

Department of Veterans' Affairs

Agency resources and planned performance

DEPARTMENT OF VETERANS' AFFAIRS

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DEPARTMENT OF VETERANS' AFFAIRS

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION

The Department of Veterans' Affairs provides a range of services to veterans, war widows, current and former defence force members and their families and eligible members of the Australian Federal Police who have served overseas. Over the next Budget year, the Department of Veterans' Affairs will work to deliver improved services to the ex-service community while implementing the government's commitments. The Department of Veterans' Affairs will continue to be responsible for delivering current and former members income support, compensation and health services. The key focus in delivering the government's programs over the next Budget year will be to ensure that the department is efficient and responsive to the needs of a changing ex-service community with a focus on aged care, World War II veterans and war widows and the continually evolving needs of younger veterans and members.

The department continues to meet the need for changes to its operations to ensure that it is able to sustain the delivery of high-quality services. Challenges include:

- the continuing change in the demographic picture of the key stakeholders in the repatriation system: current and former members, providers and third party groups;
- the financial resources available to the department to fund its departmental operations will be constrained due to the anticipated decline of World War II veterans and war widows. This will require the department to work within its resource constraints while continuing to meet the expectations of its client groups and the broader community; and
- the requirement to continue to deliver high-quality services using a single, cohesive and national approach. To achieve this, the department continues to consolidate and streamline functions to make them client-centric and to build the capability of its people and systems.

Within these and other constraints, the department will continue to better target its services and business processes to maintain and enhance financial wellbeing and health care to the veteran and defence communities and other eligible persons.

In 2009-10 the department will implement four measures as part of the government's commitments: Review of Military Compensation Arrangements; Revisit the

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Unimplemented Recommendations of the Clarke Review; Investigate the Cost of Pharmaceuticals for War Caused Disabilities and the government response to the Independent Study into Suicide in the Ex-Service Community. In addition it will implement a measure to Dependant's Disability Pension that will remove an allowance that is administratively expensive in proportion to the benefits it provides, and free up resources that can be better targeted with other programs.

Other Budget measures to be implemented in 2009-10 include Payments to Overseas Bank Accounts for entitled veterans and dependants living overseas, enabling easier and less costly access to entitlements; and Extension of the Defence Service Homes Insurance Scheme to Eligible Members of the Defence Home Ownership Assistance Scheme opening up access to insurance under the scheme to eligible Australian Defence Force members.

As the centenary of World War I approaches and in accord with the government's continuing commitment to recognising the service and sacrifice of Australia's servicemen and women, the department will also implement a measure for the Establishment of a Western Front Interpretive Trail covering battlefields in France and Belgium. This will support the growing public support for and attendance at commemorations and war memorials and cemeteries around the world.

The implementation of these initiatives, combined with the implementation of a number of cross-portfolio budget measures including the Harmer Review in relation to Pension Reform (refer Table 1.2) will continue to deliver improved benefits and services to, and on behalf of, the ex-service and defence community.

1.2 AGENCY RESOURCE STATEMENT

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

Table 1.1: Department of Veterans' Affairs resource statement—Budget estimates for 2009–10 as at Budget May 2009

	Estimate of prior + year amounts available in 2009–10 \$'000	Proposed at Budget = 2009–10 \$'000	Total Estimate 2009–10 \$'000	Actual Available Appropriation 2008–09 \$'000
Ordinary Annual Services¹				
Departmental				
Departmental appropriation	-	313,696	313,696	310,355
s31 Relevant agency receipts ³	-	36,577	36,577	30,879
Total	-	350,273	350,273	341,234
Administered expenses				
Outcome 1 ⁴	-	41,953	41,953	42,498
Outcome 2 ⁴	-	7,757	7,757	16,109
Outcome 3	-	32,765	32,765	27,203
Payments to CAC Act bodies	-	32,738	32,738	38,597
Total	-	115,213	115,213	124,407
Total ordinary annual services	A	465,486	465,486	465,641
Other services²				
Administered expenses				
Specific payments to states, ACT, NT and local government				
Outcome 2	-	-	-	13,352
Total	-	-	-	13,352
New administered expenses				
Payments to CAC Act bodies non-operating²	-	8,909	8,909	9,300
Departmental non-operating²				
Equity injections	-	4,338	4,338	1,693
Previous years' outputs	-	16,347	16,347	1,076
Total	-	20,685	20,685	2,769
Total other services	B	29,594	29,594	25,421
Total Available Annual Appropriations	-	495,080	495,080	491,062

