *270,591*  | *(271,193)* |  *-*  | *74,427*  |
|  |  |  |  |  |  |  |
| Superannuation Clearing | 1 | 15,982  |  1,113,428  | (1,105,530) |  -  | 23,880  |
| House Special Account 3 (A) |  |  *8,948*  |  *745,159*  | *(738,125)* |  *-*  | *15,982*  |
|  |  |  |  |  |  |  |
| Services for Other Entitiesand Trust Moneys –Department of HumanServices Special Account 4(A) & (D) | 1 | -  |  -  | -  |  -  | -  |
|  |  |  *-*  |  *-*  | *-*  |  *-*  |  *-*  |
|  |  |  |  |  |  |  |
| **Total special accounts**  |  |  |  |  |  |  |
| **2013-14 Budget Estimate** |  | **149,247**  |  **2,824,390**  | **(2,817,104)** |  **-**  | **156,533**  |
|  |  |  |  |  |  |  |
| *Total special accounts* |  |  |  |  |  |  |
| *2012-13 Estimated Actual* |  |  *142,815*  | *2,444,531*  |  *(2,438,099)* |  *-*  | *149,247*  |

(A) = Administered

(D) = Departmental

1. 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.
2. Recovery of Compensation for Health Care and Other Services Special Account - s20 FMA ActDetermination 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;

(a) to pay the claimant, or the claimant’s authorised representative, amounts credited to the Special Account; and

(b) 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

(c) to repay amounts where an Act or other law requires or permits the repayment of an amount received.

1. Superannuation Clearing House Special Account - s20 FMA ActDetermination 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.

1. Services for Other Entities and Trust Moneys - Department of Human Services Special Account - s20(1) FMA ActDetermination 2011/13. Purpose: To credit and debit monies for the purpose of:
2. disbursing amounts held on trust or otherwise for the benefit of a person other than the Commonwealth;

Table 3.1.2: Estimates of Special Account Flows and Balances *(continued)*

1. disbursing amounts in connection with services performed on behalf of other governments and bodies that are not FMA Act agencies;
2. repaying amounts where an Act or other law requires or permits the repayment of an amount received; and
3. reducing the balance of the Special Account (and, therefore, the available appropriation for the Account) without making a real or notional payment.

#### 3.1.3 Australian Government Indigenous Expenditure

Table 3.1.3: Australian Government Indigenous Expenditure (AGIE)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
|  | AppropriationsBill No. 1 | AppropriationsBill No. 2 | SpecialAppropriations | Totalapprop | Other | Total | Program |
|  |
|  |
|  | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |  |
| **Department of Human Services** |  |  |  |  |  |  |  |
| **Outcome 1** |  |  |  |  |  |  |  |
| Administered 2013-14 |  4,341  |  -  |  -  | 4,341  | -  | 4,341  | 1.1 |
| *Administered 2012-13* | *4,341*  | *-*  | *-*  | *4,341*  |  *-*  | *4,341*  | *1.1* |
|  |  |  |  |  |  |  |  |
| Departmental 2013-14 |  171,083  |  -  |  -  | *171,083*  | -  | 171,083  | 1.1 |
| *Departmental 2012-13* | *178,266*  | *-*  | *-*  | *178,266*  | *101*  | *178,367*  | *1.1* |
|  |  |  |  |  |  |  |  |
| Total outcome 2013-14 |  175,424  |  -  |  -  | 175,424  | -  | 175,424  |  |
| *Total outcome 2012-13* | *182,607*  | *-*  | *-*  | *182,607*  | *101*  | *182,708*  |  |
| **Total Department of Human Services** |  |  |  |  |  |  |  |
| Total Administered 2013-14 |  4,341  |  -  |  -  | 4,341  | -  | 4,341  |  |
| *Total Administered 2012-13* | *4,341*  | *-*  | *-*  | *4,341*  |  *-*  | *4,341*  |  |
|  |  |  |  |  |  |  |  |
| Total Departmental 2013-14 |  171,083  |  -  |  -  | 171,083  | -  | 171,083  |  |
| *Total Administered 2012-13* | *178,266*  | *-*  | *-*  | *178,266*  | *101*  | *178,367*  |  |
|  |  |  |  |  |  |  |  |
| **Total AGIE 2013-14** |  **175,424**  |  **-**  |  **-**  | **175,424**  | **-**  | **175,424**  |  |
| *Total AGIE 2012-13* | *182,607*  | *-*  | *-*  | *182,607*  | *101*  | *182,708*  |  |

### 3.2 Budgeted financial statements

#### 3.2.1 Differences to Agency Resourcing

#### 3.2.2 Analysis of Budgeted Financial Statements

##### Budgeted Departmental Comprehensive Income Statement (Table 3.2.1)

**2012-13 Estimated Actual**

The department is budgeting for an operating loss of $66.0 million for 2012-13, mainly due to:

* a delay in a program of voluntary redundancies in order to bring the staffing level down to affordable levels;
* additional costs incurred for service delivery in response to the recent natural disasters; and
* other additional expenses associated with continuing integration of the former Centrelink and Medicare Australia into the department.

