

**Portfolio Budget Statements 2015‑16**

**Budget Related Paper No. 1.15B**

Social Services Portfolio

(Department of Human Services)

Budget Initiatives and Explanations of

Appropriations Specified by Outcomes

and Programmes by Entity

© Commonwealth of Australia 2015

ISBN 978 1 76021 537 8

This publication is available for your use under a [Creative Commons BY Attribution 3.0 Australia](http://creativecommons.org/licenses/by/3.0/au/deed.en) licence, with the exception of the Commonwealth Coat of Arms, the Department of Human Services logo, photographs, images, signatures and where otherwise stated. The full licence terms are available from [creativecommons.org/licenses/by/3.0/au/legalcode](http://creativecommons.org/licenses/by/3.0/au/legalcode).

Creative Commons logo

Use of Department of Human Services’ material under a [Creative Commons BY Attribution 3.0 Australia](http://creativecommons.org/licenses/by/3.0/au/deed.en) licence requires you to attribute the work (but not in any way that suggests that the Department of Human Services endorses you or your use of the work).

*Department of Human Services’ material used 'as supplied'*

Provided you have not modified or transformed Department of Human Services material in any way including, for example, by changing the Department of Human Services’ text; calculating percentage changes; graphing or charting data; or deriving new statistics from published Department of Human Services’ statistics – then the Department of Human Services prefers the following attribution:

*Source: The Australian Government Department of Human Services*

**Derivative material**

If you have modified or transformed Department of Human Services’ material, or derived new material from those of the Department of Human Services in any way, then the Department of Human Services prefers the following attribution:

*Based on The Australian Government Department of Human Services’*  *data*

**Use of the Coat of Arms**

The terms under which the Coat of Arms can be used are set out on the It’s an Honour website (see [itsanhonour.gov.au](http://www.itsanhonour.gov.au/))

**Other uses**

Inquiries regarding this licence and any other use of this document are welcome to:

Mr Mark Jenkin, Chief Financial Officer, CFO Division, Department of Human Services, PO Box 7788, Canberra BC, ACT 2600 Australia.

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 2015-16 Budget for the Social Servicesportfolio (Department of Human Services).

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

Marise Payne

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

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

User guide

to the

Portfolio Budget Statements

# User guide

The purpose of the 2015-16 Portfolio Budget Statements (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities 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) 2015-16*. In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be ‘relevant documents’ to the interpretation of the Acts according to 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.

Contents

Portfolio overview 1

Social Services Portfolio Overview (Department of Human Services) 3

Entity resources and planned performance 7

Department of Human Services 9

Glossary 61

Portfolio overview

# Department of Human Services

# Portfolio Overview

## Ministers and portfolio responsibilities

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

* The Hon Scott Morrison MP, Minister for Social Services
* Senator the Hon Marise Payne, Minister for Human Services
* Senator the Hon Mitch Fifield, Assistant Minister for Social Services
* Senator the Hon Concetta Fierravanti-Wells, Parliamentary Secretary to the Minister for Social Services.

The Department of Human Services (the department) is part of the Social Services portfolio. Full details of the Social Services portfolio appear in *Portfolio Budget Statements 2015-16, Budget Related Paper No. 1.15A, Social Services Portfolio*.

**Department of Human Services**

The department provides policy advice on service delivery matters to government to ensure effective, innovative and efficient implementation of government service delivery. It is subject to the Public Governance, Performance and Accountability Act 2013 (PGPA Act). The department has one outcome and delivers a range of government and other payments and services to almost every Australian including:

* **Centrelink** payments and services for retirees, the unemployed, families, carers, parents, students, people with disabilities, Indigenous Australians, people from culturally and linguistically diverse backgrounds, people living overseas and provision of services at times of major change, including disaster recovery payments.
* **Aged** **care** payments to services funded under the Aged Care Act 1997 including residential care, home care and flexible care services.
* **Medicare** services and payments that support the health of Australians such as Medicare, the Pharmaceutical Benefits Scheme, eHealth, Private Health Insurance Rebate, the Australian Childhood Immunisation Register, the National Bowel Cancer Screening Register and the Australian Organ Donor Register.
* **Child Support** services for separated parents to provide the financial and emotional support necessary for their children’s wellbeing.

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

**Australian Hearing**

Australian Hearing is a non-General Government Sector entity established under the

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

|  |
| --- |
| **Figure 1: Department of Human Services portfolio structure and outcomes** |
| **Minister for Social Services**  The Hon Scott Morrison MP |
| **Minister for Human Services** Senator the Hon Marise Payne |
| **Department of Human Services** 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 resources provided to the portfolio in the 2015-16 budget year by entity.

Table 1: Portfolio resources 2015-16

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Appropriation Bill No. 1  ($m) | Appropriation Bill No. 2  ($m) | Special appropriation ($m) | Receipts ($m) | Total  ($m) |
| **Department of Social Services (a) (c)** |  |  |  |  |  |
| Administered appropriations | 5,099.1 | - | 131,507.2 | 1.2 | 136,607.5 |
| Departmental appropriations | 652.6 | 66.4 | - | 43.9 | 762.9 |
| **Total:** | **5,751.7** | **66.4** | **131,507.2** | **45.1** | **137,370.4** |
| **Department of Human Services (a)** |  |  |  |  |  |
| Administered appropriations | 2.3 | - | 59.7 | 1,421.5 | 1,483.5 |
| Departmental appropriations | 4,416.6 | 37.5 | - | 141.4 | 4,595.6 |
| **Total:** | **4,418.9** | **37.5** | **59.7** | **1,563.0** | **6,079.1** |
| **Australian Institute of Family Studies (c)** |  |  |  |  |  |
| Administered appropriations | - | - | - | - | - |
| Departmental appropriations | 4.7 | - | - | 9.3 | 14.0 |
| **Total:** | **4.7** | **-** | **-** | **9.3** | **14.0** |
| **Australian Aged Care Quality Agency (c)** |  |  |  |  |  |
| Administered appropriations | - | - | - | - | - |
| Departmental appropriations | 28.9 | - | - | 13.6 | 42.5 |
| **Total:** | **28.9** | **-** | **-** | **13.6** | **42.5** |
| **National Disability Insurance Agency (b) (c)** |  |  |  |  |  |
| Administered appropriations | - | - | - | - | - |
| Departmental appropriations | 473.8 | 57.8 | - | 304.6 | 836.2 |
| **Total:** | **473.8** | **57.8** | **-** | **304.6** | **836.2** |
| **Portfolio total** | **10,678.0** | **161.7** | **131,566.9** | **1,935.6** | **144,342.2** |
| Less amounts transferred within portfolio | **-** | **-** | **-** | **2.7** | **2.7** |
| **Resources available within portfolio:** |  |  |  |  | **144,339.5** |

1. Total resourcing excludes the balance of unspent prior year appropriations or special account balances which will be carried forward from 2014-15.
2. Funding under Appropriation Bill (No.1) 2015-16 is appropriated to the Department of Social Services (DSS) and then paid to the National Disability Insurance Agency (NDIA). All appropriations paid to the NDIA are considered to be departmental for all purposes. In Budget Paper No. 4 resourcing received and expensed by the NDIA will in part be reported as departmental and administered to reflect the administered nature of the funds’ purpose.
3. DHS is administered separately to DSS. Details of the allocation of resources for these entities are reported in 2015-16 Portfolio Budget Related Paper 1.15A.

Entity resources and  
planned performance

Department of Human Services 11

Department of Human Services

Entity resources and planned performance

Department of Human Services

Section 1: Entity overview and resources 13

1.1 Strategic direction statement 13

1.2 Entity resource statement 14

1.3 Budget measures 19

Section 2: Outcomes and planned performance 26

2.1 Outcomes and performance information 26

Section 3: Explanatory tables and budgeted financial statements 42

3.1 Explanatory tables 42

3.2 Budgeted financial statements 45

# Department of Human Services

## Section 1: Entity overview and resources

### 1.1 Strategic direction statement

The department delivers social and health related services through its Centrelink, Medicare and Child Support programmes. 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 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 mission is ‘connecting Australians to the services they need’. A key aim of this is presenting a seamless, secure, end-to-end digital service experience that helps members of the community manage their own affairs.

The department will also continue to transform frontline services and deliver targeted services to assist those most in need.

The department’s priorities include the following:

* Understanding and meeting the priorities of the Minister and the Government.
* Transforming and simplifying the department’s ICT environment to support secure digital access to our services when customers need it and to enable rapid, flexible responses to the government’s digital transformation agenda.
* Making the delivery of services and regulatory functions as efficient as possible, including reducing red tape, while providing effective government and customer outcomes.
* Seeking opportunities to enhance efficiencies and increase service effectiveness by partnering with industry and not-for-profit organisations.
* Working closely with partner agencies to shape the development and delivery of joined-up government services.
* Designing and developing new, innovative and effective service approaches that encourage responsibility and enable customers to be self-sufficient, while identifying and supporting those most in need.

### 1.2 Entity 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 2015‑16 as at Budget May 2015

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | *Actual Available Appropriation 2014-15 $'000* | Estimate of prior year amounts available in 2015-16 $'000 | Proposed at Budget 2015-16 $'000 | Total Estimate 2015-16 $'000 |
| **Ordinary Annual Services (a)** |  |  |  |  |
| **Departmental appropriation** |  |  |  |  |
| Prior year appropriations (b) | *852,297* | 922,572 | - | 922,572 |
| Departmental appropriation (c) | *4,279,270* | - | 4,416,647 | 4,416,647 |
| s74 Retained revenue receipts (d) | *195,322* | - | 141,419 | 141,419 |
| **Total** | ***5,326,889*** | **922,572** | **4,558,066** | **5,480,638** |
| **Administered expenses** |  |  |  |  |
| Prior year appropriations (b) | *508* | 508 | - | 508 |
| Outcome 1 (e) | *8,386* | - | 2,252 | 2,252 |
| **Total** | ***8,894*** | **508** | **2,252** | **2,760** |
| **Total ordinary annual services [A]** | ***5,335,783*** | **923,080** | **4,560,318** | **5,483,398** |
| **Other services (f)** |  |  |  |  |
| **Departmental non-operating** |  |  |  |  |
| Equity injections | *20,442* | - | 37,548 | 37,548 |
| **Total** | ***20,442*** | **-** | **37,548** | **37,548** |
| **Total other services [B]** | ***20,442*** | **-** | **37,548** | **37,548** |
| **Total available annual appropriations [A+B]** | ***5,356,225*** | **923,080** | **4,597,866** | **5,520,946** |
| **Special Appropriations** |  |  |  |  |
| **Special appropriations limited by criteria/entitlement** |  |  |  |  |
| *Child Support (Registration and  Collection) Act 1988 (g)* |  |  |  |  |
| *Section 77 - unremitted deductions* | *57,173* | - | 59,627 | 59,627 |
| *Section 78 - unexplained remittances* | *50* | - | 50 | 50 |
| **Total special appropriations [C]** | ***57,223*** | **-** | **59,677** | **59,677** |
| **Total appropriations excluding special accounts** | ***5,413,448*** | **923,080** | **4,657,543** | **5,580,623** |
| **Special Accounts** |  |  |  |  |
| Opening balance (h) | *57,552* | 57,552 | - | 57,552 |
| Appropriation receipts (i) | *59,455* | - | 61,929 | 61,929 |
| Non-appropriation receipts to Special Accounts (j) | *1,396,346* | - | 1,421,532 | 1,421,532 |
| **Total special accounts [D]** | ***1,513,353*** | **57,552** | **1,483,461** | **1,541,013** |
| **Total resourcing [A+B+C+D]** | ***6,926,801*** | **980,632** | **6,141,004** | **7,121,636** |
| Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or payments to corporate entities through annual appropriations | *(59,455)* | - | (61,929) | (61,929) |
| **Total net resourcing for Department of Human Services** | ***6,867,346*** | **980,632** | **6,079,075** | **7,059,707** |

Table 1.1: Department of Human Services resource statement — Budget estimates for 2015‑16 as at Budget May 2015 (continued)

* + - * 1. Appropriation Bill (No.1) 2015-16.
        2. Estimated adjusted balance carried forward from previous year.
        3. Includes an amount of $196.4 million in 2015-16 ($196.9 million in 2014-15) for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.
        4. Estimated retained revenue receipts under section 74 of the PGPA Act.
        5. The Department of Human Services does not have funding for an Administered Capital Budget for 2015‑16.
        6. Appropriation Bill (No.2) 2015-16.
        7. Special appropriations under the *Child Support (Registration and Collection) Act 1988* provide temporary funding to cover unremitted deductions and unexplained remittances until deductions have been received and unexplained remittances have been attributed to the relevant paying parent.
        8. Estimated opening balance for Special Accounts (excluding ‘Special Public Money’ held in accounts such as Service for Other Entities and Trust Moneys Special Accounts (SOETM)). For further details on special accounts see Table 3.1.2.
        9. Includes appropriation receipts from the Department of Human Services annual Administered appropriation and special appropriations relating to Child Support payments.
        10. Includes receipts from non-custodial parents through the Child Support Account and relevant Compensation Recovery included in Recovery of Compensation for Health Care and Other Services Special Account.