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Table 1.1: Department of Veterans' Affairs resource statement—Budget estimates for 2009–10 as at Budget May 2009 (continued)

	Estimate of prior + year amounts available in 2009–10 \$'000	Proposed at Budget = 2009–10 \$'000	Total Estimate 2009–10 \$'000	Actual Available Appropriation 2008–09 \$'000
Special Appropriations				
Special Appropriations limited by criteria/entitlement				
Outcome 1				
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957 Veterans' Entitlements Act 1986 (VEA)</i>	-	76	76	71
<i>Defence Service Homes Act 1918</i>	-	6,254,000	6,254,000	6,486,606
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-	3,400	3,400	5,376
<i>Military Rehabilitation and Compensation Act 1988</i>	-	99,788	99,788	118,017
<i>Compensation Act 1988</i>	-	56,463	56,463	37,680
Police International Rehabilitation and Compensation Scheme				
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-	1,127	1,127	-
Subtotal Outcome 1	-	6,414,854	6,414,854	6,647,750
Outcome 2				
<i>Veterans' Entitlements Act 1986 (VEA)</i>	-	4,850,350	4,850,350	4,685,455
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-	29,972	29,972	31,363
<i>Military Rehabilitation and Compensation Act 1988</i>	-	6,665	6,665	5,988
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	-	598	598	600
Subtotal Outcome 2	-	4,887,585	4,887,585	4,723,406
Total Special Appropriations	C	11,302,439	11,302,439	11,371,156
Total Appropriations excluding Special Accounts	-	11,797,519	11,797,519	11,862,218

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Table 1.1: Department of Veterans' Affairs resource statement—Budget estimates for 2009–10 as at Budget May 2009 (continued)

	Estimate of prior + year amounts available in 2009–10 \$'000	Proposed at Budget = 2009–10 \$'000	Total Estimate 2009–10 \$'000	Actual Available Appropriation 2008–09 \$'000
Special Accounts				
Opening balance	-	71,058	71,058	70,362
Non-Appropriation receipts to Special Accounts	-	32,136	32,136	32,834
Total Special Account D	0	103,194	103,194	103,196
Total resourcing A+B+C+D	0	11,900,713	11,900,713	11,965,414
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	0	41,647	41,647	47,897
Total net resourcing for DVA	0	11,859,066	11,859,066	11,917,517

1. Appropriation Bill (No. 1) 2009–10.
2. Appropriation Bill (No. 2) 2009–10.
3. s. 31 Relevant agency receipts—estimate.
4. Due to the restructure of Outcomes as a result of Operation Sunlight, Outcome 4 in 2008–09 has been reallocated to Outcome 1 and 2, and is also reflected in administered expenses in Tables 2.1 and 2.2.

Third party payments from and on behalf of other agencies

	2009–10 \$'000	2008–09 \$'000
Receipts received from the Department of Defence for the provision of services (disclosed above within Departmental s. 31)	3,787	6,495
Payments made to CAC Act bodies within the Portfolio		
Australian War Memorial – Bill 1	32,738	38,597
Australian War Memorial – Bill 2	8,909	9,300
Payments made on behalf of FAHCSIA for pension payments	76,330	67,211
Payments made to Medicare Australia for the processing and payment of health care provider treatment accounts	16,372	16,218

1.3 BUDGET MEASURES

Budget measures relating to the Department of Veterans' Affairs detailed in Budget Paper No. 2. Table 1.2 provides a summary of government measures and identifies the relevant program associated with each measure.