Expenses for the year are estimated at $4,515.3 million, an increase of $77.7 million since 2012-13 Additional Estimates. The department is forecasting total own source income of $286.6 million in 2012-13, an increase of $3.3 million since Additional Estimates, mainly due to variations in contract services provided by the department. Revenue from Government has increased by $12.9 million, mainly as a result of new measures for the same period.

**2013-14 Budget and Forward Years**

The department is forecasting a break-even operating result for the budget and forward years. Expenses for 2013-14 are estimated at $4,398.0 million, an increase of $107.9 million since 2012-13 Additional Estimates. This change is mainly driven by new expense measures as per table 1.2. Expenses are forecast to decrease by $165.2 million (3.8 per cent) over the Budget and forward estimates period, mainly comprising reductions of $113.3 million in employee benefits and $81.7 million in supplier expenses.

Total own source income in 2013-14 is estimated at $287.6 million, an increase of $5.0 million since Additional Estimates. This change is mainly due to variations in contract services provided by the department. Revenue from Government is forecast to decrease by $187.1 million (4.8 per cent) over the Budget and forward estimates period.

##### Departmental Balance Sheet (Table 3.2.2)

**2012-13 Estimated Actual**

Total Assets are estimated to be $1,751.0 million, a decrease of $91.5 million since Additional Estimates, mainly due to reductions in receivables. Total Liabilities are estimated to be $1,275.1 million, a decrease of $30.5 million since Additional Estimates. This is mainly due to a reduction in supplier payables.

**2013-14 Budget and Forward Years**

Total Assets for 2013-14 are estimated to be $1,636.5 million, a decrease of $75.9 million since 2012-13 Additional Estimates, mainly due to reductions in receivables. Over the Budget and forward estimates period, total assets are forecast to decrease by $208.4 million, mainly because depreciation expense and asset impairments exceed asset additions funded under the net cash appropriation arrangements.

Total Liabilities are estimated to be $1,236.2 million, a decrease of $29.0 million since Additional Estimates. This is mainly due to a reduction in supplier payables.

##### Departmental Statement of Changes in Equity (Table 3.2.3)

Total Equity for 2013-14 is estimated to be $400.2 million (at 30 June 2014), a decrease of $75.7 million from the end of 2012-13. This is mainly due to the difference between unfunded depreciation expense, as reflected in the operating result and capital funding for new and replacement assets for 2013-14.

##### Departmental Cash Flows (Table 3.2.4)

**2012-13 Estimated Actual**

Since the 2012-13 Additional Estimates, cash flows have been affected by new measures, changes in own source revenue and associated expenses, and movements of assets and liabilities. This has resulted in increased cash receipts from operating activities in 2012-13 of $98.4 million and increased payments of $117.0 million for operating activities. Cash used for purchase of property, plant and equipment and intangibles has decreased by $15.2 million since Additional Estimates, due to a similar increase in capital payable at year end.

**2013-14 Budget and Forward Years**

Since the 2012-13 Additional Estimates, both 2013-14 cash receipts and cash payments have increased by $76.9 million mainly resulting from new measures.

Over the Budget and forward estimates period, the movements in cash received and cash used for operations reflect the movements in total revenue and total expenses noted above. Movements in net cash flows from investing and financing activities over the forward estimates reflect government funding levels for replacement of assets and equity injections for capital expenditure as detailed in the Departmental Capital Budget (Table 3.2.5).

##### Departmental Capital Budget Statement (Table 3.2.5)

New capital appropriations for 2013-14 have increased by $34.4 million since Additional Estimates. This is mainly due to capital funding for new measures as reflected in Table 1.2. Funding for 2013-14 is now estimated at $154.4 million, a reduction of $23.7 million compared to 2012-13 estimated actuals. Capital funding is forecast to increase to $206.4 million in 2014-15 and remain stable over the forward years.

##### Statement of Asset Movements (Table 3.2.6)

The estimated net book values for 2013-14 have increased by $15.7 million since Additional Estimates. The closing net book value for 2013-14 represents a decrease of $77.8 million for the year because depreciation expense and asset impairments exceed total additions funded under the net cash appropriation arrangements.

##### Administered Income and Expenses (Table 3.2.7)

**2012-13 Estimated Actual**

Since 2012-13 Additional Estimates, Administered revenue in 2012-13 has decreased by $25.8 million while expenses have also decreased by $27.0 million. These movements are mainly due to an estimated reduction in the transfers of Child Support payments between parents.

**2013-14 Budget and Forward Years**

Administered expenses in 2013-14 have decreased by $27.8 million since Additional Estimates mainly due to a forecast reduction in the transfers of Child Support payments between parents.

Child Support revenue and expenses are forecast to increase by approximately 2.5 per cent each year. Grants for the measure, ‘Building Australia Future Workforce – community innovation through collaboration’ and supplier expenses for ‘Income Management BasicsCard’ will cease in 2015-16 due to termination of the measures.