Reader note: All figures are GST exclusive.

Table 1.1: Department of Human Services resource statement — Budget estimates for 2015‑16 as at Budget May 2015 (continued)

Third party payments on behalf of and receipts from other entities

|  |  |  |
| --- | --- | --- |
|  | *2014-15*  *$'000* | 2015-16  $'000 |
| **Payments made on behalf of other entities** |  |  |
| (disclosed in the respective entity's resource statement) |  |  |
| **Attorney-General's Department** |  |  |
| Special Appropriation - *Social Security (Administration) Act 1999* -  Australian Victim of Terrorism Overseas Payment | *7,060* | 1,485 |
| Special Appropriation - *Social Security (Administration) Act 1999* -  Disaster Recovery Allowance | *7,427* | 340 |
| Special Appropriation - *Social Security (Administration) Act 1999* -   National Security and Criminal Justice | *12,375* | 11,600 |
| Annual Appropriation - Ex gratia assistance - New Zealand citizens | *234* | - |
| **Total** | ***27,096*** | **13,425** |
| **Department of Agriculture** |  |  |
| Special Appropriation - *Farm Household Support Act 2014* s.105  - payments for Farm Household Allowance | *70,017* | 117,430 |
| Annual Appropriation - Interim Farm Household Allowance | *3,355* | - |
| **Total** | ***73,372*** | **117,430** |
| **Department of Education and Training** |  |  |
| Special Appropriation - *A New Tax System (Family Assistance)  (Administration) Act 1999* | *836,916* | - |
| **Total** | ***836,916*** | **-** |
| **Department of Employment** |  |  |
| Annual Appropriation - Job Commitment Bonus | *-* | 32,870 |
| **Total** | ***-*** | **32,870** |
| **Department of Health** |  |  |
| Special Appropriation - *Health Insurance Act 1973* - Medical Benefits | *20,311,899* | 21,126,958 |
| Special Appropriation - *National Health Act 1953*   - Pharmaceutical Benefits | *9,283,968* | 9,770,425 |
| Special Appropriation - *Private Health Insurance Act 2007* | *5,913,293* | 6,122,000 |
| Special Appropriation - *Dental Benefits Act 2008* | *424,607* | 605,451 |
| Special Appropriation - *National Health Act 1953*   - Aids and Appliances | *312,898* | 346,427 |
| Special Appropriation - *Medical Indemnity Agreement Act 2002* | *79,748* | 82,495 |
| Special Account - Australian Childhood Immunisation  Register | *9,475* | 9,563 |
| Special Appropriation *- Midwife Professional Indemnity  (Commonwealth Contribution) Scheme Act 2010* | *821* | 1,508 |
| **Total** | ***36,336,709*** | **38,064,827** |
| **Department of Infrastructure and Regional Development** |  |  |
| Annual Appropriation - Tasmanian Freight Equalisation Scheme | *114,300* | 141,950 |
| Annual Appropriation - Bass Strait Passenger Vehicle Equalisation  Scheme | *41,000* | 42,000 |
| **Total** | ***155,300*** | **183,950** |

Table 1.1: Department of Human Services resource statement — Budget estimates for 2015‑16 as at Budget May 2015 (continued)

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | *2014-15 $'000* | 2015-16 $'000 | |
| **Payments made on behalf of other entities *(continued)*** |  |  | |
| **Department of Social Services** |  |  | |
| Special Appropriation - *Social Security (Administration) Act 1999* | *87,062,218* | 90,936,706 | |
| Special Appropriation - *A New Tax System (Family Assistance)  (Administration) Act 1999* | *22,849,663* | 22,949,829 | |
| Special Appropriation - *Aged Care Act 1997* | *10,910,373* | 11,547,461 | |
| Special Appropriation - *Paid Parental Leave Act 2010* | *1,962,008* | 2,063,118 | |
| Special Appropriation - *Student Assistance Act 1973* | *328,783* | 347,679 | |
| Special Appropriation - *National Health Act 1953* – Continence  Aids Assistance Scheme | *83,525* | 99,513 | |
| Annual Appropriation - Ex Gratia and Act of Grace Payments | *3,773* | 3,769 | |
| Annual Appropriation - Compensation and Debt Relief | *198* | 198 | |
| **Total** | ***123,200,541*** | **127,948,273** | |
| **Department of Veterans' Affairs (DVA)** |  |  | |
| Special Appropriation - *Veterans’ Entitlements Act 1986* and related acts | *3,777,558* | 3,870,534 | |
| Special Appropriation - *Military Rehabilitation and Compensation  Act 2004* | *30,706* | 41,064 | |
| Special Appropriation - *Safety, Rehabilitation and Compensation  Act 1988* | *14,003* | 18,701 | |
| Special Appropriation - *Australian Participants in British Nuclear  Tests (Treatment) Act 2006* | *421* | 420 | |
| **Total** | ***3,822,688*** | **3,930,719** | |
| **Total third party payments** | ***164,452,622*** | **170,291,494** | |
| **Receipts received from other entities  for the provision of services** | *2014-15 $'000* | | 2015-16 $'000 | |
| (disclosed in s74 retained revenue receipts) |  | |  | |
| Attorney-General's Department | *1,052* | | 165 | |
| Australian Electoral Commission | *385* | | 11 | |
| Australian Taxation Office | *7,591* | | 5,641 | |
| Department of Employment | *261* | | 150 | |
| Department of Finance | *2,333* | | - | |
| Department of Foreign Affairs and Trade | *7,246* | | 7,313 | |
| Department of Health | *24,797* | | 33,508 | |
| Department of Immigration and Border Protection | *800* | | 800 | |
| Department of Social Services | *66,684* | | 2,710 | |
| Department of the Prime Minister and Cabinet | *3,169* | | 3,077 | |
| Department of Veterans' Affairs | *29,437* | | 33,825 | |
| National Disability Insurance Agency | *72* | | - | |
| **Total s74 retained revenue receipts received from  other entities for the provision of services** | ***143,827*** | | **87,200** | |

### 1.3 Budget measures

Budget measures in Part 1 relating to the department are detailed in Budget Paper No. 2 and summarised below.

Table 1.2: Entity 2015‑16 Budget measures

Part 1: Measures announced since the 2014‑15 Mid-Year Economic and Fiscal Outlook (MYEFO)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Programme | 2014-15  $'000 | 2015-16  $'000 | 2016-17  $'000 | 2017-18  $'000 | 2018-19  $'000 |
| **Expense measures (a)** |  |  |  |  |  |  |
| **Department of Human Services** |  |  |  |  |  |  |
| Department of Human Services  Efficiencies | 1.1,1.2,1.3 |  |  |  |  |  |
| Departmental expense |  | - | (6,895) | (13,757) | (17,071) | (17,392) |
| Government Remote Servicing  - continuation |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 23,930 | 23,092 | 23,293 | 23,451 |
| Strengthening the Integrity of Welfare  Payments (b) |  |  |  |  |  |  |
| Departmental expense | 1.1 | 56 | 71,438 | 44,223 | 42,843 | 13,811 |
| Welfare Payment Infrastructure  Transformation - Tranche One |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 93,341 | 29,387 | (44,688) | (64,194) |
| **Department of Agriculture** |  |  |  |  |  |  |
| Supporting Drought Affected  Communities - Immediate Assistance |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 2,071 | - | - | - |
| **Department of Communications** |  |  |  |  |  |  |
| Digital Transformation Agenda  - Stage One and establishment of  the Digital Transformation Office |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 10,740 | 2,302 | 385 | - |
| **Department of Employment** |  |  |  |  |  |  |
| Employment Services  - Changes to Service Fees and  Cessation of Personal Contact  Interviews |  |  |  |  |  |  |
| Departmental expense | 1.1 | 1,950 | (9,008) | (10,875) | (11,164) | (11,238) |
| Growing Jobs and Small Business |  |  |  |  |  |  |
| - engaging early school leavers |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 992 | 1,042 | 885 | 882 |
| - further strengthening the job  seeker compliance arrangements |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 4,970 | 9,853 | 8,330 | 7,750 |
| - Youth Employment Strategy  - intensive support – transition  to work |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 2,789 | 551 | 554 | 558 |

Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Entity 2015‑16 Budget measures

Part 1: Measures announced since the 2014‑15 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Programme | 2014-15 $'000 | 2015-16 $'000 | 2016-17 $'000 | 2017-18 $'000 | 2018-19 $'000 |
| **Expense measures (a) (continued)** |  |  |  |  |  |  |
| **Department of Employment (continued)** |  |  |  |  |  |  |
| - Youth Employment Strategy  - intensive support for  vulnerable job seekers (c) |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | (130) | (6,255) | (6,298) | (6,341) |
| - Youth Employment Strategy  - revised waiting period for  youth income support |  |  |  |  |  |  |
| Departmental expense | 1.1 | (4,030) | (60,158) | (61,018) | (58,098) | (58,815) |
| Growing Jobs and Small Business  Package  - National Work Experience  Programme |  |  |  |  |  |  |
| Departmental expense | 1.1 | 229 | 2,045 | 77 | 77 | 74 |
| **Department of Environment** |  |  |  |  |  |  |
| Green Army - efficiencies |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | - | - | 340 | - |
| **Department of Health** |  |  |  |  |  |  |
| Accelerating Growth in Organ and  Tissue Donation for Transplantation |  |  |  |  |  |  |
| Departmental expense | 1.2 | - | 1,256 | (438) | - | - |
| Better Targeted Rural Financial  Incentives for Doctors |  |  |  |  |  |  |
| Departmental expense | 1.2 | 582 | 2,567 | 16 | (120) | (119) |
| Ceasing the Alternative Arrangement  Transfer to Pharmaceutical Benefits  Programme - removal of anomaly |  |  |  |  |  |  |
| Departmental expense | 1.2 | - | 3 | 6 | 6 | 6 |
| Medicare Benefits Schedule |  |  |  |  |  |  |
| - changes to GP rebates  - reversal (d) |  |  |  |  |  |  |
| Departmental expense | 1.2 | (4,746) | (18,331) | (13,377) | (13,903) | (14,165) |
| - health assessment items  - modification |  |  |  |  |  |  |
| Departmental expense | 1.2 | - | 84 | (157) | (184) | (199) |
| - new and amended listings |  |  |  |  |  |  |
| Departmental expense | 1.2 | 12 | 197 | 100 | 80 | 55 |
| My Health Record - a new direction  for electronic health records in  Australia (e) |  |  |  |  |  |  |
| Departmental expense | 1.2 | - | (12,490) | (15,949) | (8,581) | 210 |
| National Cervical Screening  Programme - reform |  |  |  |  |  |  |
| Departmental expense | 1.2 | - | - | (252) | (1,612) | (1,624) |

Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Entity 2015‑16 Budget measures

