



# Budget

## 2016-17

**Portfolio Budget Statements 2016-17**  
**Budget Related Paper No. 1.15B**

Social Services Portfolio

(Department of Human Services)

Budget Initiatives and Explanations of  
Appropriations Specified by Outcomes  
and Programs by Entity

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**The Hon Alan Tudge MP**  
**MINISTER FOR HUMAN SERVICES**

President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2016-17 Budget for the Social Services portfolio (Department of Human Services).

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

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

Yours sincerely

Alan Tudge

## 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nfp	not for publication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.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Statements) can be located on the Australian Government Budget website at: [budget.gov.au](http://budget.gov.au).

**USER GUIDE  
TO THE  
PORTFOLIO BUDGET STATEMENTS**

## USER GUIDE

The purpose of the *2016-17 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) 2016-17 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2016-17 for the parliamentary departments). In this sense the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' 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*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

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# **PORTFOLIO OVERVIEW**



# DEPARTMENT OF HUMAN SERVICES

## PORTFOLIO OVERVIEW

### Ministers and portfolio responsibilities

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

- The Hon Christian Porter MP, Minister for Social Services
- The Hon Alan Tudge MP, Minister for Human Services
- The Hon Jane Prentice MP, Assistant Minister for Disability Services
- The Hon Craig Laundry MP, Assistant Minister for Multicultural Affairs.

The Department of Human Services (the department) is part of the Social Services portfolio. Full details of the Social Services portfolio appear in the *Portfolio Budget Statements 2016-17, Budget Related Paper No. 1.15A, Social Services Portfolio*.

### DEPARTMENT OF HUMAN SERVICES

The department is responsible for providing advice to government on design, development, delivery, co-ordination and monitoring of government services. It is subject to the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The department has one outcome and delivers a range of government and other payments and services to almost every Australian including:

- **Centrelink** payments and services for retirees, the unemployed, families, carers, parents, students, people with disabilities, Aboriginal and Torres Strait Islander people, people from culturally and linguistically diverse backgrounds, people living overseas and provision of services at times of major change, including disaster recovery payments.
- **Aged care** payments to services funded under the *Aged Care Act 1997* including residential care, home care and flexible care services.
- **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.

*Portfolio overview*

- **Child Support** services for separated parents to provide the financial and emotional support necessary for their children’s wellbeing.

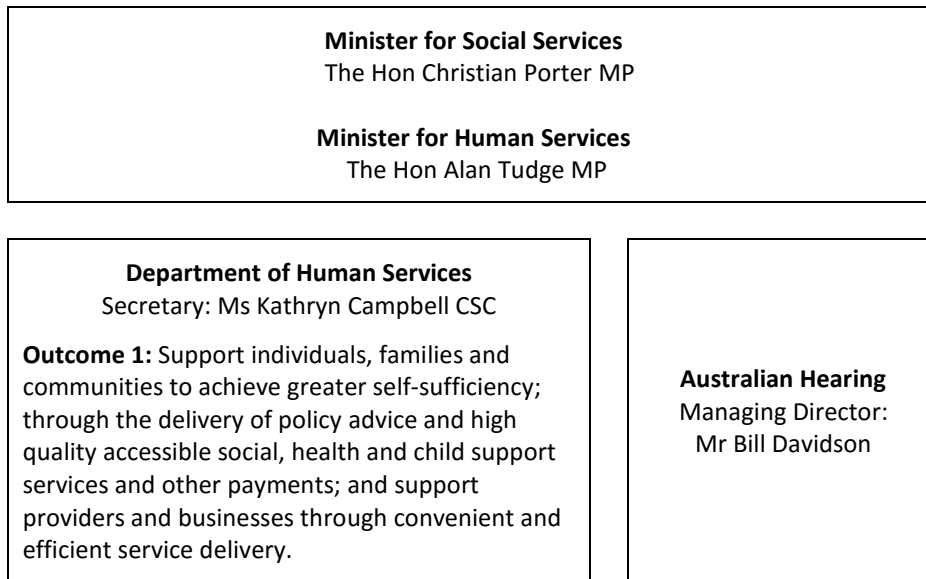
The department also delivers other services including the Tasmanian Freight Equalisation Scheme and Early Release of Superannuation, as well as whole of government services such as myGov.

## **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 Portfolio Additional Estimates Statements. 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.

For information on resourcing across the Social Services portfolio, please refer to Part 1: Agency Financial Resourcing in *Budget Paper No. 4: Agency Resourcing*.

**Figure 1: Department of Human Services portfolio structure and outcomes**



# **ENTITY RESOURCES AND PLANNED PERFORMANCE**

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# **Department of Human Services**

## **Entity resources and planned performance**





# DEPARTMENT OF HUMAN SERVICES

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## 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 programs. The department builds on its foundation of service excellence to improve the delivery of services to the Australian community. Through close collaboration with the community and partner agencies, the department plays an active role in developing new approaches to social and health related policy and service delivery.

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

*Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.*

The department 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 developing over time 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 the department's services when people need it and to enable rapid, flexible responses to the government's digital transformation agenda.

*DHS Budget Statements*

- Making the delivery of services and regulatory functions as efficient as possible, including reducing red tape, while providing effective outcomes for government and individuals.
- 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 self-sufficiency, while identifying and supporting those most in need.

## 1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (i.e. appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

**Table 1.1: Department of Human Services resource statement — Budget estimates for 2016-17 as at Budget May 2016**

	<i>2015-16 Estimated actual \$'000</i>	2016-17 Budget \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	962,574	914,451
Departmental appropriation (b)	4,243,557	4,077,891
s 74 retained revenue receipts (c)	191,718	169,133
Departmental capital budget (d)	196,094	189,675
Annual appropriations - other services - non-operating (e)		
Prior year appropriations available	321	-
Equity injection	47,638	59,325
<b>Total departmental resourcing</b>	<b>5,641,902</b>	<b>5,410,475</b>
<b>Administered</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	2,930	2,930
Outcome 1 (f)	2,252	1,565
<b>Total administered annual appropriations</b>	<b>5,182</b>	<b>4,495</b>
<b>Total administered special appropriations (g)</b>	<b>58,376</b>	<b>58,343</b>
Special accounts (g) (h)		
Opening balance	54,685	54,685
Appropriation receipts (i)	60,600	59,908
Non-appropriation receipts to special accounts (j)	1,390,303	1,423,404
<b>Total special account receipts</b>	<b>1,505,588</b>	<b>1,537,997</b>
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	60,600	59,908
<b>Total administered resourcing</b>	<b>1,508,546</b>	<b>1,540,927</b>
<b>Total resourcing for Department of Human Services</b>	<b>7,150,448</b>	<b>6,951,402</b>
	<i>2015-16</i>	<i>2016-17</i>
<b>Average staffing level (number)</b>	<b>30,210</b>	<b>29,292</b>

Prepared on a resourcing (i.e. appropriations available) basis.

**Table 1.1: Department of Human Services resource statement — Budget estimates for 2016-17 as at Budget May 2016 (continued)**

Please note: All figures shown are GST exclusive – these may not match figures in the cash flow statement.

- (a) Appropriation Bill (No.1) 2016-17.
- (b) Excludes \$9.6 million of 2015-16 appropriation subject to administrative quarantine under section 51 of the PGPA Act.  
Since the 2015-16 Budget, the department has transferred an amount of \$34.1 million from 2015-16 appropriation to the Department of Health under a section 75 determination due to machinery of government changes, effective from 11 November 2015. This comprised \$33.8 million for operating revenue and \$0.3 million in Departmental Capital Budget funding. Full details of the transfer were published in the *Portfolio Additional Estimates Statements 2015-16 Social Services Portfolio (Department of Human Services)*.
- (c) Estimated retained revenue receipts under section 74 of the PGPA Act.
- (d) Departmental capital budgets are not separately identified in Appropriation Bill (No.1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (e) Appropriation Bill (No.2) 2016-17.
- (f) The department does not have an administered capital budget.
- (g) For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Please also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (h) Excludes 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for Other Government and Non-agency Bodies accounts (SOG) or Services for Other Entities and Trust Moneys accounts (SOETM).
- (i) Amounts credited to the special account(s) from annual administered appropriations and special appropriations relating to Child Support.
- (j) Non-appropriation receipts mainly comprise receipts from non-custodial parents through the Child Support Account.