##### Administered Assets and Liabilities (Table 3.2.8)

Over the Budget and Forward estimates period, total Administered Assets and Liabilities are forecast to increase by approximately 3.1 per cent per annum, consistent with the trend in income and expenses for the Child Support Program.

##### Administered Cash Flows (Table 3.2.9)

**2012-13 Estimated Actual**

Since the 2012-13 Additional Estimates, Administered receipts have decreased by $25.0 million while payments have decreased by $25.4 million. This is mainly due to an estimated reduction in the transfers of Child Support payments between parents.

**2013-14 Budget and Forward Years**

Administered cash receipts and payments, and payments to or from the official public account (OPA), are forecast to increase by an average of 2.3 per cent each year over the Budget and forward years, consistent with the trend in income and expenses for the Child Support program.

##### 3.2.3 Budgeted Financial Statements Tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimatedactual2012-13 | Budgetestimate2013-14 | Forwardestimate2014-15 | Forwardestimate2015-16 | Forwardestimate2016-17 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES** |  |  |  |  |  |
|  Employee benefits | 2,847,374 | 2,808,915 | 2,757,879 | 2,671,270 | 2,695,636 |
|  Supplier expenses | 1,390,640 | 1,337,685 | 1,281,182 | 1,242,251 | 1,255,964 |
|  Depreciation and amortisation | 262,355 | 237,595 | 233,912 | 251,509 | 267,167 |
|  Write-down and impairment of assets | 7,514 | 7,514 | 7,514 | 7,514 | 7,514 |
|  Losses from asset sales | 1,063 | - | - | - | - |
|  Finance costs | 929 | 862 | 862 | 862 | 862 |
|  Other expenses | 5,388 | 5,461 | 5,540 | 5,626 | 5,718 |
| **Total expenses** | **4,515,263** | **4,398,032** | **4,286,889** | **4,179,032** | **4,232,861** |
| **LESS:**  |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
|  |  |  |  |  |  |
|  Sale of goods and rendering of services | 282,351 | 283,385 | 271,783 | 272,998 | 273,281 |
|  Rental income | 969 | 969 | 969 | 969 | 969 |
|  Other | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| **Total own-source revenue** | **284,320** | **285,354** | **273,752** | **274,967** | **275,250** |
| **Gains** |  |  |  |  |  |
|  Other | 2,240 | 2,240 | 2,239 | 2,239 | 2,239 |
| **Total gains** | **2,240** | **2,240** | **2,239** | **2,239** | **2,239** |
| **Total own-source income** | **286,560** | **287,594** | **275,991** | **277,206** | **277,489** |
| **Net cost of (contribution by)** |  |  |  |  |  |
| **services** | **4,228,703** | **4,110,438** | **4,010,898** | **3,901,826** | **3,955,372** |
|  Revenue from Government | 3,908,373 | 3,880,814 | 3,784,380 | 3,656,921 | 3,693,729 |
| **Surplus (Deficit)** | **(320,330)** | **(229,624)** | **(226,518)** | **(244,905)** | **(261,643)** |
|  **the Australian Government** | **(320,330)** | **(229,624)** | **(226,518)** | **(244,905)** | **(261,643)** |
| **Total comprehensive income (loss)** |  **(320,330)** | **(229,624)** | **(226,518)** | **(244,905)** | **(261,643)** |
| **Total comprehensive income (loss)****attributable to the Australian****Government** | **(320,330)** | **(229,624)** | **(226,518)** | **(244,905)** | **(261,643)** |

Table 3.2.1 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) less depreciation/amortisation** |  |  |  |  |  |
| **expenses previously funded through** |  |  |  |  |  |
| **revenue appropriations** | **(66,000)** | **-** | **-** | **-** | **-** |
| plus depreciation/amortisation expensespreviously funded through revenueappropriations1 | (254,330) | (229,624) | (226,518) | (244,905) | (261,643) |
| **Total comprehensive Income** |  |  |  |  |  |
| **(loss) - as per the Statement of** |  |  |  |  |  |
| **Comprehensive Income** | **(320,330)** | **(229,624)** | **(226,518)** | **(244,905)** | **(261,643)** |

Prepared on Australian Accounting Standards basis.