Part 1: Measures announced since the 2014‑15 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Programme | 2014-15 $'000 | 2015-16 $'000 | 2016-17 $'000 | 2017-18 $'000 | 2018-19 $'000 |
| **Expense measures (a) (continued)** |  |  |  |  |  |  |
| **Department of Health (continued)** |  |  |  |  |  |  |
| National Immunisation Programme  - new and amended listings |  |  |  |  |  |  |
| Departmental expense | 1.2 | - | 2,281 | 8,154 | 5,882 | 5,368 |
| Pharmaceutical Benefits Scheme  - new and amended listings |  |  |  |  |  |  |
| Departmental expense | 1.2 | 742 | 5,292 | 1,702 | 1,821 | 1,853 |
| Practice Incentives Programme After  Hours Payment |  |  |  |  |  |  |
| Departmental expense | 1.2 | 1,527 | 236 | 248 | 250 | 253 |
| Rationalising and streamlining Health  programmes |  |  |  |  |  |  |
| Departmental expense | 1.2 | - | 2 | - | - | - |
| **Department of Immigration and Border Protection** |  |  |  |  |  |  |
| Management of the Immigration  Detention Network |  |  |  |  |  |  |
| Departmental expense | 1.1 | 456 | 1,263 | 1,022 | 654 | 451 |
| Reforms to the Human Trafficking  visa framework |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 2,194 | (1) | (1) | (1) |
| Smaller Government - Immigration  and Border Protection efficiencies |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 1,198 | 43 | - | - |
| **Department of Infrastructure and Regional Development** |  |  |  |  |  |  |
| Norfolk Island Reform |  |  |  |  |  |  |
| Departmental expense | 1.1,1.2 | - | 4,222 | 1,193 | 358 | 376 |
| Tasmanian Freight Equalisation  Scheme  - extension to include exports and  faster payments |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 2,376 | 561 | 334 | - |
| **Department of Social Services** |  |  |  |  |  |  |
| ABSTUDY Under-16 Boarding  Supplement  - extend to hostels |  |  |  |  |  |  |
| Departmental expense | 1.1 | 30 | 362 | - | - | - |
| Cessation of the Large Family  Supplement of Family Tax Benefit  Part A |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 1,345 | 1,546 | 100 | (15) |

Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Entity 2015‑16 Budget measures

Part 1: Measures announced since the 2014‑15 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Programme | 2014-15 $'000 | 2015-16 $'000 | 2016-17 $'000 | 2017-18 $'000 | 2018-19 $'000 |
| **Expense measures (a) (continued)** |  |  |  |  |  |  |
| **Department of Social Services (continued)** |  |  |  |  |  |  |
| Aged Care |  |  |  |  |  |  |
| - alignment of aged care means  testing arrangements |  |  |  |  |  |  |
| Departmental expense | 1.1 | 51 | 941 | 96 | 106 | 84 |
| - Home Care Programme  - increasing consumer choice |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 902 | 1,250 | 957 | 169 |
| - Increasing short term restorative  care places |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 1,651 | 406 | 237 | 248 |
| Exclude Widow Allowance from the  One-Week Ordinary Waiting Period  for all Working Age Payments |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 134 | (6) | (5) | (4) |
| Families Package |  |  |  |  |  |  |
| - child care - workforce  participation stream |  |  |  |  |  |  |
| Departmental expense | 1.1 | 767 | 7,044 | 36,004 | 48,067 | 50,266 |
| - more generous means testing  arrangements for youth payments |  |  |  |  |  |  |
| Departmental expense | 1.1 | 64 | 9,712 | 7,162 | 5,403 | 5,506 |
| Growing Jobs and Small Business |  |  |  |  |  |  |
| - Increasing the age of eligibility for  Newstart Allowance and  Sickness Allowance - delay |  |  |  |  |  |  |
| Departmental expense | 1.1 | (1,128) | (29,725) | (12,323) | (1,010) | (540) |
| - Youth Employment Strategy  - intensive support for  vulnerable job seekers (c) |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 3,291 | 628 | 602 | 334 |
| Income Management  - two year extension |  |  |  |  |  |  |
| Departmental expense | 1.1 | 942 | 56,959 | 76,256 | - | - |
| National Disability Insurance Agency  Full Scheme ICT |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 28,196 | 9,938 | 1,935 | - |
| No Jab No Pay |  |  |  |  |  |  |
| Departmental expense | 1.1 | 332 | 18,696 | 7,810 | 2,984 | 2,914 |

Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Entity 2015‑16 Budget measures

Part 1: Measures announced since the 2014‑15 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Programme | 2014-15 $'000 | 2015-16 $'000 | 2016-17 $'000 | 2017-18 $'000 | 2018-19 $'000 |
| **Expense measures (a) (continued)** |  |  |  |  |  |  |
| **Department of Social Services (continued)** |  |  |  |  |  |  |
| Not proceeding with elements of the  measure to maintain eligibility  thresholds for Australian  Government payments for three  years |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | - | (322) | (3,983) | (140) |
| Not proceeding with the measure to  Reset the Income Test Deeming  Rate Thresholds |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | - | (1,632) | (13,715) | (3,926) |
| Removing Double-Dipping from  Parental Leave Pay |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 8,892 | 5,429 | 2,513 | 2,431 |
| Social Security Agreement with Estonia |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | 1,939 | 1,417 | 441 | 373 |
| Social Security Assets Test  - rebalance asset test thresholds  and taper rate |  |  |  |  |  |  |
| Departmental expense | 1.1 | 319 | 84 | 10,770 | (2,058) | (2,072) |
| Social Security Income Test  - improve integrity of social security  income test arrangements |  |  |  |  |  |  |
| Departmental expense | 1.1 | 111 | 3,066 | 558 | 152 | 147 |
| Strengthening the Integrity of Welfare  Payments (b) |  |  |  |  |  |  |
| Departmental expense | 1.1 | 590 | 381 | 2,072 | 11,633 | 17,743 |
| **Total expense measures** |  |  |  |  |  |  |
| **Administered** |  | - | - | - | - | - |
| **Departmental** |  | (1,144) | 242,345 | 148,552 | (21,269) | (45,472) |
| **Total** |  | **(1,144)** | **242,345** | **148,552** | **(21,269)** | **(45,472)** |

1. Measures are listed by lead entity. The full measure description and package details appear in Budget Paper No. 2 under the relevant portfolio.
2. Components of this measure appear under both the Department of Human Services and the Department of Social Services.
3. Components of this measure appear under both the Department of Employment and the Department of Social Services.
4. The amounts in this table reflect the net fiscal impact of the measure since the 2014-15 MYEFO as published in 2015-16 Budget Paper 2, noting that a component of this measure was previously reflected in the 2014-15 PAES for the department. The impact on the department’s operating appropriation since 2014-15 PAES is a reduction of $49.415 million over five years.
5. The amounts in this table represent the fiscal impact of the measure noting that provision for this measure was previously included in whole of government estimates. This differs from the impact on resourcing for the department which will receive funding of $83.393 million in operating funding and $6.111 million in capital funding over the estimates period.

A minus sign before an estimate indicates a reduction in expenses, no sign before an estimate indicates increased expenses.

Prepared on a Government Finance Statistics (fiscal) basis.

Table 1.2: Entity 2015‑16 Budget measures

Part 1: Measures announced since the 2014‑15 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Programme | 2014-15 $'000 | 2015-16 $'000 | 2016-17 $'000 | 2017-18 $'000 | 2018-19 $'000 |
| **Capital measures (a)** |  |  |  |  |  |  |
| **Department of Human Services** |  |  |  |  |  |  |
| Welfare Payment Infrastructure  Transformation - Tranche One |  |  |  |  |  |  |
| Departmental Capital | 1.1 | - | 18,646 | 27,786 | 42 | - |
| **Department of Communications** |  |  |  |  |  |  |
| Digital Transformation Agenda  - Stage One and establishment of  the Digital Transformation Office |  |  |  |  |  |  |
| Departmental Capital | 1.1 | - | 266 | - | - | - |
| **Department of Health** |  |  |  |  |  |  |
| Medicare Benefits Schedule  - changes to GP rebates  - reversal |  |  |  |  |  |  |
| Departmental Capital | 1.2 | (321) | (197) | - | - | - |
| My Health Record - a new direction  for electronic health records in  Australia (b) |  |  |  |  |  |  |
| Departmental Capital | 1.2 | - | (650) | (2,134) | (351) | - |
| National Immunisation Programme  - new and amended listings |  |  |  |  |  |  |
| Departmental Capital | 1.2 | - | 2,359 | 2,836 | 351 | - |
| **Department of Infrastructure and Regional Development** |  |  |  |  |  |  |
| Norfolk Island Reform |  |  |  |  |  |  |
| Departmental Capital | 1.1 | - | 1,501 | 57 | - | - |
| **Department of Social Services** |  |  |  |  |  |  |
| National Disability Insurance Agency  Full Scheme ICT |  |  |  |  |  |  |
| Departmental Capital | 1.1 | - | 5,557 | - | - | - |
| Strengthening the Integrity of Welfare  Payments |  |  |  |  |  |  |
| Departmental Capital | 1.1 | - | 51 | 1,089 | 742 | 408 |
| **Total capital measures** |  |  |  |  |  |  |
| **Administered** |  | - | - | - | - | - |
| **Departmental** |  | (321) | 27,533 | 29,634 | 784 | 408 |
| **Total** |  | **(321)** | **27,533** | **29,634** | **784** | **408** |

1. Measures are listed by lead entity. The full measure description and package details appear in Budget Paper No. 2 under the relevant portfolio.
2. The amounts in this table represent the fiscal impact of the measure noting that provision for this measure was previously included in whole of government estimates. This differs from the impact on resourcing for the department which will receive funding of $83.393 million in operating funding and $6.111 million in capital funding over the estimates period.

A minus sign before an estimate indicates a reduction in expenses, no sign before an estimate indicates increased expenses.

Prepared on a Government Finance Statistics (fiscal) basis

Table 1.2: Entity 2015‑16 Budget measures (continued)

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Programme | 2014-15 $'000 | 2015-16 $'000 | 2016-17 $'000 | 2017-18 $'000 | 2018-19 $'000 |
| **Expense measures (a)** |  |  |  |  |  |  |
| **Department of Social Services** |  |  |  |  |  |  |
| Australian Working Life Residence -  tightening proportionality  requirements (b) |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | - | - | - | - |
| Family Tax Benefit Part A  - reduced portability (c) |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | - | - | - | - |
| Low Income Supplement  - cessation (d) |  |  |  |  |  |  |
| Departmental expense | 1.1 | - | - | - | - | - |
| National Disability Insurance Scheme  - Sector Development Fund  transfer (e) |  |  |  |  |  |  |
| Departmental expense | 1.1 | 577 | 674 | - | - | - |
|  |  |  |  |  |  |  |
| **Total expense measures** |  |  |  |  |  |  |
| **Administered** |  | - | - | - | - | - |
| **Departmental** |  | 577 | 674 | - | - | - |
| **Total** |  | **577** | **674** | **-** | **-** | **-** |

1. Measures are listed by lead entity. The full measure description and package details appear in Budget Paper No. 2 under the relevant portfolio.
2. Decision taken but not yet announced in the 2014-15 MYEFO, with the following impact on the department: 2015‑16 $0.475 million; 2016-17 $5.678 million; 2017-18 $3.978 million; 2018-19 $ 3.355 million.
3. Decision taken but not yet announced in the 2014-15 MYEFO, with the following impact on the department: 2014‑15 $0.503 million; 2015-16 $8.537 million; 2016-17 $2.258 million; 2017-18 $1.794 million; 2018‑19 $1.812 million.
4. Decision taken but not yet announced in the 2014-15 MYEFO, with the following impact on the department: 2015‑16 $0.045 million; 2016-17 $0.798 million; 2017-18 ($19.392) million; 2018-19 ($ 19.335) million.
5. Decision taken but not yet announced in the 2014-15 PAES.

A minus sign before an estimate indicates a reduction in expenses, no sign before an estimate indicates increased expenses.

Prepared on a Government Finance Statistics (fiscal) basis.

## 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 programmes are the primary vehicle by which Government entities achieve the intended results of their outcome statements. Entities are required to identify the programmes which contribute to Government outcomes over the Budget and forward years.

Outcome 1 for the department is described below together with its related programmes, specifying the performance indicators and targets used to assess and monitor the performance 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. |

#### Strategy for Outcome 1

The department supports individuals, families and communities to achieve greater self‑sufficiency by providing access to payments and services on behalf of government.