**Table 1.1: Department of Human Services resource statement — Budget estimates for 2016-17 as at Budget May 2016 (continued)****Third party payments from and on behalf of other entities**

	2015-16 <i>Estimated actual</i> \$'000	2016-17 Budget \$'000
<b>Payments made on behalf of another entity</b> (as disclosed in the respective entity's resource statement)		
<b>Attorney-General's Department</b>		
Special appropriation - <i>Social Security (Administration) Act 1999</i> - Australian Victim of Terrorism Overseas Payment	2,160	500
- Disaster Recovery Allowance	1,825	60
- Disaster Recovery Payment	24,559	60
Annual appropriation - Ex gratia assistance - New Zealand citizens	46	117
<b>Total</b>	<b>28,590</b>	<b>737</b>
<b>Department of Agriculture and Water Resources</b>		
Special appropriation - <i>Farm Household Support Act 2014</i> s 105 - payments for Farm Household Allowance	79,211	117,736
<b>Total</b>	<b>79,211</b>	<b>117,736</b>
<b>Department of Defence</b>		
Annual appropriation - Closure of Hunter River and Port Stephens Fisheries - Assistance to individuals and Businesses	2,568	2,156
<b>Total</b>	<b>2,568</b>	<b>2,156</b>
<b>Department of Education and Training</b>		
Special appropriation - <i>A New Tax System (Family Assistance) (Administration) Act 1999</i> (a)	1,517,805	2,101,539
<b>Total</b>	<b>1,517,805</b>	<b>2,101,539</b>
<b>Department of Employment</b>		
Annual appropriation - Job Commitment Bonus	34,219	15,486
<b>Total</b>	<b>34,219</b>	<b>15,486</b>
<b>Department of Health</b>		
Special appropriation - <i>Health Insurance Act 1973</i> - Medical Benefits	21,080,530	21,850,644
Special appropriation - <i>National Health Act 1953</i> - Pharmaceutical Benefits	9,735,871	10,109,505
Special appropriation - <i>Private Health Insurance Act 2007</i>	5,953,427	6,249,233
Special appropriation - <i>Dental Benefits Act 2008</i>	313,741	-
Special appropriation - <i>National Health Act 1953</i> - Aids and Appliances	336,427	292,219
Special appropriation - <i>Medical Indemnity Agreement Act 2002</i>	88,700	93,400
Special Account - Australian Childhood Immunisation Register	9,563	9,650
Special appropriation - <i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	3,904	2,949
Special appropriation - <i>Aged Care Act 1997</i> (b)	9,075,795	12,923,548
Special appropriation - <i>National Health Act 1953</i> – Continence Aids Assistance Scheme (b)	35,815	86,661
<b>Total</b>	<b>46,633,773</b>	<b>51,617,809</b>

**Table 1.1: Department of Human Services resource statement — Budget estimates for 2016-17 as at Budget May 2016 (continued)**

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

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000
<b>Payments made on behalf of other entities (continued)</b>		
<b>Department of Immigration and Border Protection</b>		
Annual appropriation - Asylum Seeker Support	300	170
<b>Total</b>	<b>300</b>	<b>170</b>
<b>Department of Infrastructure and Regional Development</b>		
Annual appropriation - Tasmanian Freight Equalisation Scheme	141,950	170,595
Annual appropriation - Bass Strait Passenger Vehicle Equalisation Scheme	46,200	47,300
<b>Total</b>	<b>188,150</b>	<b>217,895</b>
<b>Department of Social Services</b>		
Special appropriation - <i>A New Tax System (Family Assistance) (Administration) Act 1999 (a)</i>	21,830,897	20,802,323
Special appropriation - <i>Social Security (Administration) Act 1999</i>	89,819,268	92,178,364
Special appropriation - <i>Paid Parental Leave Act 2010</i>	2,046,093	1,764,011
Special appropriation - <i>Student Assistance Act 1973</i>	334,559	348,032
Special appropriation - <i>Aged Care Act 1997 (b)</i>	2,945,528	-
Special appropriation - <i>National Health Act 1953 – Contenance Aids Assistance Scheme (b)</i>	63,623	-
Annual appropriation - Compensation and Debt Relief	198	198
Annual appropriation - Ex Gratia and Act of Grace Payments	3,769	3,766
<b>Total</b>	<b>117,043,935</b>	<b>115,096,694</b>
<b>Department of Veterans' Affairs</b>		
Special appropriation - <i>Veterans' Entitlements Act 1986</i> and related acts	3,632,819	3,593,391
Special appropriation - <i>Military Rehabilitation and Compensation Act 2004</i>	39,864	48,496
Special appropriation - <i>Safety, Rehabilitation and Compensation Act 1988</i>	12,941	12,514
Special appropriation - <i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	360	359
<b>Total</b>	<b>3,685,984</b>	<b>3,654,760</b>
<b>Total third party payments</b>	<b>169,214,535</b>	<b>172,824,982</b>

- (a) Responsibility for child care benefit, child care rebate, child care services and registered carers transferred from the Department of Social Services to the Department of Education and Training as a result of the Administrative Arrangements order dated 21 September 2015.
- (b) Responsibility for aged care and the continence aids assistance scheme transferred from the Department of Social Services to the Department of Health as a result of the Administrative Arrangements order dated 30 September 2015.



**Table 1.1: Department of Human Services resource statement — Budget estimates for 2016-17 as at Budget May 2016 (continued)**

	<i>2015-16 Estimated actual \$'000</i>	2016-17 Budget \$'000
<b>Third party payments from and on behalf of other entities (continued)</b>		
<b>Payments made to other entities for the provision of services</b>		
Attorney-General's Department	2,100	1,500
Australian Federal Police	2,522	2,859
Australian Postal Corporation	70,600	70,600
Comcare	62,937	63,573
Commonwealth Superannuation Corporation	5,598	6,000
Department of Finance	41,399	42,341
Department of Health	591	-
Department of Immigration and Border Protection	12	12
Department of Social Services	340	-
Reserve Bank of Australia	15,221	15,221
<b>Total Payments made to other entities for the provision of services</b>	<b>201,320</b>	<b>202,106</b>
<b>Receipts received from other entities for the provision of services (disclosed above in s 74 Retained revenue receipts section)</b>		
Attorney-General's Department	373	-
Australian Digital Health Agency	-	2,396
Australian Electoral Commission	1,664	5,180
Australian Taxation Office	8,025	551
Department of Employment and Training	150	-
Department of Finance	4	-
Department of Foreign Affairs and Trade	6,662	6,733
Department of Health	32,400	27,712
Department of Immigration and Border Protection	3,471	1,079
Department of Social Services	3,062	2,538
Department of the Environment	13	-
Department of the Prime Minister and Cabinet	2,969	2,323
Department of Veterans' Affairs	27,420	33,230
National Disability Insurance Agency	6,134	5,811
<b>Total s 74 retained revenue receipts received from other entities for the provision of services</b>	<b>92,347</b>	<b>87,553</b>

### 1.3 BUDGET MEASURES

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

**Table 1.2: Entity 2016-17 Budget measures**

**Part 1: Measures announced since the 2015-16 Mid-Year Economic and Fiscal Outlook (MYEFO)**

	Program	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Revenue measures (a)</b>						
<b>Department of Finance</b>						
Australian Hearing Services — a strong and viable future Administered revenue	1.1	-	2,200	-	-	-
<b>Department of Social Services</b>						
Compulsory Rent Deduction Scheme — establishment Departmental revenue	1.1	nfp	nfp	nfp	nfp	nfp
<b>Total revenue measures</b>						
Administered		-	2,200	-	-	-
Departmental		-	-	-	-	-
<b>Total</b>		<b>-</b>	<b>2,200</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expense measures (a)</b>						
<b>Department of Human Services</b>						
Department of Human Services — administrative efficiencies Departmental expense	1.1, 1.2, 1.3	-	(20,000)	(20,000)	(20,000)	(20,000)
myGov operations Departmental expense	1.1	845	12,892	9,253	9,328	9,409
<b>Department of Defence</b>						
Closure of Hunter River and Port Stephens Fisheries — assistance to individuals and businesses — extension (b) Departmental expense	1.1	-	-	-	-	-
<b>Department of Education and Training</b>						
Investing in Child Care — ICT System Departmental expense	1.1	-	-	-	-	-
Jobs for Families Package — deferred implementation Departmental expense	1.1	(3,985)	(32,291)	(11,277)	5,888	8,166
<b>Department of Employment</b>						
Job Commitment Bonus — cessation Departmental expense	1.1	350	1,912	(2,316)	(2,543)	(2,578)

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

**Table 1.2: Entity 2016-17 Budget measures (continued)****Part 1: Measures announced since the 2015-16 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)**

	Program	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Expense measures (a) (continued)</b>						
<b>Department of Employment (continued)</b>						
Youth Jobs PaTH — Prepare — Trial — Hire						
Departmental expense	1.1	110	7,762	841	723	727
<b>Department of Health</b>						
Aged Care Provider Funding — further revision of the Aged Care Funding Instrument						
Departmental expense	1.1	163	1,099	102	95	87
— improving the targeting of the viability supplement for regional aged care facilities						
Departmental expense	1.1	9	1,752	180	180	181
Child and Adult Public Dental Scheme						
Departmental expense	1.2	4,137	(14,442)	(14,552)	(14,652)	(14,753)
Healthier Medicare						
— removing obsolete services from the Medicare Benefits Schedule						
Departmental expense	1.2	-	(7)	(8)	(9)	(10)
— trial of health care homes						
Departmental expense	1.2	132	2,008	732	405	-
Medicare Benefits Schedule — listing of photography with non-mydratic retinal cameras						
Departmental expense	1.2	-	41	110	152	164
— Magnetic Resonance Imaging of the breast						
Departmental expense	1.2	-	1	2	2	2
— new and amended listings						
Departmental expense	1.2	-	(26)	(43)	(45)	(48)
— pause indexation						
Departmental expense	1.2	-	-	-	-	28
Medicare Benefits Schedule and Pharmaceutical Benefits Scheme Data — efficiencies						
Departmental expense	1.2	44	-	-	-	-
Pharmaceutical Benefits Scheme — new and amended listings						
Departmental expense	1.2	382	189	91	58	66
Quality Improvement in General Practice — simplification of the Practice Incentives Program						
Departmental expense	1.2	66	6,973	407	284	277