1. From 2010-11, the Government introduced net cash appropriation arrangements where Appropriation Act No. 1 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 equity appropriations. For information regarding DCBs, refer to Table 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted Departmental Balance Sheet
(as at 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated | Budget | Forward | Forward | Forward |
|  | actual | estimate | estimate | estimate | estimate |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 24,343 | 24,665 | 24,909 | 24,924 | 24,924 |
| Trade and other receivables | 759,613 | 721,300 | 699,137 | 633,365 | 652,237 |
| Other financial assets | 95 | 95 | 95 | 95 | 95 |
| ***Total financial assets*** | **784,051** | **746,060** | **724,141** | **658,384** | **677,256** |
|  |  |  |  |  |  |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 331,952 | 292,035 | 280,732 | 259,662 | 241,177 |
| Property, plant and equipment | 194,435 | 162,796 | 161,848 | 161,387 | 153,338 |
| Intangibles | 382,669 | 376,443 | 359,975 | 333,292 | 292,842 |
| Other non-financial assets | 57,907 | 59,119 | 60,496 | 61,900 | 63,405 |
| ***Total non-financial assets*** | **966,963** | **890,393** | **863,051** | **816,241** | **750,762** |
| **Total assets** | **1,751,014** | **1,636,453** | **1,587,192** | **1,474,625** | **1,428,018** |
|  |  |  |  |  |  |
| **LIABILITIES** |  |  |  |  |  |
|  |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 260,059 | 257,918 | 250,890 | 249,164 | 249,570 |
| Other payables | 99,198 | 104,097 | 110,542 | 46,711 | 54,984 |
| ***Total payables*** | **359,257** | **362,015** | **361,432** | **295,875** | **304,554** |
|  |  |  |  |  |  |
| **Provisions** |  |  |  |  |  |
| Employee provisions | 855,598 | 813,992 | 785,437 | 778,835 | 783,807 |
| Other | 60,211 | 60,211 | 60,211 | 60,211 | 60,211 |
| ***Total provisions*** | **915,809** | **874,203** | **845,648** | **839,046** | **844,018** |
|  |  |  |  |  |  |
| **Total liabilities** | **1,275,066** | **1,236,218** | **1,207,080** | **1,134,921** | **1,148,572** |
|  |  |  |  |  |  |
| **Net assets** | **475,948** | **400,235** | **380,112** | **339,704** | **279,446** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 1,080,367 | 1,234,278 | 1,440,673 | 1,645,170 | 1,846,555 |
| Reserves | 34,291 | 34,291 | 34,291 | 34,291 | 34,291 |
| Retained surplus (accumulated deficit) | (638,710) | (868,334) | (1,094,852) | (1,339,757) | (1,601,400) |
| ***Total parent entity interest*** | **475,948** | **400,235** | **380,112** | **339,704** | **279,446** |
|  |  |  |  |  |  |
| **Total equity** | **475,948** | **400,235** | **380,112** | **339,704** | **279,446** |