The department 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 programmes
* 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 customers’ circumstances
* support for people to help them understand their rights and responsibilities and meet their obligations
* working 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
* making the delivery of services and regulatory functions as efficient as possible, including reducing red tape, while providing effective government and customer outcomes
* transforming business processes, ICT platforms and staff capabilities to deliver a secure, easy-to-use, end-to-end digital service to customers.

The department’s strategy is supported by a focus on: achieving greater efficiencies; delivering services that are easy to access, connected and secure; and continued growth and transformation of digital channels.

##### Outcome expense statement

Table 2.1 provides an overview of the total expenses for outcome 1 by programme.

Table 2.1: Budgeted expenses for Outcome 1

|  |  |  |
| --- | --- | --- |
| **Outcome 1:** Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery. | 2014-15 Estimated actual expenses $'000 | 2015-16 Budget Estimate $'000 |
| **Programme 1.1: Services to the Community - Social Security and Welfare** |  |  |
| Administered expenses |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 6,129 | - |
| Expenses not requiring appropriation in the Budget year (a) | 36 | 176 |
| Departmental expenses (b) |  |  |
| Departmental appropriation (c) | 3,182,746 | 3,349,673 |
| Expenses not requiring appropriation in the Budget year (a) | 173,561 | 191,492 |
| **Total for Programme 1.1** | **3,362,472** | **3,541,341** |
| **Programme 1.2: Services to the Community - Health** |  |  |
| Departmental expenses |  |  |
| Departmental appropriation (c) | 619,336 | 588,654 |
| Expenses not requiring appropriation in the Budget year (a) | 31,958 | 36,035 |
| **Total for Programme 1.2** | **651,294** | **624,689** |
| **Programme 1.3: Child Support** |  |  |
| Administered expenses |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 2,232 | 2,252 |
| Special appropriations | 57,223 | 59,677 |
| Special accounts | 1,358,121 | 1,388,859 |
| Expenses not requiring appropriation in the Budget year (a) | 93,871 | 94,862 |
| Departmental expenses (b) |  |  |
| Departmental appropriation (c) | 452,223 | 439,664 |
| Expenses not requiring appropriation in the Budget year (a) | 25,601 | 27,018 |
| **Total for Programme 1.3** | **1,989,271** | **2,012,332** |
| **Outcome 1 Totals by appropriation type** |  |  |
| Administered expenses |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 8,361 | 2,252 |
| Special appropriations | 57,223 | 59,677 |
| Special accounts | 1,358,121 | 1,388,859 |
| Expenses not requiring appropriation in the Budget year (a) | 93,907 | 95,038 |
| Departmental expenses |  |  |
| Departmental appropriation (c) | 4,254,305 | 4,377,991 |
| Expenses not requiring appropriation in the Budget year (a) | 231,120 | 254,545 |
| **Total expenses for Outcome 1** | **6,003,037** | **6,178,362** |
|  | 2014-15 | 2015-16 |
| **Average Staffing Level (number)** | 30,017 | 30,461 |

1. Administered expenses not requiring appropriation in the Budget year comprise depreciation expense and write down of assets. Departmental expenses not requiring appropriation in the Budget year include unfunded depreciation and amortisation expense, resources consumed free of charge and operating results.
2. Departmental expenses for Child Support were previously reported under programme 1.1 and are now reported under programme 1.3 Child Support.
3. Departmental appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources (s74).

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

#### Contributions to Outcome 1

|  |
| --- |
| Programme 1.1 Services to the Community – Social Security and Welfare |

|  |
| --- |
| Programme 1.1 objective |
| The department supports individuals, families and communities to achieve greater self‑sufficiency by providing access to payments and services on behalf of government.   * The department’s operations are informed by current government policies and directions. * The department maintains a robust compliance system to support the integrity of payments. * The majority of the department’s customers are able to complete their interactions with services via digital channels without the need to contact the department through other channels. * Strategies are in place to identify and support customers who are unable to manage their affairs through digital channels. * The department’s ICT environment is being transformed and simplified to support secure digital access to services when customers need it and to enable rapid, flexible responses to the government’s digital transformation agenda. * The department uses its experience, assets and best practices to continue to develop valuable and innovative services. * All Budget measures are implemented on time and within budget (Table 1.2 lists all 2015–16 Budget measures). |
| Linked to:  **Agriculture Portfolio**  Department of Agriculture  1.11 Drought Programmes  1.12 Rural Programmes  Australian Fisheries Management Authority  1.1 Australian Fisheries Management Authority  **Attorney-General's Portfolio**  Attorney‑General’s Department  1.2 Attorney-General’s Department Operating Expenses—National Security and Criminal Justice  1.8 Australian Government Disaster Financial Support Payments  Australian Transaction Reports and Analysis Centre  1.1 Austrac |
| Programme 1.1 objective (continued) |
| Linked to (continued):  **Attorney-General's Portfolio (continued)**  Commonwealth Director of Public Prosecutions  1.1 An independent service to prosecute alleged offences under the criminal law of the Commonwealth, in appropriate matters, in a manner which is fair and just and to ensure that offenders, where appropriate, are deprived of the proceeds and benefits of criminal activity  Australian Federal Police  1.1 Federal Policing and National Security  **Defence Portfolio**  Department of Veterans’ Affairs  1.1 Veterans' Income Support and Allowances  1.2 Veterans' Disability Support  1.3 Assistance to Defence Widowers and dependants  1.4 Assistance and Other Compensation for Veterans and Dependants  1.5 Veterans' Children Education Scheme  2.1 General Medical Consultations and Services  2.4 Veterans' Community Care and Support  2.5 Veterans' Counselling and Other Health Services  **Education and Training Portfolio**  Department of Education and Training  3.7 International Education Support  3.8 Building Skills and Capability  **Employment Portfolio**  Department of Employment  1.1 Employment Services  **Finance Portfolio**  Australian Electoral Commission  1.1 Deliver Electoral Events  **Foreign Affairs and Trade Portfolio**  Department of Foreign Affairs and Trade  2.1 Consular Services  2.2 Passport Services  **Immigration and Border Protection Portfolio**  Department of Immigration and Border Protection  1.3 Compliance and Detention  2.1 Citizenship  2.4 Refugee and Humanitarian Assistance  **Infrastructure and Regional Development Portfolio**  Department of Infrastructure and Transport  2.2 Surface Transport |

|  |
| --- |
| Programme 1.1 objective (continued) |
| Linked to (continued):  **Prime Minister and Cabinet Portfolio**  Department of the Prime Minister and Cabinet  2.1 Indigenous Advancement - Jobs, Land and Economy  2.2 Indigenous Advancement - Children and Schooling  Torres Strait Regional Authority  1.1 Torres Strait Regional Development  **Social Services Portfolio**  Department of Social Services  1.1 Family Tax Benefit  1.2 Child Payments  1.3 Income Support for Vulnerable People  1.4 Income Support for People in Special Circumstances  1.5 Supplementary Payments and Support for Income Support Recipients  1.6 Income Support for Seniors  1.7 Allowances and Concessions for Seniors  1.8 Income Support for People with Disability  1.9 Income Support for Carers  1.10 Working Age Payments  1.11 Student Payments  2.1 Families and Communities  2.2 Paid Parental Leave  2.4 Support for the Child Care System  2.5 Child Care Benefit  2.6 Child Care Rebate  3.3 Home Care  3.4 Residential and Flexible Care  3.5 Workforce and Quality  3.6 Ageing and Service Improvement  5.1 Disability, Mental Health and Carers  National Disability Insurance Agency  1.1 Reasonable and necessary care and support for participants  1.3 Agency Costs  **Treasury Portfolio**  Department of the Treasury  1.1 Department of the Treasury  Australian Taxation Office  1.1 Australian Tax Office  1.3 Australian Business Register  1.16 Education Tax Refund  1.19 Private Health Insurance Rebate  Australian Competition and Consumer Commission  1.1  Australian Competition and Consumer Commission  1.2 Australian Energy Regulator  Australian Securities and Investments Commission   * 1. Australian Securities and Investments Commission |

|  |
| --- |
| Programme 1.1 expenses  Total programme expenses are forecast to decrease by $386.0 million over the estimates period**.** This is mainly due to the impact of measures and economic parameters. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2014-15 Estimated actual $'000 | 2015-16 Budget estimate $'000 | 2016-17 Forward estimate $'000 | 2017-18 Forward estimate $'000 | 2018-19 Forward estimate $'000 |
| Administered Expenses: |  |  |  |  |  |
| Income Management BasicsCard (a) | 3,000 | - | - | - | - |
| Future Workforce | 3,129 | - | - | - | - |
| Ordinary annual services (Appropriation Bill No. 1) | 6,129 | - | - | - | - |
| Administered expenses not requiring appropriation in the Budget year (b) | 36 | 176 | 288 | 323 | 323 |
| Annual Departmental Expenses: (c) |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 3,049,981 | 3,275,165 | 3,127,873 | 2,916,530 | 2,892,302 |
| Revenues from independent  sources (s74) | 132,765 | 74,508 | 61,647 | 64,367 | 65,420 |
| Departmental expenses not requiring appropriation in the Budget year (d) | 173,561 | 191,492 | 197,148 | 187,100 | 197,316 |
| **Total Programme Expenses** | **3,362,472** | **3,541,341** | **3,386,956** | **3,168,320** | **3,155,361** |

1. Departmental funding has been provided for a two year extension of the Income Management BasicsCard (Refer Table 1.2 for details).
2. Administered expenses not requiring appropriation in the Budget year comprise depreciation expense and write-down of assets.
3. Departmental expenses for Child Support were previously reported under programme 1.1 and are now reported under programme 1.3 Child Support.
4. Departmental expenses not requiring appropriation in the Budget year comprise unfunded depreciation and amortisation expense, resources consumed free of charge and operating results.

| Programme 1.1 deliverables |
| --- |
| The department provides access through service centres located across Australia; online services; smart centres; and systems that support the delivery of services by providers and business.  The department also provides access to tailored services including:   * Access Points located in rural and remote communities that provide self-help facilities. * Agents located in rural and remote communities that provide self-help facilities and limited face-to-face services. * Australian Government mobile service centres which provide services in rural, regional and disaster-affected communities. * Indigenous Service Officers who connect Indigenous Australians and communities with departmental services. * Community Engagement Officers who provide outreach services in the community to support customers with complex needs including homelessness. * Prison Liaison Officers who provide high quality services including out-servicing to customers in prison. * Multicultural Service Officers who support service delivery to people from culturally and linguistically diverse backgrounds. * Translated information on payments and services and interpreter services. * Remote servicing teams that travel to remote communities to deliver face-to-face services. * Authorised Review Officers who, upon request, independently review adverse decisions about Centrelink payments. * Referrals to support services and the provision of specialist services through the department’s health and allied health professionals which include medical advisors, psychologists, occupational therapists, registered nurses, physiotherapists, exercise physiologists, rehabilitation counsellors and social workers.   The department also supports policy development through the provision of policy advice on service delivery and the coordination and development of specific initiatives on behalf of government. |

|  |
| --- |
| Programme 1.1 key performance indicators (KPIs)  The department’s KPIs have been updated to align with the government’s priorities and the department’s strategies to achieve them. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Key Performance Indicators | 2014-15 Budget target | 2015-16 Budget target | 2016-17 Forward estimate | 2017-18 Forward estimate | 2018-19 Forward estimate |
| **Achievement of customer satisfaction standards.** | ≥85% | ≥85% | ≥85% | ≥85% | ≥85% |
| **Achievement of digital service level standards. (a)** |  |  |  |  |  |
| Departmental interactions completed via digital channels. | N/A | ≥5% increase on  2014-15 | ≥5% increase on  2015-16 | ≥5% increase on  2016-17 | ≥5% increase on  2017-18 |
| Availability of ICT systems that support 24/7 customer access. | N/A | ≥98% | ≥98% | ≥98% | ≥98% |
| **Achievement of payment quality standards.** |  |  |  |  |  |
| Centrelink: Delivery of correct payments. | ≥95% | ≥95% | ≥95% | ≥95% | ≥95% |
| **Key initiatives delivered as agreed within timeframes and on budget. (b)** |  |  |  |  |  |
| *Welfare Payments Infrastructure Transformation Budget measure.* | N/A | Achieved | Achieved | Achieved | Achieved |
| *Strengthening the integrity of welfare payments Budget measure.* | Achieved | Achieved | Achieved | Achieved | Achieved |
| *Jobs Budget measures.* | N/A | Achieved | Achieved | Achieved | Achieved |
| *Families Budget measures.* | N/A | Achieved | Achieved | Achieved | Achieved |
| Income Management Budget measure. | Achieved | Achieved | Achieved | Achieved | Achieved |
| **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% |
| **Achievement of face–to–face service level standards.** |  |  |  |  |  |
| Average wait time. | ≤15 minutes | ≤15 minutes | ≤15 minutes | ≤15 minutes | ≤15 minutes |
| **Achievement of telephony service level standards.** |  |  |  |  |  |
| Average speed of answer. | ≤16 minutes | ≤16 minutes | ≤16 minutes | ≤16 minutes | ≤16 minutes |
| **Achievement of processing service level standards.** |  |  |  |  |  |
| Claims processed within standard. | ≥82% | ≥82% | ≥82% | ≥82% | ≥82% |