Table 1.2: Agency 2009–10 Budget measures

	Program	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
Outcome 1 expense measures						
Secure and Sustainable Pensions – increase to pension payments ¹						
	1.1					
		-	254,985	315,611	308,559	300,999
		709	4,958	487	493	502
	Total	709	259,943	316,098	309,052	301,501
Secure and Sustainable Pensions – close the Pension Bonus Scheme ¹						
	1.1					
		-	599	570	(1,301)	(5,201)
		131	190	98	112	66
	Total	131	789	668	(1,189)	(5,135)
Secure and Sustainable Pensions – tighten the income test taper ¹						
	1.1					
		-	(24,963)	(35,822)	(38,618)	(42,432)
		125	1,605	190	151	153
	Total	125	(23,358)	(35,632)	(38,467)	(42,279)
Secure and Sustainable Pensions – New Carer Supplement ¹						
	1.1					
		9,488	-	8,890	8,203	7,549
		161	271	89	91	93
	Total	9,649	271	8,979	8,294	7,642
Improved payment arrangements for veterans residing overseas						
	1.1 & 1.2					
		-	229	89	90	91
	Total	-	229	89	90	91
Commonwealth Seniors Health Card – Income Test ¹						
	1.1					
		-	100	100	100	100
	Total	-	100	100	100	100
Clarke Review – review of unimplemented recommendations ²						
	1.1 & 1.2					
		-	-	-	-	-
	Total	-	-	-	-	-

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Table 1.2: Agency 2009–10 Budget measures (continued)

Program	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
Outcome 1 expense measures (continued)					
Dependent Pension – lump sum payment and closure					
1.2					
Administered expenses	-	5,018	(2,152)	(2,014)	(1,905)
Departmental expenses	17	259	-	-	-
Total	17	5,277	(2,152)	(2,014)	(1,905)
Defence Services Homes Insurance Scheme – extension of eligibility					
1.4					
Departmental expenses	-	1,299	2,242	2,855	3,209
Total	-	1,299	2,242	2,855	3,209
An Innovation and Higher Education System for the 21st Century – Student Income Support – Student Start-up Scholarship ³					
1.5					
Administered expenses	-	998	2,017	2,054	2,088
Departmental expenses	-	242	-	-	-
Total	-	1,240	2,017	2,054	2,088
An Innovation and Higher Education System for the 21st Century – Student Income Support – Relocation Scholarship ³					
1.5					
Administered expenses	-	338	682	694	707
Departmental expenses	-	242	-	-	-
Total	-	580	682	694	707
Military Compensation – review of current arrangements					
1.5 & 1.7					
Departmental expenses	50	450	-	-	-
Total	50	450	-	-	-
Department of Veterans' Affairs – additional departmental funding ⁵					
ALL					
Departmental expenses	7,800	-	-	-	-
Total	7,800	-	-	-	-
Total Outcome 1 expense measures					
Administered	9,488	237,075	289,896	277,677	261,905
Departmental	8,993	9,745	3,195	3,792	4,114
Total	18,481	246,820	293,091	281,469	266,019

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Table 1.2: Agency 2009–10 Budget measures (continued)

Program	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
Outcome 2 expense measures					
Medicare Benefits Schedule – ensuring the appropriate use of clinical procedures and adjusting to modern technologies ⁴					
2.1					
Administered expenses	-	(1,218)	(1,887)	(1,747)	(1,684)
Total	-	(1,218)	(1,887)	(1,747)	(1,684)
Medicare Benefits Schedule – Better Access Initiative – improved targeting for those most in need and better quality of services ⁴					
2.1					
Administered expenses	-	(54)	(74)	(61)	(54)
Total	-	(54)	(74)	(61)	(54)
Medicare Benefits Schedule – diagnostic imaging and pathology services – improving the quality of services and addressing workforce shortages ⁴					
2.1					
Administered expenses	-	-	(68)	(431)	(826)
Total	-	-	(68)	(431)	(826)
Medicare Benefits Schedule – funding for pathology and diagnostic imaging services – bulk billing incentives and rationalisation of patient episode initiation fees ⁴					
2.1					
Administered expenses	-	(2,359)	(3,717)	(3,466)	(3,360)
Total	-	(2,359)	(3,717)	(3,466)	(3,360)
Medicare Benefits Schedule – funding for diagnostic imaging and pathology services – rebalancing of pathology fees to better reflect actual costs of service delivery ⁴					
2.1					
Administered expenses	-	114	49	26	2
Total	-	114	49	26	2

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Table 1.2: Agency 2009–10 Budget measures (continued)