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 | Asset | Contributed | Total |
|  | earnings | revaluation | equity/ | equity |
|  |  | reserve | capital |  |
|  | $'000 | $'000 | $'000 | $'000 |
| **Opening balance as at 1 July 2013** |  |  |  |  |
| Balance carried forward from |  |  |  |  |
| previous period | **(638,710)** | **34,291** | **1,080,367** | **475,948** |
|  |  |  |  |  |
| **Comprehensive income** |  |  |  |  |
| Surplus (deficit) for the period | (229,624) |  |  | (229,624) |
| ***Total comprehensive income*** | **(229,624)** |  **-**  |  **-**  | **(229,624)** |
|  |  |  |  |  |
| of which: |  |  |  |  |
| Attributable to the Australian Government | (229,624) |  -  |  -  | (229,624) |
| **Transactions with owners** |  |  |  |  |
| ***Contribution by owners*** |  |  |  |  |
| Equity Injection - Appropriation |  -  |  -  | 38,706 | 38,706 |
| Departmental Capital Budget (DCB) |  -  |  -  | 115,205 | 115,205 |
| ***Sub-total transactions with owners*** |  **-**  |  **-**  | **153,911** | **153,911** |
|  |  |  |  |  |
| **Estimated closing balance** |  |  |  |  |
| **as at 30 June 2014** | **(868,334)** | **34,291** | **1,234,278** | **400,235** |
| **Closing balance attributable to the**  |  |  |  |  |
| **Australian Government** | **(868,334)** | **34,291** | **1,234,278** | **400,235** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated | Budget | Forward | Forward | Forward |
|  | actual | estimate | estimate | estimate | estimate |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Goods and services | 313,845 | 305,247 | 294,461 | 294,842 | 295,389 |
| Appropriations | 3,975,501 | 3,919,250 | 3,806,143 | 3,722,875 | 3,674,871 |
| Section 31 receipts redrawn from OPA | 317,803 | 306,248 | 295,461 | 295,842 | 296,389 |
| Net GST received | 138,835 | 108,848 | 108,268 | 104,351 | 105,629 |
| Other  | 1,018 | 1,000 | 1,000 | 1,000 | 1,000 |
| ***Total cash received*** | **4,747,002** | **4,640,593** | **4,505,333** | **4,418,910** | **4,373,278** |
|  |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Employees | 2,838,227 | 2,845,695 | 2,780,068 | 2,741,789 | 2,682,482 |
| Suppliers | 1,539,428 | 1,470,031 | 1,417,793 | 1,369,418 | 1,382,475 |
| Section 31 receipts transferred to OPA | 317,804 | 306,247 | 295,461 | 295,842 | 296,389 |
| Other | 5,440 | 5,388 | 5,461 | 5,540 | 5,626 |
| ***Total cash used*** | **4,700,899** | **4,627,361** | **4,498,783** | **4,412,589** | **4,366,972** |
| **Net cash from (used by)** |  |  |  |  |  |
| **operating activities** | **46,103** | **13,232** | **6,550** | **6,321** | **6,306** |
|  |  |  |  |  |  |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of property, |  |  |  |  |  |
| plant, equipment and intangibles | 2,941 | - | - | - | - |
| ***Total cash received*** | **2,941** | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant, |  |  |  |  |  |
| equipment and intangibles | 230,290 | 167,321 | 212,701 | 210,803 | 207,691 |
| ***Total cash used*** | **230,290** | **167,321** | **212,701** | **210,803** | **207,691** |
| **Net cash from (used by)**  |  |  |  |  |  |
| **investing activities** | **(227,349)** | **(167,321)** | **(212,701)** | **(210,803)** | **(207,691)** |
|  |  |  |  |  |  |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 181,762 | 154,411 | 206,395 | 204,497 | 201,385 |
| ***Total cash received*** | **181,762** | **154,411** | **206,395** | **204,497** | **201,385** |
|  |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Finance leases | 238 | - | - | - | - |
| ***Total cash used*** | **238** | **-** | **-** | **-** | **-** |
| **Net cash from (used by)**  |  |  |  |  |  |
| **financing activities** | **181,524** | **154,411** | **206,395** | **204,497** | **201,385** |
|  |  |  |  |  |  |
| **Net increase or (decrease)** |  |  |  |  |  |
| **in cash held** | **278** | **322** | **244** | **15** | **-** |
|  |  |  |  |  |  |
| Cash and cash equivalents at the |  |  |  |  |  |
| beginning of the reporting period | 24,065 | 24,343 | 24,665 | 24,909 | 24,924 |
| **Cash and cash equivalents at the**  |  |  |  |  |  |
| **end of the reporting period** | **24,343** | **24,665** | **24,909** | **24,924** | **24,924** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated | Budget | Forward | Forward | Forward |
|  | actual | estimate | estimate | estimate | estimate |
|  | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **NEW CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital budget - Bill No. 1 (DCB) |  131,826  | 115,205  | 199,402  |  202,795  |  200,350  |
| Equity injections - Bill No. 2 |  46,245  | 39,161  | 6,993  |  1,702  |  1,035  |
| **Total new capital appropriations** |  **178,071**  | **154,366**  | **206,395**  |  **204,497**  |  **201,385**  |
|  |  |  |  |  |  |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets |  175,573  | 153,911  | 206,395  |  204,497  |  201,385  |
| Other Items |  2,498  |  455  | -  | -  |  -  |
| **Total Items** |  **178,071**  | **154,366**  | **206,395**  |  **204,497**  |  **201,385**  |
|  |  |  |  |  |  |
| **PURCHASE OF NON-FINANCIAL** |  |  |  |  |  |
| **ASSETS** |  |  |  |  |  |
| Funded by capital appropriations 1 |  44,936  | 38,706  | 6,993  |  1,702  |  1,035  |
| Funded by capital appropriation - DCB 2 |  136,826  | 115,705  | 199,402  |  202,795  |  200,350  |
| Funded internally from |  |  |  |  |  |
|  departmental resources 3 |  10,595  | 12,910  | 6,306  |  6,306  |  6,306  |
| **TOTAL** |  **192,357**  | **167,321**  | **212,701**  |  **210,803**  |  **207,691**  |
|  |  |  |  |  |  |
| **RECONCILIATION OF CASH** |  |  |  |  |  |
| **USED TO ACQUIRE ASSETS** |  |  |  |  |  |
| **TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases |  192,357  | 167,321  | 212,701  |  210,803  |  207,691  |
| plus payables |  37,933  | -  | -  | -  |  -  |
| **Total cash used to** |  |  |  |  |  |
| **acquire assets** |  **230,290**  | **167,321**  | **212,701**  |  **210,803**  |  **207,691**  |

Prepared on Australian Accounting Standards basis.

1. Includes both current and prior year Act 2 and Act 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 (2013‑14)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Land | Buildings | Other property,plant andequipment | Intangibles | Total |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **As at 1 July 2013** |  |  |  |  |  |
| Gross book value  | 4,938  | 467,248  | 302,543  | 615,140  |  1,389,869  |
| Accumulated depreciation/amortisation  |  |  |  |  |  |
| and impairment | -  | (140,234) | (108,108) | (232,471) | (480,813) |
| **Opening net book balance** | **4,938**  | **327,014**  | **194,435**  | **382,669**  | **909,056**  |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |  |
| **Estimated expenditure on** |  |  |  |  |  |
| **new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation equity 1 | -  |  57  | 4,087  | 34,562  | 38,706  |
| By purchase - appropriation ordinary |  |  |  |  |  |
| annual services 2 | -  | 46,468  | 22,152  | 47,085  | 115,705  |
| By purchase - other | -  | 3,475  | 1,773  | 7,662  | 12,910  |
| **Total additions** | **-**  | **50,000**  | **28,012**  | **89,309**  | **167,321**  |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | -  | (89,217) | (58,555) | (89,823) | (237,595) |
| Other | -  |  (700) | (1,096) | (5,712) | (7,508) |
| **As at 30 June 2014** |  |  |  |  |  |
| Gross book value | 4,938  | 515,848  | 329,392  | 698,237  |  1,548,415  |
| Accumulated depreciation/amortisation |  |  |  |  |  |
| and impairment | -  | (228,751) | (166,596) | (321,794) | (717,141) |
| **Closing net book balance** | **4,938**  | **287,097**  | **162,796**  | **376,443**  | **831,274**  |

Prepared on Australian Accounting Standards basis.