Programme 1.1 key performance indicators (KPIs) (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Key Performance  Indicators | 2014-15  Budget  target | 2015-16  Budget  target | 2016-17  Forward  estimate | 2017-18  Forward  estimate | 2018-19  Forward  estimate |
| **Internal Reviews: Percentage of reviews finalised within standard.** | ≥95% | ≥95% | ≥95% | ≥95% | ≥95% |
| **Achievement of payment integrity standards.** |  |  |  |  |  |
| Centrelink: Debt under recovery. | ≥60% | ≥60% | ≥60% | ≥60% | ≥60% |

1. New KPI for 2015-16.
2. The list of key initiatives is determined by government priorities each financial year.

|  |
| --- |
| Programme 1.2 Services to the Community – Health |

|  |
| --- |
| Programme 1.2 objective  The department supports individuals, families and communities to achieve greater self‑sufficiency by providing access to payments and services on behalf of government.   * The department’s operations are informed by current government policies and directions. * Providers and businesses are supported by a service delivery system that facilitates the maximisation of electronic transactions and information transfers. * The department maintains a robust compliance system to support the integrity of payments. * The majority of the department’s customers are able to complete their interactions with services via digital channels without the need to contact the department through other channels. * Strategies are in place to identify and support customers who are unable to manage their affairs through digital channels. * The department’s ICT environment is being transformed and simplified to support secure digital access to services when customers need it and to enable rapid, flexible responses to the government’s digital transformation agenda. * The department uses its experience, assets and best practices to continue to develop valuable and innovative services. * All Budget measures are implemented on time and within budget (Table 1.2 lists all 2015–16 Budget measures). |
| Linked to:  **Defence Portfolio**  Department of Veterans’ Affairs  2.1 General Medical Consultations and Services  2.2 Veterans' Hospital Services  2.3 Veterans' Pharmaceuticals Benefits  2.4 Veterans' Community Care and Support  2.5 Veterans' Counselling and Other Health Services  2.6 Military Rehabilitation and Compensation Acts - Health and Other Care Services |

|  |
| --- |
| **Programme 1.2 objective (continued)** |
| Linked to (continued):  **Health Portfolio**  Department of Health  1.1 Public Health, Chronic Disease and Palliative Care  1.3 Immunisation  2.2 Pharmaceuticals and Pharmaceutical Services  2.4 Targeted Assistance – Aids and Appliances  3.1 Medicare Services  3.2 Targeted Assistance – Medical  3.3 Pathology and Diagnostic Imaging Services and Radiation Oncology  3.4 Medical Indemnity  3.5 Hearing Services  3.6 Dental Services  5.2 Primary Care Practice Incentives  5.3 Aboriginal and Torres Strait Islander Health  5.4 Mental Health  6.1 Private Health Insurance  7.1 e-Health Implementation  7.6 Blood and Organ Donation  7.7 Regulatory Policy  8.1 Workforce and Rural Distribution  Australian Organ and Tissue Donation and Transplantation Authority  1.1 A Nationally Coordinated System for Organ and Tissue Donation for Transplantation  Professional Services Review   * 1. Safeguarding the integrity of the Medicare programme and Pharmaceutical Benefits Scheme |

|  |
| --- |
| Programme 1.2 expenses  Total programme expenses are forecast to decrease by $62.6 million over the estimates period**.** This is mainly due to the impact of changes in revenue from independent sources, measures and economic parameters. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2014-15 Estimated actual $'000 | 2015-16 Budget estimate $'000 | 2016-17 Forward estimate $'000 | 2017-18 Forward estimate $'000 | 2018-19 Forward estimate $'000 |
| Annual Departmental Expenses: |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 562,080 | 523,678 | 519,102 | 529,345 | 513,170 |
| Revenues from independent  sources (s74) | 57,256 | 64,976 | 54,041 | 49,176 | 14,663 |
| Expenses not requiring appropriation in the Budget year (a) | 31,958 | 36,035 | 38,234 | 33,180 | 34,224 |
| **Total Programme Expenses** | **651,294** | **624,689** | **611,377** | **611,701** | **562,057** |

1. Departmental expenses not requiring appropriation in the Budget year comprise unfunded depreciation and amortisation expense, resources consumed free of charge and operating results.

|  |
| --- |
| Programme 1.2 deliverables  The department provides access through service centres located across Australia; online services; smart centres; and systems that support the delivery of services by providers and business.  The department pays benefits to health providers and eligible customers which are accurate, appropriate and timely through convenient and efficient service delivery.  The department also supports policy development through the provision of service delivery policy advice and the coordination and development of specific initiatives on behalf of government. |

|  |
| --- |
| Programme 1.2 key performance indicators (KPIs)  The department’s KPIs have been updated to align with the government’s priorities and the department’s strategies to achieve them. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Key Performance  Indicators | 2014-15  Budget  target | 2015-16  Budget  target | 2016-17  Forward  estimate | 2017-18  Forward  estimate | 2018-19  Forward  estimate |
| **Satisfaction with Medicare provider service delivery. (a)** |  |  |  |  |  |
| Practitioners | ≥70% | ≥70% | ≥70% | ≥70% | ≥70% |
| Pharmacists | ≥70% | ≥70% | ≥70% | ≥70% | ≥70% |
| **Satisfaction with Medicare provider service delivery. (a)** | ≥70% | ≥70% | ≥70% | ≥70% | ≥70% |
| **Achievement of customer satisfaction standards.** | ≥85% | ≥85% | ≥85% | ≥85% | ≥85% |
| **Achievement of digital service level standards. (b)** |  |  |  |  |  |
| Departmental interactions completed via digital channels. | N/A | ≥5% increase on  2014-15 | ≥5% increase on  2015-16 | ≥5% increase on  2016-17 | ≥5% increase on  2017-18 |
| Availability of ICT systems that support 24/7 customer access. | N/A | ≥98% | ≥98% | ≥98% | ≥98% |
| **Achievement of payment quality standards.** |  |  |  |  |  |
| Medicare: Delivery of accurate medical and pharmaceutical benefits and services. | ≥98% | ≥98% | ≥98% | ≥98% | ≥98% |
| **Achievement of face–to–face service level standards** |  |  |  |  |  |
| Average wait time. | ≤15 minutes | ≤15 minutes | ≤15 minutes | ≤15 minutes | ≤15 minutes |
| **Achievement of telephony service level standards.** |  |  |  |  |  |
| Average speed of answer: |  |  |  |  |  |
| Pharmaceutical Benefits Scheme Authorities and eHealth Providers. | ≤30 seconds | ≤30 seconds | ≤30 seconds | ≤30 seconds | ≤30 seconds |
| Providers. | ≤2  minutes | ≤2  minutes | ≤2  minutes | ≤2  minutes | ≤2  minutes |
| Customers. | ≤7  minutes | ≤7  minutes | ≤7  minutes | ≤7  minutes | ≤7  minutes |
| **Achievement of processing service level standards.** |  |  |  |  |  |
| Claims processed within standard. | ≥82% | ≥82% | ≥82% | ≥82% | ≥82% |
| **Achievement of payment integrity standards.** |  |  |  |  |  |
| Medicare: Completed audit and review cases. | ≥2,500 | ≥2,500 | ≥2,500 | ≥2,500 | ≥2,500 |

1. KPI updated to include performance for individual provider segments.
2. New KPI for 2015-16.

|  |
| --- |
| Programme 1.3 Child Support |

|  |
| --- |
| Programme 1.3 objective  The department’s Child Support programme is designed to ensure that both parents contribute to the cost of their children, according to their capacity. |
| Linked to:  **Social Services Portfolio**  Department of Social Services  1.1 Family Tax Benefit |

|  |
| --- |
| Programme 1.3 expenses  Total programme expenses are forecast to increase by $141.7 million over the estimates period**.** This is mainly due to the forecast increase in Child Support being transferred between parents through the Child Support special account. |

`

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2014-15  Estimated  actual  $'000 | 2015-16  Budget  estimate  $'000 | 2016-17  Forward  estimate  $'000 | 2017-18  Forward  estimate  $'000 | 2018-19  Forward  estimate  $'000 |
| Annual administered expenses: |  |  |  |  |  |
| Child Support dishonoured cheques and other shortfalls | 2,232 | 2,252 | 2,312 | 2,383 | 2,460 |
| Total Ordinary annual services  (Appropriation Bill No. 1) | 2,232 | 2,252 | 2,312 | 2,383 | 2,460 |
| Special Appropriations: |  |  |  |  |  |
| Child Support Act (a) |  |  |  |  |  |
| - s77 - unremitted deductions | 57,173 | 59,627 | 59,770 | 61,579 | 63,569 |
| - s78 - unexplained remittances | 50 | 50 | 50 | 50 | 50 |
| Total Special Appropriations | 57,223 | 59,677 | 59,820 | 61,629 | 63,619 |
| Special account expenses: |  |  |  |  |  |
| Child Support Account | 1,358,121 | 1,388,859 | 1,427,973 | 1,471,549 | 1,527,342 |
| Administered expenses not requiring appropriation in the Budget year (b) | 93,871 | 94,862 | 95,712 | 96,689 | 89,916 |
| Annual Departmental Expenses (c): |  |  |  |  |  |
| Ordinary annual services (Appropriation Bill No. 1) | 449,465 | 436,883 | 432,722 | 435,202 | 437,722 |
| Revenues from independent sources (s74) | 2,758 | 2,781 | 2,809 | 2,809 | 2,809 |
| Expenses not requiring appropriation in the Budget year (d) | 25,601 | 27,018 | 28,555 | 28,302 | 30,169 |
| **Total programme expenses** | **1,989,271** | **2,012,332** | **2,049,903** | **2,098,563** | **2,154,037** |

1. *Child Support (Registration and Collection) Act 1988*.
2. Administered expenses not requiring appropriation in the Budget year comprise depreciation expense and write-down of assets.
3. Departmental expenses for programme 1.3 were previously included under programme 1.1 departmental expenses.
4. Departmental expenses not requiring appropriation in the Budget year comprise unfunded depreciation and amortisation expense, resources consumed free of charge and operating results.

|  |
| --- |
| Programme 1.3 deliverables  Collect and disburse child support payments. |

|  |
| --- |
| Programme 1.3 key performance indicators  The department’s KPIs have been updated to align with the government’s priorities and the department’s strategies to achieve them. |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Key Performance  Indicators | 2014-15  Budget  target | 2015-16  Budget  target | 2016-17  Forward  estimate | 2017-18  Forward  estimate | 2018-19  Forward  estimate |
| **Achievement of customer satisfaction standards.** | ≥85% | ≥85% | ≥85% | ≥85% | ≥85% |
| **Achievement of digital service level standards. (a)** |  |  |  |  |  |
| Departmental interactions completed via digital channels. | N/A | ≥5% increase on  2014-15 | ≥5% increase on  2015-16 | ≥5% increase on  2016-17 | ≥5% increase on  2017-18 |
| Availability of ICT systems that support 24/7 customer access. | N/A | ≥98% | ≥98% | ≥98% | ≥98% |
| **Child Support collection rate (Child Support collect only).** | ≥91.7% | ≥91.7% | ≥91.7% | ≥91.7% | ≥91.7% |
| **Percentage of domestic active paying parents with less than one month liability outstanding (Child Support collect only). (b)** | N/A | ≥63% | ≥63% | ≥63% | ≥63% |
| **Achievement of telephony service level standards.** |  |  |  |  |  |
| Average speed of answer. | ≤3  minutes | ≤3  minutes | ≤3  minutes | ≤3  minutes | ≤3  minutes |
| **Achievement of processing service level standards.** |  |  |  |  |  |
| Claims processed within standard. | ≥82% | ≥82% | ≥82% | ≥82% | ≥82% |

1. New KPI for 2015-16.
2. KPI changed to omit private collect arrangements from overall result and to provide a one month tolerance for outstanding payments. The previous KPI was being met.