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

**Part 1: Measures announced since the 2015-16 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)**

	Program	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Expense measures (a) (continued)</b>						
<b>Department of Immigration and Border Protection</b>						
A Streamlined Pathway to Permanent Residence for New Zealand Citizens						
Departmental expense	1.1	-	594	6	6	3
<b>Department of Social Services</b>						
Compulsory Rent Deduction Scheme — establishment						
Departmental expense	1.1	nfp	nfp	nfp	nfp	nfp
Disability Support Pension — amending portability rules for para-athletes preparing for the Paralympic Games (b)						
Departmental expense	1.1	-	-	-	-	-
Mobility Allowance — transition to the National Disability Insurance Scheme						
Departmental expense	1.1	-	2,516	198	123	921
National Disability Insurance Scheme Savings Fund						
Departmental expense	1.1	2,860	29,734	29,906	29,476	6,712
Simplifying Student Payments						
Departmental expense	1.1	60	2,237	(1,051)	(883)	(1,318)
Cashless Debit Card — third trial site						
Departmental expense	1.1	-	nfp	nfp	-	-
<b>Department of Veterans' Affairs</b>						
Department of Veterans' Affairs — business case for veteran-centric reform						
Departmental expense	1.1	2,222	3,893	-	-	-
<b>Total expense measures</b>						
Administered						
Departmental		-	-	-	-	-
Departmental		7,395	6,837	(7,419)	8,588	(11,964)
<b>Total</b>		<b>7,395</b>	<b>6,837</b>	<b>(7,419)</b>	<b>8,588</b>	<b>(11,964)</b>

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

**Table 1.2: Entity 2016-17 Budget measures (continued)****Part 1: Measures announced since the 2015-16 Mid-Year Economic and Fiscal Outlook (MYEFO) (continued)**

	Program	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Capital measures (a)</b>						
<b>Department of Human Services</b>						
myGov operations						
Departmental capital	1.1	-	1,500	1,500	1,500	1,500
<b>Department of Education and Training</b>						
Investing in Child Care — ICT System						
Departmental capital	1.1	-	-	-	-	-
<b>Cross Portfolio</b>						
Trans-Pacific Partnership — Implementation						
Departmental capital	1.1, 1.2, 1.3	-	300	-	-	-
<b>Department of Health</b>						
Child and Adult Public Dental Scheme						
Departmental capital	1.2	-	(46)	(46)	(46)	(46)
Healthier Medicare — trial of health care homes						
Departmental capital	1.2	148	1,463	-	-	-
<b>Total capital measures</b>						
Administered		-	-	-	-	-
Departmental		148	3,217	1,454	1,454	1,454
<b>Total</b>		<b>148</b>	<b>3,217</b>	<b>1,454</b>	<b>1,454</b>	<b>1,454</b>

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

- (a) Measures are listed by lead entity. The full measure description and package details appear in Budget Paper No. 2 under the relevant portfolio.
- (b) Costs for this measure have been absorbed by the department.

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

**Part 2: Other measures not previously reported in a portfolio statement**

	Program	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Measures (a)</b>						
<b>Department of Human Services</b>						
Public Sector Savings – Shared and Common Services						
Departmental expenses	1.1, 1.2, 1.3	-	(1,756)	(3,511)	(3,511)	-
Revised Employer superannuation rates						
Departmental expenses	1.1, 1.2, 1.3	-	(8,146)	(7,921)	(7,688)	(7,449)
National Disability Insurance Scheme – Full Scheme ICT						
Departmental expenses	1.1	11,275	15,094	16,046	16,232	14,968
Departmental capital	1.1	(5,400)	11,376	577	577	577
<b>Department of Social Services</b>						
NDIS Savings Fund - remove Carer Allowance backdating provisions						
Departmental expenses	1.1	-	1,225	66	10	10
<b>Total measures</b>						
Administered						
Departmental		-	-	-	-	-
Departmental		5,875	17,793	5,257	5,620	8,106
<b>Total</b>		<b>5,875</b>	<b>17,793</b>	<b>5,257</b>	<b>5,620</b>	<b>8,106</b>

Prepared on a Government Finance Statistics (fiscal) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

(a) Measures are listed by lead entity. The full measure description and package details appear in Budget Paper No. 2 under the relevant portfolio.

## Section 2: Outcomes and planned performance

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

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

**Note:**

From 1 July 2015, performance reporting requirements in the Portfolio Budget Statements sit alongside those required under the enhanced Commonwealth performance framework. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements - included in Annual Reports from October 2016 - to provide an entity's complete performance story.

## 2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

**Outcome 1: Support individuals, families and communities to achieve greater self-sufficiency; through the delivery of policy advice and high quality accessible social, health and child support services and other payments; and support providers and businesses through convenient and efficient service delivery.**

### Linked programs for Outcome 1

<b>Entity: Attorney-General's Department</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.2 Attorney-General's Department Operating Expenses – National Security and Criminal Justice</li> <li>• 1.7 National Security and Criminal Justice</li> <li>• 1.8 Australian Government Disaster Financial Support Payments</li> </ul>
<b>Entity: Australian Digital Health Agency</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.1 Digital Health</li> </ul>
<b>Entity: Australian Organ and Tissue Donation and Transplantation Authority</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.1 A Nationally Coordinated System for Organ and Tissue Donation for Transplantation</li> </ul>
<b>Entity: Australian Taxation Office</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.1 Australian Tax Office</li> </ul>
<b>Entity: Department of Agriculture and Water Resources</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.12 Rural Programmes</li> </ul>
<b>Entity: Department of Defence</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.9 Estate and Infrastructure</li> </ul>
<b>Entity: Department of Education and Training</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.6 Support for the Child Care System</li> <li>• 1.7 Child Care Benefit</li> <li>• 1.8 Child Care Rebate</li> <li>• 2.7 International Education Support</li> <li>• 2.8 Building Skills and Capability</li> </ul>



**Linked programs for Outcome 1 (continued)**

<b>Entity: Department of Employment</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.1 Employment Services</li> </ul>
<b>Entity: Department of the Environment</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.1 Sustainable Management of Natural Resources and the Environment</li> </ul>
<b>Entity: Department of Foreign Affairs and Trade</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 2.1 Consular Services</li> <li>• 2.2 Passport Services</li> </ul>
<b>Entity: Department of Health</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.1 Health Policy Research and Analysis</li> <li>• 1.2 Health Innovation and Technology</li> <li>• 2.2 Aboriginal and Torres Strait Islander Health</li> <li>• 2.3 Health Workforce</li> <li>• 2.4 Preventive Health and Chronic Disease Support</li> <li>• 2.5 Primary Health Care Quality and Coordination</li> <li>• 2.6 Primary Care Practice Incentives</li> <li>• 4.1 Medical Benefits</li> <li>• 4.2 Hearing Services</li> <li>• 4.3 Pharmaceutical Benefits</li> <li>• 4.4 Private Health Insurance</li> <li>• 4.5 Medical Indemnity</li> <li>• 4.6 Dental Services</li> <li>• 4.7 Health Benefit Compliance</li> <li>• 4.8 Targeted Assistance - Aids and Appliances</li> <li>• 5.3 Immunisation</li> <li>• 6.2 Home Support and Care</li> <li>• 6.3 Residential and Flexible Care</li> </ul>
<b>Entity: Department of Immigration and Border Protection</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.3 Compliance and Detention</li> <li>• 1.4 IMA Onshore Management</li> <li>• 2.1 Citizenship</li> <li>• 2.4 Refugee and Humanitarian Assistance</li> </ul>

**Linked programs for Outcome 1 (continued)**

<b>Entity: Department of Infrastructure and Regional Development</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>• 2.2 Surface Transport</li> </ul>
<b>Entity: Department of the Prime Minister and Cabinet</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>• 2.1 Indigenous Advancement - Jobs, Land and Economy</li> <li>• 2.2 Indigenous Advancement - Children and Schooling</li> </ul>
<b>Entity: Department of Social Services</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>• 1.1 Family Tax Benefit</li> <li>• 1.2 Child Payments</li> <li>• 1.3 Income Support for Vulnerable People</li> <li>• 1.4 Income Support for People in Special Circumstances</li> <li>• 1.5 Supplementary Payments and Support for Income Support Recipients</li> <li>• 1.6 Income Support for Seniors</li> <li>• 1.7 Allowances and Concessions for Seniors</li> <li>• 1.8 Income Support for People with Disability</li> <li>• 1.9 Income Support for Carers</li> <li>• 1.10 Working Age Payments</li> <li>• 1.11 Student Payments</li> <li>• 2.1 Families and Communities</li> <li>• 2.2 Paid Parental Leave</li> <li>• 3.1 Disability, Mental Health and Carers</li> </ul>
<b>Entity: Department of the Treasury</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>• 1.1 Department of the Treasury</li> </ul>
<b>Entity: Department of Veterans' Affairs</b>
<b>Programs</b>
<ul style="list-style-type: none"> <li>• 1.1 Veterans' Income Support and Allowances</li> <li>• 2.1 General Medical Consultations and Services</li> <li>• 2.2 Veterans' Hospital Services</li> <li>• 2.3 Veterans' Pharmaceuticals Benefits</li> <li>• 2.4 Veterans' Community Care and Support</li> <li>• 2.5 Veterans' Counselling and Other Health Services</li> </ul>

**Linked programs for Outcome 1 (continued)**

<b>Entity: National Disability Insurance Agency</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.1 Reasonable and necessary care and support for participants</li> <li>• 1.3 Agency Costs</li> </ul>
<b>Entity: Professional Services Review</b>
<b>Programs</b> <ul style="list-style-type: none"> <li>• 1.1 Safeguarding the Integrity of the Medicare Program and Pharmaceutical Benefits Scheme</li> </ul>
<b>Contribution made by Outcome 1</b> Outcome 1 contributes to the linked programs above by the provision of information, services and payments on behalf of the entities listed within Australia and where applicable, overseas.