1. "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2013-14.
2. "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2013-14 for depreciation/amortisation expenses, DCBs or other operational expenses.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimatedactual2012-13 | Budgetestimate2013-14 | Forwardestimate2014-15 | Forwardestimate2015-16 | Forwardestimate2016-17 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **EXPENSES ADMINISTERED ON** |  |  |  |  |  |
| **BEHALF OF GOVERNMENT** |  |  |  |  |  |
| Supplier expenses | 5,006 | 5,006 | 3,000 |  -  |  -  |
| Grants | 7,578 | 9,812 | 8,838 |  -  |  -  |
| Depreciation and amortisation | 36 | 36 | 35 |  -  |  -  |
| Write-down and impairment of assets | 70,909 | 97,636 | 99,502 | 101,405 | 103,355 |
| Other expenses 1 | 1,358,770 | 1,372,313 | 1,407,314 | 1,443,028 | 1,479,635 |
| **Total expenses administered** |  |  |  |  |  |
| **on behalf of Government** | **1,442,299** | **1,484,803** | **1,518,689** | **1,544,433** | **1,582,990** |
|  |  |  |  |  |  |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Non-taxation revenue** |  |  |  |  |  |
| Fees and fines | 53,725 | 58,814 | 60,229 | 61,673 | 63,152 |
| Dividends | 1,431 | 957 | 1,577 | 1,624 | 1,305 |
| Competitive Neutrality Revenue | 5,060 | 4,609 | 5,188 | 5,365 | 5,286 |
| Other revenue 2 | 1,385,432 | 1,421,520 | 1,457,225 | 1,493,655 | 1,530,997 |
| ***Total non-taxation revenue*** | **1,445,648** | **1,485,900** | **1,524,219** | **1,562,317** | **1,600,740** |
| **Total own-source revenues** |  |  |  |  |  |
| **administered on behalf of** |  |  |  |  |  |
| **Government** | **1,445,648** | **1,485,900** | **1,524,219** | **1,562,317** | **1,600,740** |
|  |  |  |  |  |  |
| **Total own-source income** |  |  |  |  |  |
| **administered on behalf of** |  |  |  |  |  |
| **Government** | **1,445,648** | **1,485,900** | **1,524,219** | **1,562,317** | **1,600,740** |
|  |  |  |  |  |  |
| **Net Cost of (contribution by)** |  |  |  |  |  |
| **services** | (3,349) | (1,097) | (5,530) | (17,884) | (17,750) |
| **Surplus (Deficit)** | **3,349** | **1,097** | **5,530** | **17,884** | **17,750** |
|  |  |  |  |  |  |
| **Total comprehensive income (loss)** | **3,349** | **1,097** | **5,530** | **17,884** | **17,750** |

Prepared on Australian Accounting Standards basis.

1. Other expenses comprise Child Support payments to custodial parents.
2. Other non-tax revenue comprises 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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimatedactual2012-13 | Budgetestimate2013-14 | Forwardestimate2014-15 | Forwardestimate2015-16 | Forwardestimate2016-17 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 15 | 15 | 15 | 15 | 15 |
| Receivables | 721,517 | 743,325 | 767,154 | 791,814 | 817,434 |
| Investments accounted for |  |  |  |  |  |
| using the equity method | 37,342 | 37,342 | 37,342 | 37,342 | 37,342 |
| ***Total financial assets*** | **758,874** | **780,682** | **804,511** | **829,171** | **854,791** |
|  |  |  |  |  |  |
| **Non-financial assets** |  |  |  |  |  |
| Property, plant and equipment | 71 | 35 | - | - | - |
| ***Total non-financial assets*** | **71** | **35** | **-** | **-** | **-** |
| **Total assets administered**  |  |  |  |  |  |
| **on behalf of Government** | **758,945** | **780,717** | **804,511** | **829,171** | **854,791** |
|  |  |  |  |  |  |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers 1 | 32,734 | 32,734 | 32,734 | 32,082 | 32,082 |
| Other payables | 17,389 | 17,389 | 17,389 | 17,389 | 17,389 |
| ***Total payables*** | **50,123** | **50,123** | **50,123** | **49,471** | **49,471** |
|  |  |  |  |  |  |
| **Provisions** |  |  |  |  |  |
| Other provisions | 706,247 | 728,116 | 751,067 | 775,123 | 800,311 |
| ***Total provisions*** | **706,247** | **728,116** | **751,067** | **775,123** | **800,311** |
| **Total liabilities administered** |  |  |  |  |  |
| **on behalf of Government** | **756,370** | **778,239** | **801,190** | **824,594** | **849,782** |
|  |  |  |  |  |  |
| **Net assets/(liabilities)** | **2,575** | **2,478** | **3,321** | **4,577** | **5,009** |