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of the department’s finances for the 2015-16 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme 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 may be moved to a future year with the agreement of the Finance Minister.

Table 3.1.1: Movement of administered funds between years

There is no movement of administered funds between years for the department, hence this table is not included in these statements.

#### 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 section 78(4) of the PGPA Actor under separate enabling legislation (section 80(1) of the PGPA Act refers). 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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Outcome | Opening  balance  $'000 | **Receipts**  **$'000** | Payments  $'000 | Adjustments  $'000 | Closing  balance  $'000 | |
| Child Support Account (a) (A) | 1 |  |  |  |  |  | |
| 2015-16 |  | 56,887 | **1,482,796** | (1,482,796) | - | 56,887 |
| *2014-15* |  | *56,887* | ***1,455,136*** | *(1,455,136)* | *-* | *56,887* |
|  |  |  |  |  |  |  |
| Recovery of Compensation for Health Care & Other Services Special Account (b) (A) | 1 |  |  |  |  |  |
| 2015-16 |  | 31,061 | **261,101** | (265,571) | - | 26,591 |
| *2014-15* |  | *35,465* | ***257,242*** | *(261,646)* | *-* | *31,061* |
|  |  |  |  |  |  |  |
| Services for Other Entities and Trust Moneys - Department of Human Services Special Account (c) (A) & (D) | 1 |  |  |  |  |  |
| 2015-16 |  | - | **-** | - | - | - |
| *2014-15* |  | *-* | *-* | *-* | *-* | *-* |
|  |  |  |  |  |  |  |
| **Total special accounts** |  |  |  |  |  |  |
| **2015-16 Budget Estimate** |  | **87,948** | **1,743,897** | **(1,748,367)** | **-** | **83,478** |
|  |  |  |  |  |  |  |
| *Total special accounts* |  |  |  |  |  |  |
| *2014-15 Budget Estimate* |  | *92,352* | ***1,712,378*** | *(1,716,782)* | *-* | *87,948* |

(A) = Administered

(D) = Departmental

1. Appropriation: s80(1) *Public Governance, Performance and Accountability Act 2013*.

Establishing Instrument: 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.

1. Appropriation: s78(4) *Public Governance, Performance and Accountability Act 2013*.

Establishing Instrument: Determination 2005/24 under s78(1) *Public Governance, Performance and Accountability Act 2013.*

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

* 1. pay the claimant, or the claimant’s authorised representative, amounts credited to the Special Account; and
  2. reduce the balance of the special account (and, therefore, the available appropriation for the special account) without making a real or notional payment; and
  3. repay amounts where an Act or other law requires or permits the repayment of an amount received.

1. Appropriation: s78(4) *Public Governance, Performance and Accountability Act 2013*.

Establishing Instrument: Determination 2011/13 under s78(1) *Public Governance, Performance and Accountability Act 2013*.

Purpose: To credit and debit monies for the purpose of:

* 1. disbursing amounts held on trust or otherwise for the benefit of a person other than the Commonwealth;
  2. disbursing amounts in connection with services performed on behalf of other governments and bodies that are not PGPA Act entities;
  3. repaying amounts where an Act or other law requires or permits the repayment of an amount received; and
  4. 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)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Outcome | Approp Bill No. 1 $'000 | Approp Bill No. 2 $'000 | Special approp $'000 | Total approp $'000 | Other $'000 | Total $'000 | Programme |
| **Department of Human Services** |  |  |  |  |  |  |  |
| **Outcome 1** |  |  |  |  |  |  |  |
| Departmental 2015-16 | 48,504 | - | - | 48,504 | - | 48,504 | 1.1 |
| Departmental 2015-16 | 3,126 | - | - | 3,126 | - | 3,126 | 1.2 |
| *Departmental 2014-15* | *60,924* | *-* | *-* | *60,924* | *-* | *60,924* | 1.1 |
| *Departmental 2014-15* | *3,259* | *-* | *-* | *3,259* | *-* | *3,259* | 1.2 |
| Total outcome 1 2015-16 | 51,630 | - | - | 51,630 | - | 51,630 |  |
| *Total outcome 1 2014-15* | *64,183* | *-* | *-* | *64,183* | *-* | *64,183* |  |
| **Total Departmental   2015-16** | **51,630** | **-** | **-** | **51,630** | **-** | **51,630** |  |
| *Total Departmental 2014-15* | *64,183* | *-* | *-* | *64,183* | *-* | *64,183* |  |
| **Total AGIE 2015-16** | **51,630** | **-** | **-** | **51,630** | **-** | **51,630** |  |
| *Total AGIE 2014-15* | *64,183* | *-* | *-* | *64,183* | *-* | *64,183* |  |

### 3.2 Budgeted financial statements

#### 3.2.1 Differences in entity resourcing and financial statements

Differences between the resources shown in Table 1.1 and the financial statements presented in this section, are the result of differences between whole of government financial reporting (under AASB 1049 *Whole of Government and General government sector financial reporting*) and requirements applicable to entity level financial reporting.

#### 3.2.2 Analysis of budgeted financial statements

**Departmental comprehensive income statement (Table 3.2.1)**

Since the 2014-15 Additional Estimates, revenue from government in 2015-16 has increased by $328.0 million, mainly due to new expense measures totalling $299.7 million (a), changes in funding model volumes and indexation. Over the estimates period, revenue from government decreases by $392.5 million, mainly due to the impact of Budget measures, forecast volume changes and efficiency dividends.

Estimates of own-source income in 2015-16 have increased by $18.1 million since the 2014-15 Additional Estimates, mainly reflecting changes in revenue from service agreements relating to health identifiers. Own source income decreases by $59.4 million over the estimates period as current memoranda of understanding are completed.

Total expenses in 2015-16 have increased by $351.8 million since the 2014-15 Additional Estimates mainly reflecting the impact of new measures. Over the estimates period, expenses decrease by $444.7 million, mainly due to the impact of Budget measures, forecast volume changes, a reduction in own source revenue and the efficiency dividend.

**Departmental balance sheet (Table 3.2.2)**

Since the 2014-15 Additional Estimates net assets as at 30 June 2016 have increased by $33.3 million, mainly due to new asset additions. Over the estimates period, total assets are forecast to decrease by $165.6 million, reflecting depreciation and amortisation expense being greater than the Departmental Capital Budget. Total liabilities are forecast to decrease by $13.9 million over the estimates period reflecting reductions in supplier payables and provisions.

**Departmental statement of changes in equity (Table 3.2.3)**

Total equity as at 30 June 2016 has decreased by $8.4 million since the 2014-15 Additional Estimates, taking into account the 2013-14 operating result and the flow on effect of the audited balances as at 30 June 2014. Over the estimates period, equity is forecast to decrease by $151.7 million which is mainly due to the decline in non-financial asset balances as a result of depreciation and amortisation expense being greater than the Departmental Capital Budget.

1. This reflects the impact on the department’s revenue from government. It differs from Budget Paper 2, which reflects the fiscal impact on whole of government estimates for all decisions since the 2014-15 MYEFO.  The fiscal impact of these decisions for the department is $243.0 million, refer Table 1.2).

**Departmental cash flow (Table 3.2.4)**

Since the 2014-15 Additional Estimates, cash flows have been affected by new measures, changes in expenses and changes in own-source revenue. There has been no change in the estimated cash held at 30 June 2015 or the forward years**.**

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

Since the 2014-15 Additional Estimates, total capital appropriations in 2015-16 have increased by $29.4 million, as a net result of capital measures and indexation movements. The Departmental Capital Budget (DCB) for asset replacement remains relatively stable over the forward years, while Equity injections reflect the impact of Budget measures.

**Statement of departmental asset movements (Table 3.2.6)**

The net book value of land, buildings, other property, plant and equipment and intangible assets as at 30 June 2016 has decreased by $10.7 million since the 2014-15 Additional Estimates. This is mainly due to the net impact of increased depreciation expenses in 2015-16 reflecting the flow on effects of higher asset balances in the audited financial statements as at 30 June 2014.

#### Schedule of administered activity

**Administered income and expenses (Table 3.2.7)**

Since the 2014-15 Additional Estimates, estimated administered revenue for 2015-16 has decreased by $46.0 million and expenses have decreased by $45.4 million. This mainly reflects revised estimates for Child Support maintenance transfers between parents.

**Administered assets and liabilities (Table 3.2.8)**

Since the 2014-15 Additional Estimates, the estimated closing asset balances for 2015-16 have decreased by $5.4 million, while liabilities have decreased by $5.3 million. These movements reflect changes in Child Support maintenance receivables and accrued expenses, which are based on the level of Child Support receivables.

#### 3.2.3 Budgeted financial statements tables

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated actual 2014-15 $'000 | Budget estimate 2015-16 $'000 | Forward estimate 2016-17 $'000 | Forward estimate 2017-18 $'000 | Forward estimate 2018-19 $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 2,871,131 | 2,881,874 | 2,774,027 | 2,676,269 | 2,613,957 |
| Suppliers | 1,373,717 | 1,489,060 | 1,417,194 | 1,311,539 | 1,304,752 |
| Depreciation and amortisation | 234,079 | 254,377 | 262,689 | 249,554 | 259,966 |
| Finance costs | 805 | 805 | 805 | 805 | 805 |
| Write-down and impairment of assets | 126 | 123 | 123 | 124 | 129 |
| Losses from asset sales | - | - | - | - | - |
| Other expenses | 5,567 | 6,297 | 7,293 | 7,720 | 8,186 |
| **Total expenses** | **4,485,425** | **4,632,536** | **4,462,131** | **4,246,011** | **4,187,795** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| Sale of goods and rendering of services | 192,040 | 141,846 | 118,078 | 115,933 | 82,473 |
| Rental income | 320 | - | - | - | - |
| Other revenue | 419 | 419 | 419 | 419 | 419 |
| **Total own-source revenue** | **192,779** | **142,265** | **118,497** | **116,352** | **82,892** |
| **Gains** |  |  |  |  |  |
| Other gains | 2,505 | 2,505 | 2,505 | 2,505 | 2,505 |
| **Total gains** | **2,505** | **2,505** | **2,505** | **2,505** | **2,505** |
| **Total own-source income** | **195,284** | **144,770** | **121,002** | **118,857** | **85,397** |
| **Net cost of (contribution by)** |  |  |  |  |  |
| **services** | **4,290,141** | **4,487,766** | **4,341,129** | **4,127,154** | **4,102,398** |
| Revenue from Government | 4,061,526 | 4,235,726 | 4,079,697 | 3,881,077 | 3,843,194 |
| **Surplus (Deficit) attributable to the Australian Government** | **(228,615)** | **(252,040)** | **(261,432)** | **(246,077)** | **(259,204)** |
| **Total comprehensive income (loss)  attributable to the Australian  Government** | **(228,615)** | **(252,040)** | **(261,432)** | **(246,077)** | **(259,204)** |

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** | 2014-15  $'000 | 2015-16  $'000 | 2016-17  $'000 | 2017-18  $'000 | 2018-19  $'000 |
| **Total Comprehensive Income**  **(loss) excluding depreciation/**  **amortisation expenses**  **previously funded through**  **revenue appropriations** | **-** | **-** | **-** | **-** | **-** |
| less depreciation/amortisation expenses  previously funded through revenue  appropriations (a) | 228,615 | 252,040 | 261,432 | 246,077 | 259,204 |
| **Total comprehensive Income**  **(loss) - as per the Statement of**  **Comprehensive Income** | **(228,615)** | **(252,040)** | **(261,432)** | **(246,077)** | **(259,204)** |