**Budgeted expenses for Outcome 1**

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

**Table 2.1.1: Budgeted expenses for Outcome 1**

	2015-16 Estimated actual \$'000	2016-17 Budget estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 1.1: Services to the Community - Social Security and Welfare</b>					
Administered expenses					
Expenses not requiring appropriation in the Budget year (a)	424	-	-	-	-
<b>Administered total</b>	<b>424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Departmental expenses					
Departmental appropriations 74 Retained revenue receipts (b)	3,263,695	3,233,397	2,999,150	2,973,445	2,968,516
Expenses not requiring appropriation in the Budget year (a)	182,157	201,767	181,255	183,919	195,170
<b>Departmental total</b>	<b>3,518,222</b>	<b>3,505,783</b>	<b>3,244,653</b>	<b>3,218,557</b>	<b>3,220,789</b>
<b>Total expenses for program 1.1</b>	<b>3,518,646</b>	<b>3,505,783</b>	<b>3,244,653</b>	<b>3,218,557</b>	<b>3,220,789</b>
<b>Program 1.2: Services to the Community - Health</b>					
Departmental expenses					
Departmental appropriations 74 Retained revenue receipts (b)	521,724	463,644	466,791	461,452	478,679
Expenses not requiring appropriation in the Budget year (a)	34,816	39,571	35,879	36,798	39,118
<b>Departmental total</b>	<b>623,856</b>	<b>548,737</b>	<b>553,989</b>	<b>514,419</b>	<b>519,637</b>
<b>Total expenses for program 1.2</b>	<b>623,856</b>	<b>548,737</b>	<b>553,989</b>	<b>514,419</b>	<b>519,637</b>

**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

	2015-16 Estimated actual \$'000	2016-17 Budget estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 1.3: Child Support</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	2,224	1,565	1,603	1,642	1,681
Special appropriations					
Child Support Act (c)					
- s 77 - unremitted deductions	58,326	58,293	59,685	61,116	62,577
- s 78 - unexplained remittances	50	50	50	50	50
Special accounts					
Child Support Account	1,369,287	1,406,070	1,438,215	1,481,081	1,529,264
Expenses not requiring appropriation in the Budget year (a)	119,019	86,983	89,142	81,520	69,384
<b>Administered total</b>	<b>1,548,906</b>	<b>1,552,961</b>	<b>1,588,695</b>	<b>1,625,409</b>	<b>1,662,956</b>
Departmental expenses					
Departmental appropriation	433,679	423,202	424,479	426,384	429,086
s 74 Retained revenue receipts (b)	2,776	2,804	2,804	2,804	2,804
Expenses not requiring appropriation in the Budget year (a)	23,684	25,496	22,747	22,917	23,814
<b>Departmental total</b>	<b>460,139</b>	<b>451,502</b>	<b>450,030</b>	<b>452,105</b>	<b>455,704</b>
<b>Total expenses for program 1.3</b>	<b>2,009,045</b>	<b>2,004,463</b>	<b>2,038,725</b>	<b>2,077,514</b>	<b>2,118,660</b>
<b>Outcome 1 Totals by appropriation type</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	2,224	1,565	1,603	1,642	1,681
Special appropriations	58,376	58,343	59,735	61,166	62,627
Special accounts	1,369,287	1,406,070	1,438,215	1,481,081	1,529,264
Expenses not requiring appropriation in the Budget year (a)	119,443	86,983	89,142	81,520	69,384
<b>Administered total</b>	<b>1,549,330</b>	<b>1,552,961</b>	<b>1,588,695</b>	<b>1,625,409</b>	<b>1,662,956</b>
Departmental expenses					
Departmental appropriation	4,219,098	4,120,243	3,890,420	3,861,281	3,876,281
s 74 Retained revenue receipts (b)	142,462	118,945	118,371	80,166	61,747
Expenses not requiring appropriation in the Budget year (a)	240,657	266,834	239,881	243,634	258,102
<b>Departmental total</b>	<b>4,602,217</b>	<b>4,506,022</b>	<b>4,248,672</b>	<b>4,185,081</b>	<b>4,196,130</b>
<b>Total expenses for Outcome 1</b>	<b>6,151,547</b>	<b>6,058,983</b>	<b>5,837,367</b>	<b>5,810,490</b>	<b>5,859,086</b>
	2015-16	2016-17			
<b>Average staffing level (number)</b>	30,210	<b>29,292</b>			

**Table 2.1.1: Budgeted expenses for Outcome 1 (Continued)**

- (a) Administered expenses not requiring appropriation in the Budget year comprise depreciation expense and write down of assets. Departmental expenses not requiring appropriation in the Budget year include unfunded depreciation and amortisation expense; and resources consumed free of charge.
- (b) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
- (c) *Child Support (Registration and Collection) Act 1988.*

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

**Table 2.1.2: Performance criteria for Outcome 1**

Table 2.1.2 below details the performance criteria for each program associated with Outcome 1. It also summarises how each program is delivered and where 2016-17 Budget measures have created new programs or materially changed existing programs.

<b>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.</b>		
<b>Program 1.1 – Services to the Community - Social Security and Welfare</b>		
The department supports individuals, families and communities to achieve greater self-sufficiency by providing access to social security and welfare payments and services on behalf of the Australian Government.		
<b>Delivery</b>	The department provides social security and welfare payments and services to the community through service centres located across Australia, digital services and smart centres.	
<b>Program 1.1 Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
<b>Customer satisfaction</b>		
2015-16	Achievement of customer satisfaction standards.	≥85% Target not expected to be met.
2016-17	As per 2015-16.	≥85%
2017-18 and beyond	As per 2016-17.	≥85%
<b>Achievement of digital service level standards</b>		
2015-16	Departmental interactions completed through digital channels.	≥5% increase on previous year. Target expected to be met.
2016-17	As per 2015-16.	≥5% increase on previous year.
2017-18 and beyond	As per 2016-17.	≥5% increase on previous year.
2015-16	Availability of ICT systems that support 24/7 customer access.	≥98% Target expected to be met.
2016-17	As per 2015-16.	≥98%
2017-18 and beyond	As per 2016-17.	≥98%
<b>Achievement of payment quality standards</b>		
2015-16	Centrelink: Delivery of correct customer payments.	≥95% Target expected to be met.
2016-17	As per 2015-16.	≥95%
2017-18 and beyond	As per 2016-17.	≥95%

**Table 2.1.2: Performance criteria for Outcome 1 (continued)**

<b>Program 1.1: Performance information (continued)</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
<b>Key initiatives delivered as agreed within timeframes and on budget</b>		
2015-16	Welfare Payments Infrastructure Transformation Budget measure.	Achieved Target expected to be met.
2016-17	As per 2015-16.	Achieved
2017-18 and beyond	As per 2016-17.	Achieved
2015-16	Strengthening the integrity of welfare payments Budget measure.	Achieved Target expected to be met.
2016-17	As per 2015-16.	Achieved
2017-18 and beyond	As per 2016-17.	Achieved
2015-16	Jobs Budget measures.	Achieved Target expected to be met.
2016-17	As per 2015-16.	Achieved
2017-18 and beyond	As per 2016-17.	Achieved
2015-16	Families Budget measures.	Achieved Target expected to be met.
2016-17	As per 2015-16.	Achieved
2017-18 and beyond	As per 2016-17.	Achieved
2015-16	Income Management Budget measure.	Achieved Target expected to be met.
2016-17	As per 2015-16.	Achieved
2017-18 and beyond	As per 2016-17.	Achieved
<b>Support economic and social participation of Indigenous Australians through the timely delivery of appropriate departmental payments and services</b>		
2015-16	Centrelink: Delivery of correct payments for Indigenous Australians.	≥95% Target expected to be met.
2016-17	As per 2015-16.	≥95%
2017-18 and beyond	As per 2016-17.	≥95%
<b>Achievement of face-to-face service level standards</b>		
2015-16	Average wait time.	≤15 minutes Target expected to be met.
2016-17	As per 2015-16.	≤15 minutes
2017-18 and beyond	As per 2016-17.	≤15 minutes



Table 2.1.2: Performance criteria for Outcome 1 (continued)