Program	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
Outcome 2 expense measures (continued)					
Medicare Benefits Schedule – funding for diagnostic imaging and pathology services – changes to fees for fully depreciated diagnostic imaging equipment ⁴	2.1				
Administered expenses	-	-	-	-	(1,883)
Total	-	-	-	-	(1,883)
Medicare Benefits Schedule – new and revised listings ⁴	2.1				
Administered expenses	2	11	18	21	22
Total	2	11	18	21	22
Pharmaceutical Benefits Scheme – extending the therapeutic group premium policy ⁴	2.3				
Administered expenses	-	(690)	(1,507)	(1,512)	(1,493)
Total	-	(690)	(1,507)	(1,512)	(1,493)
War caused disabilities – review of pharmaceutical costs	2.3				
Departmental expenses	-	406	125	-	-
Total	-	406	125	-	-
Pharmaceutical Benefits Scheme – enhancements to the National Prescribing Service ⁴	2.3				
Administered expenses	-	(1,105)	(1,100)	(1,176)	(1,258)
Total	-	(1,105)	(1,100)	(1,176)	(1,258)
Pharmaceutical Benefits Scheme – Minor New Listings ⁴	2.3				
Administered expenses	1,684	4,708	5,304	5,328	5,180
Total	1,684	4,708	5,304	5,328	5,180

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Table 1.2: Agency 2009–10 Budget measures (continued)

Program	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
Outcome 2 expense measures (continued)					
Pharmaceutical Benefits Scheme – listing of Sutent® (sunitinib) ⁴					
2.3					
Administered expenses	326	1,776	1,523	1,420	1,385
Total	326	1,776	1,523	1,420	1,385
Pharmaceutical Benefits Scheme – listing of Avastin ⁴					
2.3					
Administered expenses	-	1,489	1,751	1,578	1,364
Total	-	1,489	1,751	1,578	1,364
Pharmaceutical Benefits Scheme – Chemotherapy drugs – delayed implementation of more efficient arrangements ⁴					
2.3					
Administered expenses	-	547	-	-	-
Total	-	547	-	-	-
Pharmaceutical Benefits Scheme – extending the Pharmaceutical Benefits Scheme reference pricing policy to all non-exempt pharmaceutical items ⁴					
2.3					
Administered expenses	-	(732)	(1,417)	(1,257)	(1,174)
Total	-	(732)	(1,417)	(1,257)	(1,174)
Pharmaceutical Benefits Scheme – extension to the listing of Plavix® and Iscover® (clopidogrel) ⁴					
2.3					
Administered expenses	-	-	-	-	-
Total	-	-	-	-	-
Secure and sustainable pensions – residential aged care ¹					
2.4					
Administered expenses	-	380	1,279	1,260	494
Total	-	380	1,279	1,260	494
Fairer income testing in residential aged care – ending the 28 day income test exemption ⁴					
2.4					
Administered expenses	-	(762)	(1,679)	(1,815)	(1,983)
Total	-	(762)	(1,679)	(1,815)	(1,983)

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Table 1.2: Agency 2009–10 Budget measures (continued)

Program	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
Outcome 2 expense measures (continued)					
Aged care viability supplements – increase ⁴					
2.4					
Administered expenses	-	254	1,169	-	-
Total	-	254	1,169	-	-
HomeFront, Rehabilitation Appliance Program and Veterans' Home Care Assessments					
2.5					
Administered expenses	-	(1,030)	(1,050)	(1,071)	(1,093)
Total	-	(1,030)	(1,050)	(1,071)	(1,093)
Suicide prevention – response to the Independent Study into Suicide in the Ex-service Community					
2.5					
Administered expenses	-	439	361	-	-
Departmental expenses	-	1,889	2,270	2,253	2,296
Total	-	2,328	2,631	2,253	2,296
Department of Veterans' Affairs – additional departmental funding ⁵					
ALL					
Departmental expenses	6,300	-	-	-	-
Total	6,300	-	-	-	-
Total Outcome 2 expense measures					
Administered	2,012	1,768	(1,045)	(2,903)	(6,361)
Departmental	6,300	2,295	2,395	2,253	2,296
Total	8,312	4,063	1,350	(650)	(4,065)

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Table 1.2: Agency 2009–10 Budget measures (continued)