1. From 2010-11 the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated  actual  2014-15  $'000 | Budget  estimate  2015-16  $'000 | Forward  estimate  2016-17  $'000 | Forward  estimate  2017-18  $'000 | Forward  estimate  2018-19  $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 27,647 | 27,647 | 27,647 | 27,647 | 27,647 |
| Trade and other receivables | 923,748 | 860,974 | 863,354 | 864,310 | 847,431 |
| Other financial assets | 51 | 53 | 52 | 46 | 46 |
| ***Total financial assets*** | **951,446** | **888,674** | **891,053** | **892,003** | **875,124** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 289,419 | 268,659 | 258,172 | 244,341 | 222,237 |
| Property, plant and equipment | 156,321 | 173,541 | 162,105 | 146,500 | 120,594 |
| Intangibles | 425,500 | 408,952 | 394,913 | 371,543 | 351,102 |
| Other non-financial assets | 94,500 | 90,363 | 87,896 | 85,798 | 95,528 |
| ***Total non-financial assets*** | **965,740** | **941,515** | **903,086** | **848,182** | **789,461** |
| **Total assets** | **1,917,186** | **1,830,189** | **1,794,139** | **1,740,185** | **1,664,585** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 281,160 | 278,459 | 267,285 | 263,797 | 257,596 |
| Other payables | 125,668 | 53,793 | 59,318 | 55,690 | 52,395 |
| ***Total payables*** | **406,828** | **332,252** | **326,603** | **319,487** | **309,991** |
| **Provisions** |  |  |  |  |  |
| Employees | 892,037 | 896,782 | 900,485 | 902,361 | 903,314 |
| Other provisions | 24,743 | 25,328 | 25,929 | 26,544 | 27,176 |
| ***Total provisions*** | **916,780** | **922,110** | **926,414** | **928,905** | **930,490** |
| **Total liabilities** | **1,323,608** | **1,254,362** | **1,253,017** | **1,248,392** | **1,240,481** |
| **Net assets** | **593,578** | **575,827** | **541,122** | **491,793** | **424,104** |
| **EQUITY\*** |  |  |  |  |  |
| **Parent entity interest** |  |  |  |  |  |
| Contributed equity | 1,430,254 | 1,664,543 | 1,891,270 | 2,088,018 | 2,279,533 |
| Reserves | 84,578 | 84,578 | 84,578 | 84,578 | 84,578 |
| Retained surplus (accumulated deficit) | (921,254) | (1,173,294) | (1,434,726) | (1,680,803) | (1,940,007) |
| ***Total parent entity interest*** | **593,578** | **575,827** | **541,122** | **491,793** | **424,104** |
| **Total equity** | **593,578** | **575,827** | **541,122** | **491,793** | **424,104** |

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

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Retained earnings $'000 | Asset revaluation reserve $'000 | Contributed equity/ capital $'000 | Total equity $'000 |
| **Opening balance as at 1 July 2015** |  |  |  |  |
| Balance carried forward from |  |  |  |  |
| previous period | (921,254) | 84,578 | 1,430,254 | 593,578 |
| ***Adjusted opening balance*** | **(921,254)** | **84,578** | **1,430,254** | **593,578** |
| **Comprehensive income** |  |  |  |  |
| Surplus (deficit) for the period | (252,040) | - | - | (252,040) |
| ***Total comprehensive income*** | **(252,040)** | **-** | **-** | **(252,040)** |
| **Transactions with owners** |  |  |  |  |
| ***Distribution to owners*** |  |  |  |  |
| Returns of capital |  |  |  |  |
| Distribution of Equity | - | - | - | - |
| ***Contribution by owners*** |  |  |  |  |
| Equity Injection - Appropriation | - | - | 37,869 | 37,869 |
| Departmental Capital Budget (DCB) | - | - | 196,420 | 196,420 |
| ***Sub-total transactions with owners*** | **-** | **-** | **234,289** | **234,289** |
| **Estimated closing balance** |  |  |  |  |
| **as at 30 June 2016** | **(1,173,294)** | **84,578** | **1,664,543** | **575,827** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated actual 2014-15 $'000 | Budget estimate 2015-16 $'000 | Forward estimate 2016-17 $'000 | Forward estimate 2017-18 $'000 | Forward estimate 2018-19 $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 4,019,824 | 4,299,315 | 4,077,062 | 3,878,521 | 3,860,073 |
| Sale of goods and rendering of services | 205,124 | 146,185 | 120,988 | 120,312 | 85,678 |
| s74 retained revenue receipts redrawn from OPA | 337,995 | 299,294 | 269,385 | 256,877 | 222,012 |
| Net GST received | 132,452 | 152,690 | 147,978 | 136,146 | 135,915 |
| Other | 419 | 419 | 419 | 419 | 419 |
| ***Total cash received*** | **4,695,814** | **4,897,903** | **4,615,832** | **4,392,275** | **4,304,097** |
| **Cash used** |  |  |  |  |  |
| Employees | 2,829,807 | 2,944,998 | 2,761,164 | 2,674,335 | 2,613,020 |
| Suppliers | 1,508,065 | 1,647,314 | 1,577,990 | 1,453,343 | 1,460,879 |
| s74 retained revenue receipts transferred to OPA | 337,995 | 299,294 | 269,385 | 256,877 | 222,012 |
| Other | 5,935 | 6,297 | 7,293 | 7,720 | 8,186 |
| ***Total cash used*** | **4,681,802** | **4,897,903** | **4,615,832** | **4,392,275** | **4,304,097** |
| **Net cash from or (used by) operating activities** | **14,012** | **-** | **-** | **-** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant and  equipment | 223,303 | 234,289 | 226,727 | 196,748 | 191,515 |
| ***Total cash used*** | **223,303** | **234,289** | **226,727** | **196,748** | **191,515** |
| **Net cash from or (used by) investing activities** | **(223,303)** | **(234,289)** | **(226,727)** | **(196,748)** | **(191,515)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Contributed equity | 216,997 | 234,289 | 226,727 | 196,748 | 191,515 |
| ***Total cash received*** | **216,997** | **234,289** | **226,727** | **196,748** | **191,515** |
| **Net cash from or (used by) financing activities** | **216,997** | **234,289** | **226,727** | **196,748** | **191,515** |
| **Net increase or (decrease) in cash held** | **7,706** | **-** | **-** | **-** | **-** |
| Cash and cash equivalents at the  beginning of the reporting period | 19,941 | 27,647 | 27,647 | 27,647 | 27,647 |
| **Cash and cash equivalents at the end of the reporting period** | **27,647** | **27,647** | **27,647** | **27,647** | **27,647** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated actual 2014-15 $'000 | Budget estimate 2015-16 $'000 | Forward estimate 2016-17 $'000 | Forward estimate 2017-18 $'000 | Forward estimate 2018-19 $'000 |
| **CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Capital Budget - Bill No. 1 (DCB) | 196,876 | 196,420 | 190,549 | 193,542 | 190,072 |
| Equity Injections - Bill No.2 | 20,442 | 37,548 | 36,178 | 3,206 | 1,443 |
| **Total capital appropriations** | **217,318** | **233,968** | **226,727** | **196,748** | **191,515** |
| **Provided for:** |  |  |  |  |  |
| Purchase of non-financial assets | 217,318 | 234,289 | 226,727 | 196,748 | 191,515 |
| Other Items | - | (321) | - | - | - |
| **Total Items** | **217,318** | **233,968** | **226,727** | **196,748** | **191,515** |
| **PURCHASE OF NON-FINANCIAL  ASSETS** |  |  |  |  |  |
| Funded by capital appropriations (a) | 20,121 | 37,869 | 36,178 | 3,206 | 1,443 |
| Funded by capital appropriation - DCB (b) | 196,876 | 196,420 | 190,549 | 193,542 | 190,072 |
| Funded internally from departmental resources (c) | 6,306 | - | - | - | - |
| **TOTAL AMOUNT SPENT** | **223,303** | **234,289** | **226,727** | **196,748** | **191,515** |
| **RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 223,303 | 234,289 | 226,727 | 196,748 | 191,515 |
| **Total cash used to acquire assets** | **223,303** | **234,289** | **226,727** | **196,748** | **191,515** |

1. Includes both Bill 2 and Act 4 appropriations.
2. Includes purchases from current and previous years’ Departmental Capital Budgets (DCBs).
3. Includes funding from s74 retained receipts.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Land $'000 | Buildings $'000 | Other property plant and equipment $'000 | Computer software and intangibles $'000 | Total $'000 |
| **As at 1 July 2015** |  |  |  |  |  |
| Gross book value | 5,225 | 381,292 | 323,733 | 889,256 | 1,599,506 |
| Accumulated depreciation / amortisation | - | (97,098) | (167,412) | (463,756) | (728,266) |
| **Opening net book balance** | **5,225** | **284,194** | **156,321** | **425,500** | **871,240** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |  |
| **Estimated expenditure on** |  |  |  |  |  |
| **new or replacement assets** |  |  |  |  |  |
| By purchase - appropriation equity (a) | - | - | 18,101 | 19,768 | 37,869 |
| By purchase - appropriation ordinary annual services (b) | - | 58,300 | 60,139 | 77,981 | 196,420 |
| By purchase - other |  |  |  |  | - |
| **Total additions** | **-** | **58,300** | **78,240** | **97,749** | **234,289** |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | (79,060) | (61,020) | (114,297) | (254,377) |
| Other | - | - | - | - | - |
| **Total other movements** | **-** | **(79,060)** | **(61,020)** | **(114,297)** | **(254,377)** |
| **As at 30 June 2016** |  |  |  |  |  |
| Gross book value | 5,225 | 439,592 | 401,973 | 987,005 | 1,833,795 |
| Accumulated depreciation/amortisation  and impairment | - | (176,158) | (228,432) | (578,053) | (982,643) |
| **Closing net book balance** | **5,225** | **263,434** | **173,541** | **408,952** | **851,152** |

1. ‘Appropriation equity’ refers to capital appropriations provided through Appropriation Bill (No. 2) 2015-16.
2. ‘Appropriation ordinary annual services’ refers to funding provided through Appropriation Bill (No. 1) 2015-16 for DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated actual 2014-15 $'000 | Budget estimate 2015-16 $'000 | Forward estimate 2016-17 $'000 | Forward estimate 2017-18 $'000 | Forward estimate 2018-19 $'000 |
| **EXPENSES ADMINISTERED ON** |  |  |  |  |  |
| **BEHALF OF GOVERNMENT** |  |  |  |  |  |
| Suppliers | 3,000 | - | - | - | - |
| Grants | 3,129 | - | - | - | - |
| Depreciation and amortisation | 36 | - | - | - | - |
| Write-down and impairment of assets | 93,871 | 95,038 | 96,000 | 97,012 | 90,239 |
| Other expenses (a) | 1,417,576 | 1,450,788 | 1,490,105 | 1,535,561 | 1,593,421 |
| **Total expenses administered on behalf of Government** | **1,517,612** | **1,545,826** | **1,586,105** | **1,632,573** | **1,683,660** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Own-source revenue** |  |  |  |  |  |
| **Non-taxation revenue** |  |  |  |  |  |
| Fees and fines | 9,246 | 9,201 | 9,440 | 9,716 | 10,021 |
| Dividends | 4,371 | 3,066 | 3,066 | 3,066 | 3,066 |
| Competitive neutrality revenue | 6,822 | 5,995 | 6,144 | 6,298 | 6,458 |
| Other revenue (b) | 1,511,447 | 1,545,650 | 1,585,817 | 1,632,251 | 1,683,337 |
| ***Total non-taxation revenue*** | **1,531,886** | **1,563,912** | **1,604,467** | **1,651,331** | **1,702,882** |
| **Total own-source revenues administered on behalf of Government** | **1,531,886** | **1,563,912** | **1,604,467** | **1,651,331** | **1,702,882** |
| **Total own-sourced income administered on behalf of Government** | **1,531,886** | **1,563,912** | **1,604,467** | **1,651,331** | **1,702,882** |
| **Net Cost of (contribution by) services** | **(14,274)** | **(18,086)** | **(18,362)** | **(18,758)** | **(19,222)** |
| **Surplus (Deficit)** | 14,274 | 18,086 | 18,362 | 18,758 | 19,222 |
| **Total comprehensive income (loss)** | **14,274** | **18,086** | **18,362** | **18,758** | **19,222** |

1. Other expenses include Child Support payments to custodial parents.
2. Other non-tax revenue includes Child Support revenue from non-custodial parents.