<b>Program 1.1: Performance information (continued)</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
<b>Achievement of telephony service level standards</b>		
2015-16	Average speed of answer.	≤16 minutes Target expected to be met.
2016-17	As per 2015-16.	≤16 minutes
2017-18 and beyond	As per 2016-17.	≤16 minutes
<b>Achievement of processing service level standards</b>		
2015-16	Claims processed within standard.	≥82% Target expected to be met.
2016-17	As per 2015-16.	≥82%
2017-18 and beyond	As per 2016-17.	≥82%
<b>Internal reviews</b>		
2015-16	Percentage of reviews finalised within standard.	≥70% Target expected to be met.
2016-17	As per 2015-16.	≥70%
2017-18 and beyond	As per 2016-17.	≥70%
<b>Achievement of payment integrity standards</b>		
2015-16	Centrelink: Debt under recovery.	≥60% Target expected to be met.
2016-17	As per 2015-16.	≥60%
2017-18 and beyond	As per 2016-17.	≥60%
<b>Purpose</b>	The department is responsible for the design, development, delivery, co-ordination and monitoring of government services, social security, child support, students, families, aged care, health programs and superannuation release to the community on behalf of the Australian Government.	
<b>There have been no material changes to Program 1.1 as a result of Budget measures.</b>		

**Table 2.1.2: Performance criteria for Outcome 1 (continued)**

<b>Program 1.2 – Services to the Community – Health</b>		
The department supports individuals, families and communities to achieve greater self-sufficiency by providing access to health payments and services on behalf of the Australian Government.		
<b>Delivery</b>	The department provides health payments and services to the community and systems that support the delivery of services by providers and business through service centres located across Australia, digital services and smart centres.	
<b>Program 1.2 Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
<b>Satisfaction with Medicare provider service delivery</b>		
2015-16	Practitioners.	≥70% Target expected to be met.
2016-17	As per 2015-16.	≥70%
2017-18 and beyond	As per 2016-17.	≥70%
2015-16	Pharmacists.	≥70% Target expected to be met.
2016-17	As per 2015-16.	≥70%
2017-18 and beyond	As per 2016-17.	≥70%
2015-16	Practice managers.	≥70% Target expected to be met.
2016-17	As per 2015-16.	≥70%
2017-18 and beyond	As per 2016-17.	≥70%
<b>Customer satisfaction</b>		
2015-16	Achievement of customer satisfaction standards.	≥85% Target not expected to be met.
2016-17	As per 2015-16.	≥85%
2017-18 and beyond	As per 2016-17.	≥85%
<b>Achievement of digital service level standards</b>		
2015-16	Medicare Benefits Schedule digital claiming rate.	≥96% Target expected to be met.
2016-17	As per 2015-16.	≥96%
2017-18 and beyond	As per 2016-17.	≥96%
2015-16	Departmental interactions completed via digital channels.	≥5% increase on previous year. Target expected to be met.
2016-17	As per 2015-16.	≥5% increase on previous year.
2017-18 and beyond	As per 2016-17.	≥5% increase on previous year.

Table 2.1.2: Performance criteria for Outcome 1 (continued)

Program 1.2 Performance information (continued)		
Year	Performance criteria	Targets
<b>Achievement of digital service level standards (continued)</b>		
2015-16	Availability of ICT systems that support 24/7 customer access.	≥98% Target expected to be met.
2016-17	As per 2015-16.	≥98%
2017-18 and beyond	As per 2016-17.	≥98%
<b>Achievement of payment quality standards</b>		
2015-16	Medicare: Delivery of accurate medical benefits and services.	≥98% Target expected to be met.
2016-17	As per 2015-16.	≥98%
2017-18 and beyond	As per 2016-17.	≥98%
<b>Achievement of face-to-face service level standards</b>		
2015-16	Average wait time.	≤15 minutes Target expected to be met.
2016-17	As per 2015-16.	≤15 minutes
2017-18 and beyond	As per 2016-17.	≤15 minutes
<b>Achievement of telephony service level standards - Average speed of answer</b>		
2015-16	Pharmaceutical Benefits Scheme Authorities and eHealth Providers.	≤30 seconds Target not expected to be met.
2016-17	As per 2015-16.	≤30 seconds
2017-18 and beyond	As per 2016-17.	≤30 seconds
2015-16	Providers.	≤2 minutes Target expected to be met.
2016-17	As per 2015-16.	≤2 minutes
2017-18 and beyond	As per 2016-17.	≤2 minutes
2015-16	Customers.	≤7 minutes Target expected to be met.
2016-17	As per 2015-16.	≤7 minutes
2017-18 and beyond	As per 2016-17.	≤7 minutes
<b>Achievement of processing service level standards</b>		
2015-16	Claims processed within standard.	≥82% Target expected to be met.
2016-17	As per 2015-16.	≥82%
2017-18 and beyond	As per 2016-17.	≥82%

**Table 2.1.2: Performance criteria for Outcome 1 (continued)**

<b>Program 1.2 Performance information (continued)</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
<b>Achievement of payment integrity standards</b>		
2015-16	Medicare: Completed interventions with customers for compliance purposes.	≥300 Target expected to be met.
2016-17	As per 2015-16.	≥300
2017-18 and beyond	As per 2016-17.	≥300
<b>Purpose</b>	The department is responsible for the design, development, delivery, co-ordination and monitoring of government services, social security, child support, students, families, aged care, health programs and superannuation release to the community on behalf of the Australian Government.	
<b>There have been no material changes to Program 1.2 as a result of Budget measures.</b>		

Table 2.1.2: Performance criteria for Outcome 1 (continued)

<b>Program 1.3 – Child Support</b>		
The department's Child Support program is designed to ensure that both parents contribute to the cost of their children, according to their capacity.		
<b>Delivery</b>	The department assists separated and separating parents by the collection and disbursement of child support payments through digital services and smart centres.	
<b>Program 1.3 Performance information</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
<b>Customer satisfaction</b>		
2015-16	Achievement of customer satisfaction standards.	≥85% Target not expected to be met.
2016-17	As per 2015-16.	≥85%
2017-18 and beyond	As per 2016-17.	≥85%
<b>Achievement of digital service level standards</b>		
2015-16	Departmental interactions completed via digital channels.	≥5% increase on previous year. Target expected to be met.
2016-17	As per 2015-16.	≥5% increase on previous year.
2017-18 and beyond	As per 2016-17.	≥5% increase on previous year.
2015-16	Availability of ICT systems that support 24/7 customer access.	≥98% Target expected to be met.
2016-17	As per 2015-16.	≥98%
2017-18 and beyond	As per 2016-17.	≥98%
<b>Child Support collection</b>		
2015-16	Child Support collection rate (Child Support collect only).	≥91.7% Target expected to be met.
2016-17	As per 2015-16.	≥91.7%
2017-18 and beyond	As per 2016-17.	≥91.7%
2015-16	Percentage of domestic active paying parents with less than one month liability outstanding (Child Support collect only).	≥63% Target expected to be met.
2016-17	As per 2015-16.	≥63%
2017-18 and beyond	As per 2016-17.	≥63%

**Table 2.1.2: Performance criteria for Outcome 1 (continued)**

<b>Program 1.3 Performance information (continued)</b>		
<b>Year</b>	<b>Performance criteria</b>	<b>Targets</b>
<b>Achievement of telephony service level standards</b>		
2015-16	Average speed of answer.	≤3 minutes Target expected to be met.
2016-17	As per 2015-16.	≤3 minutes
2017-18 and beyond	As per 2016-17.	≤3 minutes
<b>Achievement of processing service level standards</b>		
2015-16	Claims processed within standard.	≥82% Target expected to be met.
2016-17	As per 2015-16.	≥82%
2017-18 and beyond	As per 2016-17.	≥82%
<b>Purpose</b>	The department is responsible for the design, development, delivery, co-ordination and monitoring of government services, social security, child support, students, families, aged care, health programs and superannuation release to the community on behalf of the Australian Government.	
<b>There have been no material changes to Program 1.3 as a result of Budget measures.</b>		

## Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2016-17 budget year, including the impact of budget measures and resourcing on financial statements.

### 3.1 BUDGETED FINANCIAL STATEMENTS

#### 3.1.1 Differences between 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.

#### 3.1.2 Explanatory notes and analysis of budgeted financial statements

##### Departmental comprehensive income statement (Table 3.1)

Since the 2015-16 Additional Estimates, revenue from government in 2016-17 has decreased by \$17.7 million, mainly due to whole of government savings, changes in funding model volumes and indexation; offset by new expense measures totalling \$6.8 million. Over the estimates period, revenue from government decreases by \$244.0 million, mainly due to the impact of Budget measures, forecast volume changes and efficiency dividends.

Estimates of own-source income in 2016-17 have increased by \$10.3 million since the 2015-16 Additional Estimates, mainly reflecting increases in revenue from service agreements with the Australian Digital Health Agency; Australian Electoral Commission, and the Department of Veterans' Affairs. Over the estimates period own source income decreases by \$57.2 million due to completion of current memoranda of understanding.

Total expenses in 2016-17 have increased by \$15.5 million since the 2015-16 Additional Estimates mainly reflecting increased depreciation expenses; an increase in expenses associated with increased own source income; and government measures, offset by the impact of reduced funding model volumes and whole of government savings. Over the estimates period, expenses decrease by \$309.9 million, mainly due to the impact of Budget measures; the efficiency dividend; forecast volume changes; and a reduction in own source revenue.