Program	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
Outcome 3 expense measures					
Commemorations – Western Front ANZAC Trail					
3.1					
Administered expenses	-	996	2,848	2,368	2,378
Departmental expenses	-	286	292	296	492
Total	-	1,282	3,140	2,664	2,870
Department of Veterans' Affairs – additional departmental funding ⁵					
ALL					
Departmental expenses	900	-	-	-	-
Total	900	-	-	-	-
Total Outcome 3 expense measures					
Administered	-	996	2,848	2,368	2,378
Departmental	900	286	292	296	492
Total	900	1,282	3,140	2,664	2,870
Total expense measures					
Administered	11,500	239,839	291,699	277,142	257,922
Departmental	16,193	12,326	5,882	6,341	6,902
Total	27,693	252,165	297,581	283,483	264,824

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Table 1.2: Agency 2009–10 Budget measures (continued)

	Program	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
Capital measures						
Outcome 1 measures						
Secure and Sustainable Pensions – increase to pension payments ¹						
	1.1					
	Departmental expenses	46	1,692	-	-	-
	Total	46	1,692	-	-	-
Secure and Sustainable Pensions – tighten the income test taper ¹						
	1.1					
	Departmental expenses	63	1,228	-	-	-
	Total	63	1,228	-	-	-
Secure and Sustainable Pensions – New Carer Supplement ¹						
	1.1					
	Departmental expenses	33	658	-	-	-
	Total	33	658	-	-	-
Total Outcome 1 capital measures						
	Departmental	142	3,578	-	-	-
	Total	142	3,578	-	-	-
Revenue measures						
Outcome 1 measures						
Defence Services Homes Insurance Scheme – extension of eligibility						
	1.4					
	Departmental expenses	-	(1,456)	(2,475)	(3,130)	(3,518)
	Total	-	(1,456)	(2,475)	(3,130)	(3,518)
Total Outcome 1 revenue measures						
	Departmental	-	(1,456)	(2,475)	(3,130)	(3,518)
	Total	-	(1,456)	(2,475)	(3,130)	(3,518)

1. The lead agency for these measures is the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA). The full measure description and package details appear in Budget Paper 2 under the FaHCSIA portfolio.
2. In relation to the Clarke Review measure, there will be departmental costs totalling \$176,000 over two years which will be absorbed by DVA.
3. The lead agency for these measures is the Department of Employment, Education and Workplace Relations (DEEWR). The full measure description and package details appear in Budget Paper 2 under the DEEWR portfolio.
4. The lead agency for these measures is the Department of Health and Ageing. The full measure description and package details appear in Budget Paper 2 under the Health portfolio.
5. Additional departmental funding of \$15 million has been allocated over all outcomes.

1.4 TRANSITION FROM OUTCOMES AND OUTPUTS TO OUTCOMES AND PROGRAMS

From the 2009–10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. Figure 2 outlines the transition from the 2008–09 Budget year (as at Additional Estimates) which was presented in administered items, outputs and output groups to the program reporting framework used for the 2009–10 Budget. The figure also captures revisions made to GGS outcome statements under the Operation Sunlight Outcome Statements Review.

Figure 2: Transition table, Outcome 1

Outcome 1: Maintain and enhance the financial wellbeing and self-sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements.

2008–09 Budget year	2009–10 Budget year
Outcome 1: Compensation and Support	Outcome 1: Compensation and Support
Output Group 1.1: Income Support under the <i>Veterans' Entitlements Act 1986</i>	Program 1.1: Veterans' Income Support and Allowances
Administered Items: Administered Special Appropriations: <i>Veterans' Entitlements Act 1986 (VEA)</i> Income Support Pensions P 1.1 Telephone and other allowances P 1.1 Departmental Outputs: Deliver a means tested income support pension and other allowances to veterans and dependants under the VEA and related legislation.	Administered Items: Administered Special Appropriations: <i>Veterans' Entitlements Act 1986 (VEA)</i> Income Support Pensions OG 1.1 Telephone and other allowances OG 1.1 Program Support

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Figure 2: Transition table, Outcome 1 (continued)