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated actual 2014-15 $'000 | Budget estimate 2015-16 $'000 | Forward estimate 2016-17 $'000 | Forward estimate 2017-18 $'000 | Forward estimate 2018-19 $'000 |
| **ASSETS ADMINISTERED ON** |  |  |  |  |  |
| **BEHALF OF GOVERNMENT** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 833 | 833 | 833 | 833 | 833 |
| Trade and other receivables | 758,124 | 788,226 | 818,939 | 851,061 | 892,511 |
| Other investments | 42,344 | 42,344 | 42,344 | 42,344 | 42,344 |
| ***Total financial assets*** | **801,301** | **831,403** | **862,116** | **894,238** | **935,688** |
| **Non-financial assets** |  |  |  |  |  |
| Property, plant and equipment | 12 | 12 | 12 | 12 | 12 |
| ***Total non-financial assets*** | **12** | **12** | **12** | **12** | **12** |
| **Total assets administered** |  |  |  |  |  |
| **on behalf of Government** | **801,313** | **831,415** | **862,128** | **894,250** | **935,700** |
| **LIABILITIES ADMINISTERED ON** |  |  |  |  |  |
| **BEHALF OF GOVERNMENT** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 508 | - | - | - | - |
| Other payables | 47,425 | 47,425 | 47,425 | 47,425 | 47,425 |
| ***Total payables*** | **47,933** | **47,425** | **47,425** | **47,425** | **47,425** |
| **Provisions** |  |  |  |  |  |
| Other provisions | 747,718 | 777,639 | 808,718 | 841,140 | 882,891 |
| ***Total provisions*** | **747,718** | **777,639** | **808,718** | **841,140** | **882,891** |
| **Total liabilities administered** |  |  |  |  |  |
| **on behalf of Government** | **795,651** | **825,064** | **856,143** | **888,565** | **930,316** |
| **Net assets/(liabilities)** | **5,662** | **6,351** | **5,985** | **5,685** | **5,384** |

Prepared on Australian Accounting Standards basis.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Estimated actual 2014-15 $'000 | Budget estimate 2015-16 $'000 | Forward estimate 2016-17 $'000 | Forward estimate 2017-18 $'000 | Forward estimate 2018-19 $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Dividends | 5,534 | 2,751 | 3,066 | 3,066 | 3,066 |
| Competitive neutrality | 7,646 | 5,875 | 6,144 | 6,298 | 6,458 |
| Net GST received | 613 | 51 | - | - | - |
| Other (a) | 1,405,670 | 1,430,811 | 1,469,209 | 1,513,498 | 1,562,334 |
| ***Total cash received*** | **1,419,463** | **1,439,488** | **1,478,419** | **1,522,862** | **1,571,858** |
| **Cash used** |  |  |  |  |  |
| Grants | 3,442 | - | - | - | - |
| Suppliers | 3,300 | 559 | - | - | - |
| Other (b) | 1,396,346 | 1,421,532 | 1,459,691 | 1,503,804 | 1,552,335 |
| ***Total cash used*** | **1,403,088** | **1,422,091** | **1,459,691** | **1,503,804** | **1,552,335** |
| **Net cash used by** |  |  |  |  |  |
| **operating activities** | **16,375** | **17,397** | **18,728** | **19,058** | **19,523** |
| ***Net increase or (decrease) in*** |  |  |  |  |  |
| ***cash held*** | **16,375** | **17,397** | **18,728** | **19,058** | **19,523** |
| Cash and cash equivalents at beginning of reporting period | 833 | 833 | 833 | 833 | 833 |
| Cash from Official Public Account for: |  |  |  |  |  |
| - Appropriations | 65,584 | 62,437 | 62,132 | 64,012 | 66,079 |
| - Special accounts | 1,336,226 | 1,358,938 | 1,396,894 | 1,439,127 | 1,485,591 |
| - Other | 613 | 51 | - | - | - |
|  | **1,402,423** | **1,421,426** | **1,459,026** | **1,503,139** | **1,551,670** |
| Cash to Official Public Account for: |  |  |  |  |  |
| - Appropriations | (59,455) | (61,929) | (62,132) | (64,012) | (66,079) |
| - Administered revenue | (22,504) | (17,905) | (18,728) | (19,058) | (19,523) |
| - Special accounts | (1,336,226) | (1,358,938) | (1,396,894) | (1,439,127) | (1,485,591) |
| - Other | (613) | (51) | - | - | - |
|  | **(1,418,798)** | **(1,438,823)** | **(1,477,754)** | **(1,522,197)** | **(1,571,193)** |
| **Cash and cash equivalents at end of reporting period** | **833** | **833** | **833** | **833** | **833** |

1. Other receipts received includes Child Support maintenance receipts from non-custodial parents, Child Support penalties, Director of Public Prosecutions (DPP) fines and certain compensation recoveries.
2. Other cash used includes Child Support payments to custodial parents and certain compensation recoveries.

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Administered capital budget statement (for the period ended 30 June)

The department does not have an administered capital budget.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Land $'000 | Buildings $'000 | Other property, plant and equipment $'000 | Computer software and intangibles $'000 | Total $'000 |
| **As at 1 July 2015** |  |  |  |  |  |
| Gross book value | - | - | 53 | - | 53 |
| Accumulated depreciation / amortisation | - | - | (41) | - | (41) |
| **Opening net book balance** | **-** | **-** | **12** | **-** | **12** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |  |
| **Total additions** | - | - | - | - | - |
| **Other movements** |  |  |  |  |  |
| Depreciation/amortisation expense | - | - | - | - | - |
| **Total Other movements** | **-** | **-** | **-** | **-** | **-** |
| **As at 30 June 2016** |  |  |  |  |  |
| Gross book value | - | - | 53 | - | 53 |
| Accumulated depreciation/amortisation  and impairment | - | - | (41) | - | (41) |
| **Closing net book balance** | **-** | **-** | **12** | **-** | **12** |

Prepared on Australian Accounting Standards basis.

#### 3.2.4 Notes to the financial statements

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

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

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

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

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

#### Departmental

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

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

#### Administered

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

# Portfolio glossary

| **Term** | **Meaning** |
| --- | --- |
| Available appropriation | The available appropriation indicates the total appropriations available to the entity for 2014–15. It includes all appropriations made available to the entity in the year including transfers under section 75 of the PGPA Act, formal reductions, Advance to the Finance Minister and movements of funds. |
| Administered item | Appropriation that is managed on behalf of the government. Any unspent appropriation is returned to the Consolidated Revenue Fund at the end of the financial year. An administered item is a component of an administered programme. |
| Appropriation | An amount of public money Parliament authorises for spending (i.e. funds to be withdrawn from the Consolidated Revenue Fund). Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes specified in the Appropriation Acts. |
| 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) | Entity Resourcing. Details total resourcing available to agencies. |
| Consolidated revenue fund (CRF) | The principal operating fund from which money is drawn to pay for the activities of the government. Section 81 of the Australian Constitution provides that all revenue raised or monies received by the Executive Government forms one consolidated revenue fund from which appropriations are made for the purposes of the Australian Government. |
| Corporate Commonwealth entity | A corporate Commonwealth entity is a Commonwealth entity that is a body corporate. |
| Departmental capital budget (DCB) | Funds provided in Appropriation Bills 1/3/5 for the ongoing replacement of minor assets. |
| Departmental item | Resources (assets, liabilities, revenues and expenses) that entity Chief Executive Officers control directly. This includes outsourced activities funded and controlled by the entity. Examples of departmental items include entity running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental programme. |
| Expenses not requiring appropriation in the Budget year | Expenses not involving a cash flow impact are generally not included within the calculation of an appropriation. Appropriation funding is not provided in respect of depreciation or amortisation expense. Also no funding is required for goods or services received free of charge that are then expensed. Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating administered appropriation amounts to be sought from Parliament. |
| Forward estimates period | The three years following the Budget year. For example, where 2015–16 is the Budget year, 2016–17 is forward year 1, 2017–18 is forward year 2 and 2018–19 is forward year 3. This period does not include the current or budget year. |
| General Government Sector (GGS) | A government finance statistics’ classification of all entities that are controlled and largely funded by the Commonwealth Government. The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies, user charging and external funding. This sector comprises all government departments, offices and some other bodies. |
| Measure | A new policy or savings decision of the government with financial impacts on the government's underlying cash balance; fiscal balance; operating balance; headline cash balance; net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in BP2, in the MYEFO and in the Pre-election Economic and Fiscal Outlook (PEFO). |
| Mid-Year Economic and Fiscal Outlook (MYEFO) | Around six months after the Budget, the Government produces the Mid-Year Economic and Fiscal Outlook (MYEFO) report. The report compares estimated expenditure to actual expenditure. MYEFO estimates include any government decisions made since the previous Budget that affected expenses and revenues. MYEFO also updates the budgetary position, including budget aggregates, by incorporating any changes to economic parameters. |
| Non-corporate Commonwealth entity | A non-corporate Commonwealth entity is a Commonwealth entity that is not a body corporate. |
| Official Public Account (OPA) | The OPA is the government’s central bank account held within the Reserve Bank of Australia. The OPA is the central component of the Consolidated Revenue Fund. |
| Outcome | An outcome is the intended result, consequence or impact of government actions on the Australian community. |
| Outcome statement | An outcome statement articulates the intended results, activities and target group of an Australian Government entity. An outcome statement serves three main purposes within the financial framework: 1. to explain and control the purposes for which annual appropriations are approved by the Parliament for use by agencies; 2. to provide a basis for annual budgeting, including (financial) reporting against the use of appropriated funds; and 3. to measure and assess entity and programme (non-financial) performance in contributing to government policy objectives. |
| Portfolio Budget Statements  (PB Statements) | Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and programme by each entity within a portfolio. |
| Portfolio Additional Estimates Statements (PAES) | Budget related paper detailing the changes in resourcing by outcome since the Budget which provides information on new measures and their impact on the financial and/or non‑financial planned performance of programmes supporting those outcomes. |
| Pre-election Economic and Fiscal Outlook (PEFO) | Budget estimates are updated before an election, in a report called the Pre-election Economic and Fiscal Outlook (PEFO). The update ensures that the government, the opposition, the Parliament and the public know the country’s fiscal position before the election.  In contrast to the other financial reports published each year by the government, the PEFO is prepared independently by the secretaries of Finance and Treasury and released under their names without consulting with the Cabinet. |
| Programme | An activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement. |
| Programme support | The entity running costs allocated to a programme. This is funded as part of the entity’s departmental appropriations. |
| *Public Governance, Performance and Accountability Act 2013*  (PGPA Act) | The PGPA Act commenced on 1 July 2014. It provides a principles based framework for Commonwealth resource management, supported by rules and guidance to assist Commonwealth entities to manage public resources. |
| s74 | Non-corporate Commonwealth entities can retain receipts for the amounts prescribed in section 27 of the PGPA. These receipts includes:   * retained (revenue) receipts and * retained (repayment) receipts.   Retained (revenue) receipts may increase a non-corporate Commonwealth entities’ most recent annual departmental item appropriation. Such receipts include:   * receipts from the provision of departmental goods and services * amounts that are managed in trust or similar arrangements * receipts from the sale of minor departmental assets, such as old computers, are disposed of at the end of their useful life.   Retained (repayment) receipts enable an appropriation that was used to make a Commonwealth payment to be re-credited with an amount received as a repayment of that earlier payment. For example when a supplier is overpaid and the non-corporate Commonwealth entities receives a repayment. |