##### Departmental balance sheet (Table 3.2)

Since the 2015-16 Additional Estimates, estimated net assets as at 30 June 2017 have decreased by \$16.6 million, mainly due to increased depreciation expenses and reduced asset additions. Over the estimates period, total assets are forecast to decrease by \$142.8 million, reflecting depreciation and amortisation expenses being greater than funding provided in the Departmental Capital Budget. Total liabilities are forecast to

decrease by \$4.4 million over the estimates period reflecting reductions in supplier payables offset by increased payables and provisions.

**Departmental statement of changes in equity (Table 3.3)**

Total estimated equity as at 30 June 2017 has decreased by \$16.6 million since the 2015-16 Additional Estimates, mainly due to the net impact of decreased revenue and total expenses which has increased the deficit for 2016-17 attributable to the Australian Government. Over the estimates period, equity is forecast to decrease by \$138.4 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.

**Departmental cash flow (Table 3.4)**

Since the 2015-16 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 2016 or the forward years.

**Departmental Capital Budget Statement (Table 3.5)**

Since the 2015-16 Additional Estimates, total capital appropriations in 2016-17 have increased by \$9.0 million, as a result of \$14.2 million capital measures and indexation movements, offset by a reduction of \$5.3 million related to a return of 2015-16 capital funding. 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 3.6)**

The estimated net book value of land, buildings, plant and equipment and software assets as at 30 June 2017 has decreased by \$15.2 million since the 2015-16 Additional Estimates. This is mainly due to the impact of increased depreciation and amortisation expenses in 2016-17.

**Schedule of administered activity**

**Administered income and expenses (Table 3.7)**

Since the 2015-16 Additional Estimates, estimated administered revenue for 2016-17 has increased by \$27.6 million and expenses have increased by \$25.7 million. This mainly reflects revised estimates for Child Support maintenance transfers between parents.

**Administered assets and liabilities (Table 3.8)**

Since the 2015-16 Additional Estimates, the estimated closing asset balances for 2016-17 have increased by \$44.4 million, while liabilities have increased by \$41.9 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 BUDGETED FINANCIAL STATEMENTS TABLES

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June**

	2015-16 Estimated actual \$'000	2016-17 Budget estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	2,883,639	2,742,521	2,608,039	2,553,419	2,565,158
Supplier expenses	1,475,999	1,493,455	1,397,532	1,383,746	1,368,534
Depreciation and amortisation	235,425	263,246	236,293	240,046	254,514
Finance costs	472	477	449	456	502
Write-down and impairment of assets	123	123	124	129	129
Losses from asset sales	22	-	-	-	-
Other expenses	6,537	6,200	6,235	7,285	7,293
<b>Total expenses</b>	<b>4,602,217</b>	<b>4,506,022</b>	<b>4,248,672</b>	<b>4,185,081</b>	<b>4,196,130</b>
<b>LESS:</b>					
<b>Own-source revenue</b>					
Rendering of services	140,700	118,012	117,411	79,538	61,690
Rental income	1,762	933	960	628	57
<b>Total own-source revenue</b>	<b>142,462</b>	<b>118,945</b>	<b>118,371</b>	<b>80,166</b>	<b>61,747</b>
<b>Gains</b>					
Other gains	5,232	3,588	3,588	3,588	3,588
<b>Total gains</b>	<b>5,232</b>	<b>3,588</b>	<b>3,588</b>	<b>3,588</b>	<b>3,588</b>
<b>Total own-source income</b>	<b>147,694</b>	<b>122,533</b>	<b>121,959</b>	<b>83,754</b>	<b>65,335</b>
<b>Net (cost of)/contribution by services</b>	<b>(4,454,523)</b>	<b>(4,383,489)</b>	<b>(4,126,713)</b>	<b>(4,101,327)</b>	<b>(4,130,795)</b>
Revenue from government (a)	4,219,098	4,120,243	3,890,420	3,861,281	3,876,281
<b>Surplus/(Deficit) attributable to the Australian Government</b>	<b>(235,425)</b>	<b>(263,246)</b>	<b>(236,293)</b>	<b>(240,046)</b>	<b>(254,514)</b>
<b>Total comprehensive loss attributable to the Australian Government</b>	<b>(235,425)</b>	<b>(263,246)</b>	<b>(236,293)</b>	<b>(240,046)</b>	<b>(254,514)</b>

**Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)**

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations</b>	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	235,425	263,246	236,293	240,046	254,514
<b>Total comprehensive income/(loss) - as per the Statement of Comprehensive Income</b>	<b>(235,425)</b>	<b>(263,246)</b>	<b>(236,293)</b>	<b>(240,046)</b>	<b>(254,514)</b>

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

**Table 3.2: Budgeted departmental balance sheet (as at 30 June)**

	2015-16 Estimated actual \$'000	2016-17 Budget estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	27,562	27,642	27,642	27,642	27,642
Trade and other receivables	977,398	981,809	974,965	964,735	982,312
Other financial assets	2	1	2	2	2
<b>Total financial assets</b>	<b>1,004,962</b>	<b>1,009,452</b>	<b>1,002,609</b>	<b>992,379</b>	<b>1,009,956</b>
<b>Non-financial assets</b>					
Land and buildings	314,046	300,624	290,437	275,907	257,865
Plant and equipment	168,634	197,381	211,007	216,713	220,384
Software	437,436	413,117	379,426	340,441	294,457
Prepayments	83,738	78,574	80,419	80,512	73,711
<b>Total non-financial assets</b>	<b>1,003,854</b>	<b>989,696</b>	<b>961,289</b>	<b>913,573</b>	<b>846,417</b>
<b>Total assets</b>	<b>2,008,816</b>	<b>1,999,148</b>	<b>1,963,898</b>	<b>1,905,952</b>	<b>1,856,373</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	361,636	354,020	351,843	345,118	340,882
Other payables	64,094	70,350	67,244	63,172	77,538
<b>Total payables</b>	<b>425,730</b>	<b>424,370</b>	<b>419,087</b>	<b>408,290</b>	<b>418,420</b>
<b>Provisions</b>					
Employee provisions	879,981	880,258	880,162	880,431	880,641
Other provisions	26,346	26,755	27,136	27,527	27,963
<b>Total provisions</b>	<b>906,327</b>	<b>907,013</b>	<b>907,298</b>	<b>907,958</b>	<b>908,604</b>
<b>Total liabilities</b>	<b>1,332,057</b>	<b>1,331,383</b>	<b>1,326,385</b>	<b>1,316,248</b>	<b>1,327,024</b>
<b>Net assets</b>	<b>676,759</b>	<b>667,765</b>	<b>637,513</b>	<b>589,704</b>	<b>529,349</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	1,671,325	1,925,577	2,131,618	2,323,855	2,518,014
Reserves	95,382	95,382	95,382	95,382	95,382
Accumulated deficit	(1,089,948)	(1,353,194)	(1,589,487)	(1,829,533)	(2,084,047)
<b>Total parent entity interest</b>	<b>676,759</b>	<b>667,765</b>	<b>637,513</b>	<b>589,704</b>	<b>529,349</b>
<b>Total equity</b>	<b>676,759</b>	<b>667,765</b>	<b>637,513</b>	<b>589,704</b>	<b>529,349</b>

\*'Equity' is the residual interest in assets after deduction of liabilities.  
Prepared on Australian Accounting Standards basis.

**Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2016-17)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2016</b>				
Balance carried forward from previous period	(1,089,948)	95,382	1,671,325	676,759
<b>Adjusted opening balance</b>	<b>(1,089,948)</b>	<b>95,382</b>	<b>1,671,325</b>	<b>676,759</b>
<b>Comprehensive income</b>				
Deficit	(263,246)	-	-	(263,246)
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(263,246)</b>	<b>-</b>	<b>-</b>	<b>(263,246)</b>
<b>Transactions with owners</b>				
<b>Distribution to owners</b>				
Returns of capital				
Distribution of equity	-	-	-	-
Restructuring	-	-	-	-
<b>Contribution by owners</b>				
Equity injection				
Equity Injection - Appropriation	-	-	64,577	64,577
Departmental Capital Budget (DCB)	-	-	189,675	189,675
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>254,252</b>	<b>254,252</b>
<b>Closing balance as at 30 June 2017</b>	<b>(1,353,194)</b>	<b>95,382</b>	<b>1,925,577</b>	<b>667,765</b>
<b>Closing balance attributable to the Australian Government</b>	<b>(1,353,194)</b>	<b>95,382</b>	<b>1,925,577</b>	<b>667,765</b>

Prepared on Australian Accounting Standards basis.

**Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)**

	2015-16 Estimated actual \$'000	2016-17 Budget estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	4,228,075	4,115,497	3,895,664	3,871,511	3,858,704
Cash from the official public account	343,822	326,398	316,257	275,547	254,891
Rendering of services	146,266	121,902	122,828	82,974	64,588
Net GST received	147,454	154,397	143,330	142,474	140,204
Other	50,099	50,099	50,099	50,099	50,099
<b>Total cash received</b>	<b>4,915,716</b>	<b>4,768,293</b>	<b>4,528,178</b>	<b>4,422,605</b>	<b>4,368,486</b>
<b>Cash used</b>					
Employees	2,945,236	2,768,005	2,643,492	2,588,241	2,582,219
Suppliers	1,619,230	1,667,690	1,562,194	1,551,532	1,524,083
Competitive neutrality payments	455	462	497	1,547	1,555
Returns to the official public account	343,822	326,398	316,257	275,547	254,891
Other	6,082	5,738	5,738	5,738	5,738
<b>Total cash used</b>	<b>4,914,825</b>	<b>4,768,293</b>	<b>4,528,178</b>	<b>4,422,605</b>	<b>4,368,486</b>
<b>Net cash from/(used by) operating activities</b>	<b>891</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of plant and equipment	3	-	-	-	-
<b>Total cash received</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment and software	238,801	254,252	206,041	192,237	194,159
<b>Total cash used</b>	<b>238,801</b>	<b>254,252</b>	<b>206,041</b>	<b>192,237</b>	<b>194,159</b>
<b>Net cash used by investing activities</b>	<b>(238,798)</b>	<b>(254,252)</b>	<b>(206,041)</b>	<b>(192,237)</b>	<b>(194,159)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	238,721	254,332	206,041	192,237	194,159
<b>Total cash received</b>	<b>238,721</b>	<b>254,332</b>	<b>206,041</b>	<b>192,237</b>	<b>194,159</b>
<b>Net cash from financing activities</b>	<b>238,721</b>	<b>254,332</b>	<b>206,041</b>	<b>192,237</b>	<b>194,159</b>
<b>Net increase/(decrease) in cash held</b>	<b>814</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	26,748	27,562	27,642	27,642	27,642
<b>Cash at the end of the reporting period</b>	<b>27,562</b>	<b>27,642</b>	<b>27,642</b>	<b>27,642</b>	<b>27,642</b>

Prepared on Australian Accounting Standards basis.

**Table 3.5: Departmental capital budget statement (for the period ended 30 June)**

	2015-16 Estimated actual \$'000	2016-17 Budget estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill No. 1 (DCB)	196,094	189,675	192,662	188,763	190,685
Equity injections - Bill No. 2	47,638	59,325	13,379	3,474	3,474
<b>Total new capital appropriations</b>	<b>243,732</b>	<b>249,000</b>	<b>206,041</b>	<b>192,237</b>	<b>194,159</b>
<b>Provided for:</b>					
<i>Purchase of non-financial assets</i>	244,053	254,252	206,041	192,237	194,159
<i>Other items</i>	(321)	(5,252)	-	-	-
<b>Total Items</b>	<b>243,732</b>	<b>249,000</b>	<b>206,041</b>	<b>192,237</b>	<b>194,159</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations (a)	42,707	64,577	13,379	3,474	3,474
Funded by capital appropriation - DCB (b)	196,094	189,675	192,662	188,763	190,685
<b>TOTAL</b>	<b>238,801</b>	<b>254,252</b>	<b>206,041</b>	<b>192,237</b>	<b>194,159</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	238,801	254,252	206,041	192,237	194,159
<b>Total cash used to acquire assets</b>	<b>238,801</b>	<b>254,252</b>	<b>206,041</b>	<b>192,237</b>	<b>194,159</b>

(a) Includes both current Bill 2 and prior year Act 2/4/6 appropriations and special capital appropriations.

(b) Does not include annual finance lease costs. May include purchases from current and previous years' Departmental capital budgets (DCBs).

Prepared on Australian Accounting Standards basis.

**Table 3.6: Statement of departmental asset movements (Budget year 2016-17)**

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Software \$'000	Total \$'000
<b>As at 1 July 2016</b>					
Gross book value	5,225	403,998	258,543	1,046,860	1,714,626
Accumulated depreciation/amortisation and impairment	-	(95,177)	(89,909)	(609,424)	(794,510)
<b>Opening net book balance</b>	<b>5,225</b>	<b>308,821</b>	<b>168,634</b>	<b>437,436</b>	<b>920,116</b>
<b>Capital asset additions</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase - appropriation equity (a)	-	-	19,735	44,842	64,577
By purchase - appropriation ordinary annual services (b)	-	66,497	47,890	75,288	189,675
<b>Total additions</b>	<b>-</b>	<b>66,497</b>	<b>67,625</b>	<b>120,130</b>	<b>254,252</b>
<b>Other movements</b>					
Depreciation/amortisation expense	-	(79,919)	(38,878)	(144,449)	(263,246)
<b>Total other movements</b>	<b>-</b>	<b>(79,919)</b>	<b>(38,878)</b>	<b>(144,449)</b>	<b>(263,246)</b>
<b>As at 30 June 2017</b>					
Gross book value	5,225	470,495	326,168	1,166,990	1,968,878
Accumulated depreciation/amortisation and impairment	-	(175,096)	(128,787)	(753,873)	(1,057,756)
<b>Closing net book balance</b>	<b>5,225</b>	<b>295,399</b>	<b>197,381</b>	<b>413,117</b>	<b>911,122</b>

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2016-17.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2016-17 for depreciation/amortisation expenses, DCBs or other operational expenses.  
Prepared on Australian Accounting Standards basis.

**Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	2015-16 Estimated actual \$'000	2016-17 Budget estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>EXPENSES</b>					
Child support maintenance expense	1,429,887	1,465,978	1,499,553	1,543,889	1,593,572
Depreciation and amortisation	16	-	-	-	-
Write-down and impairment of assets	119,427	86,983	89,142	81,520	69,384
<b>Total expenses administered on behalf of Government</b>	<b>1,549,330</b>	<b>1,552,961</b>	<b>1,588,695</b>	<b>1,625,409</b>	<b>1,662,956</b>
<b>LESS:</b>					
<b>Revenue</b>					
<b>Own-source revenue</b>					
<b>Non-taxation revenue</b>					
Child support maintenance revenue	1,523,045	1,552,888	1,588,624	1,625,338	1,662,884
Competitive neutrality revenue	12,864	12,987	14,221	15,562	15,562
Fees and fines	8,824	8,902	9,098	9,301	9,506
Dividends	11,815	14,811	14,200	15,934	15,934
<b>Total non-taxation revenue</b>	<b>1,556,548</b>	<b>1,589,588</b>	<b>1,626,143</b>	<b>1,666,135</b>	<b>1,703,886</b>
<b>Total own-source revenue administered on behalf of Government</b>	<b>1,556,548</b>	<b>1,589,588</b>	<b>1,626,143</b>	<b>1,666,135</b>	<b>1,703,886</b>
<b>Gains</b>					
Reversal of previous impairment (a)	25,883	-	-	-	-
<b>Total own-source income administered on behalf of Government</b>	<b>1,582,431</b>	<b>1,589,588</b>	<b>1,626,143</b>	<b>1,666,135</b>	<b>1,703,886</b>
<b>Net (Cost of)/contribution by services</b>	<b>33,101</b>	<b>36,627</b>	<b>37,448</b>	<b>40,726</b>	<b>40,930</b>
<b>Total Comprehensive income/(loss)</b>	<b>(33,101)</b>	<b>(36,627)</b>	<b>(37,448)</b>	<b>(40,726)</b>	<b>(40,930)</b>

(a) Reversal of impairment losses – Child Support maintenance.  
Prepared on Australian Accounting Standards basis.



**Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

	2015-16 Estimated actual \$'000	2016-17 Budget estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	475	475	475	475	475
Child Support Receivables	806,105	849,088	891,699	943,769	1,009,851
Trade and other receivables	9,672	11,607	12,511	13,615	14,719
Investment - Australian Hearing	49,422	49,422	49,422	49,422	49,422
<b>Total financial assets</b>	<b>865,674</b>	<b>910,592</b>	<b>954,107</b>	<b>1,007,281</b>	<b>1,074,467</b>
<b>Total assets administered on behalf of Government</b>	<b>865,674</b>	<b>910,592</b>	<b>954,107</b>	<b>1,007,281</b>	<b>1,074,467</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Child support payments received in advance	16,678	16,678	16,678	16,678	16,678
Child support and other payables	26,966	26,966	26,966	26,966	26,966
<b>Total payables</b>	<b>43,644</b>	<b>43,644</b>	<b>43,644</b>	<b>43,644</b>	<b>43,644</b>
<b>Provisions</b>					
Child Support provisions	803,803	846,787	889,397	941,466	1,007,548
<b>Total provisions</b>	<b>803,803</b>	<b>846,787</b>	<b>889,397</b>	<b>941,466</b>	<b>1,007,548</b>
<b>Total liabilities administered on behalf of Government</b>	<b>847,447</b>	<b>890,431</b>	<b>933,041</b>	<b>985,110</b>	<b>1,051,192</b>
<b>Net assets/(liabilities)</b>	<b>18,227</b>	<b>20,161</b>	<b>21,066</b>	<b>22,171</b>	<b>23,275</b>

Prepared on Australian Accounting Standards basis.

**Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)**

	2015-16 Estimated actual \$'000	2016-17 Budget estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Dividends	9,608	13,088	13,405	15,066	15,066
Competitive neutrality	13,201	12,775	14,112	15,326	15,326
Net GST received	98	-	-	-	-
Other (a)	1,398,969	1,432,234	1,466,379	1,501,459	1,537,334
<b>Total cash received</b>	<b>1,421,876</b>	<b>1,458,097</b>	<b>1,493,896</b>	<b>1,531,851</b>	<b>1,567,726</b>
<b>Cash used</b>					
Suppliers	778	-	-	-	-
Other (b)	1,390,303	1,423,404	1,457,353	1,492,230	1,527,900
<b>Total cash used</b>	<b>1,391,081</b>	<b>1,423,404</b>	<b>1,457,353</b>	<b>1,492,230</b>	<b>1,527,900</b>
<b>Net cash from/(used by) operating activities</b>	<b>30,795</b>	<b>34,693</b>	<b>36,543</b>	<b>39,621</b>	<b>39,826</b>
<b>Net increase/(decrease) in cash held</b>	<b>30,795</b>	<b>34,693</b>	<b>36,543</b>	<b>39,621</b>	<b>39,826</b>
Cash and cash equivalents at beginning of reporting period	475	475	475	475	475
Cash from Official Public Account for:					
- Appropriations	60,600	59,908	61,338	62,808	64,308
- Special accounts	1,329,293	1,363,086	1,395,605	1,429,012	1,463,182
- Other	778	-	-	-	-
<b>Total cash from Official Public Account</b>	<b>1,390,671</b>	<b>1,422,994</b>	<b>1,456,943</b>	<b>1,491,820</b>	<b>1,527,490</b>
Cash to Official Public Account for:					
- Appropriations	(60,600)	(59,908)	(61,338)	(62,808)	(64,308)
- Administered revenue	(31,475)	(34,693)	(36,543)	(39,621)	(39,826)
- Special accounts	(1,329,293)	(1,363,086)	(1,395,605)	(1,429,012)	(1,463,182)
- Other	(98)	-	-	-	-
<b>Total cash to Official Public Account</b>	<b>(1,421,466)</b>	<b>(1,457,687)</b>	<b>(1,493,486)</b>	<b>(1,531,441)</b>	<b>(1,567,316)</b>
<b>Cash and cash equivalents at end of reporting period</b>	<b>475</b>	<b>475</b>	<b>475</b>	<b>475</b>	<b>475</b>

(a) Other receipts received includes: Child Support maintenance receipts from non-custodial parents; Child Support penalties; Director of Public Prosecutions (DPP) fines; Departure Prohibition Order receipts; Child Support cost recovery; and certain compensation recoveries.

(b) Other cash used includes: Child Support payments to custodial parents; refunds of Departure Prohibition Order receipts; and certain compensation recoveries.

Prepared on Australian Accounting Standards basis.

**Table 3.10: Administered capital budget statement (for the period ended 30 June)**

The Department does not have an administered capital budget.

*DHS Budget Statements*

**Table 3.11: Statement of administered asset movements (Budget year 2016-17)**

	Plant and equipment \$'000	Total \$'000
<b>As at 1 July 2016</b>		
Gross book value	53	53
Accumulated depreciation	(53)	(53)
<b>Opening net book balance</b>	-	-
<b>CAPITAL ASSET ADDITIONS</b>		
<b>Total additions</b>	-	-
<b>Other movements</b>		
Depreciation/amortisation expense	-	-
<b>Total Other movements</b>	-	-
<b>As at 30 June 2017</b>		
Gross book value	53	53
Accumulated depreciation	(53)	(53)
<b>Closing net book balance</b>	-	-

## PORTFOLIO GLOSSARY

<b>Term</b>	<b>Meaning</b>
Activities	The actions/functions performed by agencies to deliver government policies.
Administered item	Appropriation that consists of funding managed on behalf of the Commonwealth. This funding is not at the discretion of the entity and any unspent appropriation is returned to the Consolidated Revenue Fund at the end of the financial year. An administered item is a component of an administered program.
Appropriation	An amount of public money Parliament authorises for spending (i.e. funds to be withdrawn from the Consolidated Revenue Fund). Parliament makes laws for appropriating money under the Annual Appropriation Acts and under Special Appropriations, with spending restricted to the purposes specified in the Appropriation Acts.
BasicsCard	The BasicsCard is a PIN-protected card that allows people to access their income-managed money through existing EFTPOS facilities at approved stores and businesses. The BasicsCard provides people on income management with a greater choice and flexibility to purchase essential goods and services from a broad range of stores and businesses.
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 Bill 1/3/5 for the ongoing replacement of minor assets.

## Glossary

<b>Term</b>	<b>Meaning</b>
Departmental item	Resources (assets, liabilities, revenues and expenses) that entity Chief Executive Officers control directly. This includes outsourced activities funded and controlled by the entity. Examples of departmental items include entity running costs, accrued employee entitlements and net appropriations. A departmental item is a component of a departmental program.
Departure Prohibition Order receipts	Amounts collected under Departure Prohibition Orders preventing overseas travel by people who have not made satisfactory arrangements to clear substantial debts.
Expenses not requiring appropriation in the Budget year	Expenses not involving a cash flow impact are generally not included within the calculation of an appropriation. Appropriation funding is not provided in respect of depreciation or amortisation expense. Also no funding is required for goods or services received free of charge that are then expensed. Similarly, bad debts are recognised as an expense but are not recognised for the purpose of calculating administered appropriation amounts to be sought from Parliament.
Forward estimates period	The three years following the budget year. For example, if 2016-17 is the budget year, 2017-18 is forward year 1, 2018-19 is forward year 2 and 2019-20 is forward year 3. This period does not include the current or budget year.
General Government Sector (GGS)	A government Finance Statistics' classification of all entities that are controlled and largely funded by the Commonwealth Government. The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies, user charging and external funding. This sector comprises all government departments, offices and some other bodies.

<b>Term</b>	<b>Meaning</b>
Measure	A new policy or savings decision of the government with financial impacts on the government's underlying cash balance; fiscal balance; operating balance; headline cash balance; net debt or net worth. Such proposals are normally made in the context of the annual Budget, and are typically published in Budget Paper No. 2, in the Mid-Year Economic and Fiscal Outlook (MYEFO) and in the Pre-election Economic and Fiscal Outlook (PEFO).
Mid-Year Economic and Fiscal Outlook (MYEFO)	Around six months after the Budget, the Government produces the Mid-Year Economic and Fiscal Outlook (MYEFO) report. The report compares estimated expenditure to actual expenditure. MYEFO estimates include any government decisions made since the previous Budget that affected expenses and revenues. MYEFO also updates the budgetary position, including budget aggregates, by incorporating any changes to economic parameters.
Non-corporate Commonwealth entity	Non-corporate Commonwealth entity is a Commonwealth entity that is not a body corporate.
Official Public Account (OPA)	The OPA is the government's central bank account held within the Reserve Bank of Australia. The OPA is the central component of the Consolidated Revenue Fund.
Outcome	An outcome is the intended result, consequence or impact of government actions on the Australian community.
Outcome statement	An outcome statement articulates the intended results, activities and target group of an Australian Government entity. An outcome statement serves three main purposes within the financial framework: 1. to explain and control the purposes for which annual appropriations are approved by the Parliament for use by agencies; 2. to provide a basis for annual budgeting, including (financial) reporting against the use of appropriated funds; and 3. to measure and assess entity and program (non-financial) performance in contributing to government policy objectives.

*Glossary*

<b>Term</b>	<b>Meaning</b>
Portfolio Budget Statements (PB Statements)	Budget related paper detailing budget initiatives and explanations of appropriations specified by outcome and program by each entity within a portfolio.
Portfolio Additional Estimates Statements (PAES)	Budget related paper detailing the changes in resourcing by outcome(s) since the Budget which provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.
Program	Activity that delivers benefits, services or transfer payments to individuals, industry and/or the community as a whole, with the aim of achieving the intended result specified in an outcome statement.
Program support	The entity running costs allocated to a program. This is funded as part of the entity's departmental appropriations.
<i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act)	The PGPA Act commenced on 1 July 2014 and replaced the FMA Act. It provides a principles based framework for Commonwealth resource management, supported by rules and guidance to assist Commonwealth entities to manage public resources.



<b>Term</b>	<b>Meaning</b>
s 74	<p>Non-corporate Commonwealth entities can retain receipts for the amounts prescribed in section 74 of the PGPA Act. These receipts includes:</p> <ul style="list-style-type: none"> <li>• retained (revenue) receipts and</li> <li>• retained (repayment) receipts.</li> </ul> <p>Retained (revenue) receipts may increase a non-corporate Commonwealth entities' most recent annual departmental item appropriation. Such receipts include:</p> <ul style="list-style-type: none"> <li>• receipts from the provision of departmental goods and services</li> <li>• amounts that are managed in trust or similar arrangements</li> <li>• receipts from the sale of minor departmental assets, such as old computers, are disposed of at the end of their useful life.</li> </ul> <p>Retained (repayment) receipts enable an appropriation that was used to make a Commonwealth payment to be re-credited with an amount received as a repayment of that earlier payment. For example when a supplier is overpaid and the non-corporate Commonwealth entities receives a repayment.</p>
s 75 determination	<p>A determination made by the Minister for Finance (Finance Minister) under section 75 of the PGPA Act which details amendments to the annual Appropriation Acts as a result of a transfer of functions from one entity to another.</p>