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)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimatedactual2012-13 | Budgetestimate2013-14 | Forwardestimate2014-15 | Forwardestimate2015-16 | Forwardestimate2016-17 |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Dividends  | 2,518 | 1,589 | 1,267 | 1,600 | 1,465 |
| Competitive Neutrality | 6,857 | 4,594 | 5,188 | 5,365 | 5,286 |
| Net GST received | 1,259 | 1,482 | 1,184 | 65 | - |
| Other | 1,352,832 | 1,360,273 | 1,394,433 | 1,429,287 | 1,465,014 |
| ***Total cash received*** | **1,363,466** | **1,367,938** | **1,402,072** | **1,436,317** | **1,471,765** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Grant | 8,336 | 10,793 | 9,722 | - | - |
| Suppliers | 5,507 | 5,507 | 3,300 | 717 | - |
| Other | 1,343,869 | 1,350,444 | 1,384,363 | 1,418,972 | 1,454,447 |
| ***Total cash used*** | **1,357,712** | **1,366,744** | **1,397,385** | **1,419,689** | **1,454,447** |
| **Net cash from (used by)**  |  |  |  |  |  |
| **operating activities** | **5,754** | **1,194** | **4,687** | **16,628** | **17,318** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| ***Net increase (decrease) in*** |  |  |  |  |  |
|  ***cash held*** | **5,754** | **1,194** | **4,687** | **16,628** | **17,318** |
| Cash and cash equivalents at |  |  |  |  |  |
| beginning of reporting period | 15 | 15 | 15 | 15 | 15 |
| Cash from Official Public Account for: |  |  |  |  |  |
| - Appropriations | 97,496 | 100,145 | 99,353 | 89,703 | 91,946 |
| - Special Accounts | 1,258,957 | 1,265,117 | 1,296,848 | 1,329,269 | 1,362,501 |
| - Other | 1,259 | 1,482 | 1,184 | 717 | - |
|  | **1,357,712** | **1,366,744** | **1,397,385** | **1,419,689** | **1,454,447** |
| Cash to Official Public Account for: |  |  |  |
| - Appropriations | 84,912 | 85,327 | 87,515 | 89,703 | 91,946 |
| - Administered Revenue | 18,338 | 16,012 | 16,525 | 17,280 | 17,318 |
| - Special Accounts | 1,258,957 | 1,265,117 | 1,296,848 | 1,329,269 | 1,362,501 |
| - Other | 1,259 | 1,482 | 1,184 | 65 | - |
|  | **1,363,466** | **1,367,938** | **1,402,072** | **1,436,317** | **1,471,765** |
| **Cash and cash equivalents at end** |  |  |  |  |  |
| **of reporting period** | **15** | **15** | **15** | **15** | **15** |

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Schedule of Administered Capital Budget Statement

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Land | Buildings | Other property,plant andequipment | Intangibles | Total |
|  | $'000 | $'000 | $'000 | $'000 | $'000 |
| **As at 1 July 2013** |  |  |  |  |  |
| Gross book value  |  -  |  -  | 161  |  -  | 161  |
| Accumulated depreciation/amortisation and |  |  |  |  |  |
| impairment |  -  |  -  | (90) |  -  | (90) |
| **Opening net book balance** |  **-**  |  **-**  | **71**  |  **-**  | **71**  |
|  |  |  |  |  |  |
| **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 |  -  |  -  | (126) |  -  | (126) |
| **Closing net book balance** |  **-**  |  **-**  | **35**  |  **-**  | **35**  |

Prepared on Australian Accounting Standards basis.

#### Notes to the Financial Statements

The Budgeted Financial Statements have been prepared in accordance with:

* Finance Minister’s Orders (FMOs); and
* Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) which 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 in the Balance Sheet when and 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 in the Comprehensive Income Statement when and 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 has been implemented as part of the Operation Sunlight reform agenda.

**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.

# Portfolio glossary

| **Term** | **Meaning** |
| --- | --- |
| Activities | The actions/functions performed by agencies to deliver government policies. |
| Actual Available Appropriation | The *Actual Available Appropriation* indicates the total appropriations available to the agency for 2012-13 as at the 2013-14 Budget. 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). It is to be the same as the comparator figure included in the Appropriation Bills, and as such provides a comparison with the appropriation proposed for the budget year. |
| AdditionalEstimates  | Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.  |
| AdditionalEstimates Bills or Acts  | These are Appropriation Bills 3 and 4, and a separate Bill for the Parliamentary Departments (Parliamentary Departments) Bill (No 2). These Bills are introduced into Parliament after the Budget Bills.  |
| 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 program. It may be a measure but will not constitute a program in its own right. |
| Agency | Generic term for Australian Government General Government Sector entities, including those governed by the FMA Act or CAC Act and the High Court of Australia. |
| 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. |
| Appropriations and Cash Management Module (ACM) | A module of the Central Budget Management System from which agencies draw down funds from the Consolidated Revenue Fund. |
| 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. |
| 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. |
| Commonwealth Authorities and Companies Act 1997 (CAC Act) | The CAC Act sets out the financial management, accountability and audit obligations on Commonwealth statutory authorities and companies in which the Commonwealth has at least a direct controlling interest. |
| Central Budget Management System (CBMS) | CBMS is the Australian Government’s central budget and financial management information system administered by the Department of Finance and Deregulation. It contains the Commonwealth program list and produces the Annual Appropriation Bills. |
| Clear Read Principle | Under the Outcomes arrangements there is an essential clear link between the Appropriation Bills, the Portfolio Budget Statements (PBS), the Portfolio Additional Estimates Statements (PAES), and annual reports of agencies. Information should be consistent across these and other budget documents, and where possible, duplication of reporting within the PBS should be avoided. This is called the “clear read” between the different documents. Under this Principle the actual performance in the annual reports is to be provided on the same basis as the planned performance in PBS for the same period, to permit a clear read across planning and actual performance reporting documents. Agencies should take this into account in designing their performance reporting arrangements. |
| 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 Executives 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 program. |
| Depreciation | Apportionment of an asset’s capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time. |
| Expense | Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity. |
| Estimated Actual Expenses | Details of the current year’s estimated final figures as included in the Budget documentation. As the Budget is released in May each year, but the financial year does not close off until 30 June, the current year numbers that are used for comparison with Budget amounts can only be estimates. |
| Expenses not requiring appropriation in the Budget year | Expenses not involving a cash flow impact are 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. |
| Fair Value | Valuation methodology: The amount for which an asset could be exchanged or a liability settled, between knowledgeable and willing parties in an arm’s length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder. |
| Financial Management and Accountability Act 1997 (FMA Act) | The FMA Act 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). |
| Finance Minister’s Orders (FMOs) | The FMOs are issued each year by the Finance Minister and have the force of law under the FMA Act and the CAC Act. The FMOs outline the requirements for the preparation of Financial Reports of Australian Government Entities. |
| Forward Estimates Period | The three years following the budget year. For example when 2013‑14 is the budget year, the forward estimates period comprises 2014-15 as forward year 1, 2015-16 as forward year 2 and 2016-17 as forward year 3. The forward estimates 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. |
| Intended Result | Intended result is a key part of an outcome statement and describes the goal or objective of an agency. The intended result is typically distilled from the Government’s economic, social, health or environmental policy goals. |
| Measure | A new policy or savings decision of the government with financial impacts on the government’s: underlying cash balance; fiscal balance; operating balance; headline cash balance; net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in Budget Paper No. 2, in the Mid-Year Economic and Fiscal Outlook (MYEFO) and in the Pre-election Economic and Fiscal Outlook (PEFO). |
| Mid-Year Economic and Fiscal Outlook (MYEFO) | The MYEFO provides an update of the government's budget estimates by examining expenses and revenues in the year to date, as well as provisions for new decisions that have been taken since the Budget. The report provides updated information to allow the assessment of the government’s fiscal performance against the fiscal strategy set out in its current fiscal strategy statement. |
| Official Public Account (OPA) | The OPA is the government’s central bank account held within the Reserve Bank of Australia. The OPA reflects the operations of the Consolidated Revenue Fund. |
| Outcome | An outcome is the intended result, consequence or impact of Government actions on the Australian community. |
| Outcome Statement | An outcome statement articulates the intended results, activities and target group of an Australian Government 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 program (non-financial) performance in contributing to Government policy objectives.
 |
| Output | The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs include goods and services produced for other areas of government external to the agency. |
| Portfolio | A Minister’s area of responsibility as defined in the Administrative Arrangement Orders issued by the Governor General. A portfolio consists of one or more Departments of State (aka the Portfolio Departments) and a number of agencies with similar general objectives and outcomes. |
| Portfolio Budget Statements (PBS) | Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and program by each agency within a portfolio. |
| Portfolio Additional Estimates Statements (PAES) | Budget related paper presented with the Additional Estimates Bills detailing the changes in resourcing by outcome(s) since the Budget which provides information on new measures and their impact on the financial and/or non‑financial planned performance of programs supporting those outcomes. |
| Program | Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement. |
| Program Support | The agency running costs allocated to a program. This is funded as part of the agency’s departmental appropriations. |
| Revenue | Total value of resources earned or received to cover the production of goods and services or increases in future economic benefits in the form of increases in assets or reductions in liabilities of an entity. |
| Section 31 (s31) | Section 31 of the FMA Act. |
| Special Accounts | Balances existing within the CRF that are supported by standing appropriations (FMA Act sections 20 and 21). Special Accounts allow money in the CRF to be acknowledged as set aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may be spent only for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 20 FMA Act) or through an Act of Parliament (referred to in section 21 of the FMA Act). |
| Special Appropriations (including Standing Appropriations) | An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from Consolidated Revenue Fund does not generally cease at the end of the financial year.Standing appropriations are a sub-category consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation. |
| Target Group | A specific group being targeted for assistance by government policy. |
| Transfer | Cash paid to recipients of the applicable program. This includes welfare payments and tax rebates. |