Output Group 1.2: Compensation under the Veterans' Entitlements Act 1986	Program 1.2: Veterans' Disability Support
Administered Items:	Administered Items:
Annual Appropriation Bill 1	Annual Appropriation Bill 1 OG 1.2
Payments under section 33 of the <i>Financial Management and Accountability Act 1997</i> P 1.4	Medical Examinations, fares and expenses Repayments of Maintenance Deductions
Medical examinations, fares and expenses of veterans and dependants P 1.2	Vehicle Assistance Scheme
Compensation and Legal Expenses P 1.4	Administered Special Appropriations:
Payments under subsections 3(6) and (8) of the <i>Repatriation Amendment Act 1982</i> and similar payments P 1.2	Veterans' Entitlement Act 1986 (VEA) OG 1.2
Compensation for detriment caused by defective administration P 1.4	Disability Pensions Loss of Earnings Recreation Transport Allowance
Veterans' Children Education Scheme P 1.5	Program Support
Vehicle Assistance Scheme P 1.2	
Compensation payments for British Commonwealth and Allied Veterans P 1.4	
Ex Gratia Payments P 1.4	
Administered Special Appropriations:	
Veterans' Entitlements Act 1986 (VEA)	
Disability Pensions and allowances for veterans and their dependants P 1.2	
Pensions and allowances for war and defence widows and other dependants P 1.3	
Loss of earnings allowances P 1.2	
Funeral Benefits P 1.4	
Recreation transport allowance P 1.2	
Payments to former Prisoners of War of the Japanese and their widows P 1.4	
Payments for former Prisoners of War in Europe P 1.4	
Papua New Guinea (Members of the Forces Benefits) Act 1957	
Papua New Guinea Pensions P 1.4	
Departmental Outputs:	
Deliver compensation pensions, allowances and special purpose assistance to eligible veterans and war widows and widowers under the VEA and related legislation.	

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Figure 2: Transition table, Outcome 1 (continued)

<p>Output Group 1.3: Merit Reviews under the <i>Veterans' Entitlements Act 1986</i></p> <p>Departmental Outputs: Independent merits reviews by the Veterans' Review Board (VRB) of certain primary decisions made by delegates of the Repatriation Commission on claims for pension under the VEA and determinations of delegates of the MRCC and service chiefs under the MRCA. P 1.4</p>	<p>Program 1.3: Assistance to Defence Widow(er)s and Dependants</p> <p>Annual Administered Expenses:</p> <p>Veterans' Entitlements Act 1986 (VEA):</p> <p>Pensions and allowances for war and defence widows and other dependants OG 1.2</p>
<p>Output Group 1.4: Housing Support</p> <p>Administered Items:</p> <p>Administered Special Appropriations: Defence Service Homes Act 1918</p> <p>Interest subsidy to be paid to Westpac P 1.4</p> <p>Departmental Outputs:</p> <p>Provide financial assistance through the Defence Service Home Loan Scheme</p>	<p>Program 1.4: Assistance and Other Compensation for Veterans and Dependants</p> <p>Administered Items:</p> <p>Appropriation Bill 1</p> <p>Compensation and Legal Expenses OG 1.2</p> <p>Defective Administration OG 1.2</p> <p>Payments to ESOs (BEST) OG 4.1</p> <p>Veterans' Access to Community Information OG 4.1</p> <p>Act of Grace OG 1.2</p> <p>Ex Gratia Payments OG 1.2</p> <p>Administered Special Appropriations: Veterans' Entitlements Act 1986 (VEA)</p> <p>Funeral Benefits OG 1.2</p> <p>POW (J) OG 1.2</p> <p>POW (E) OG 1.2</p> <p>Compensation Payments for BCAL Veterans OG 1.2</p> <p>Papua New Guinea (Members of the Forces Benefits) Act 1957</p> <p>PNG Pensions OG 1.2</p> <p>Safety, Rehabilitation and Compensation Act 1988</p> <p>Compensation for certain AFP personnel with overseas service OG 1.5</p> <p>Defence Service Homes Act 1918</p> <p>Interest Subsidy OG 1.4</p> <p>Program Support</p>

Continued on next page.

Figure 2: Transition table, Outcome 1 (continued)

Output Group 1.5: Incapacity and Impairment payments under <i>Safety Rehabilitation Compensation Act 1988</i>	Program 1.5: Veterans' Children Education Scheme
<p>Administered Items:</p> <p>Annual Appropriation Bill 1</p> <p>Safety Rehabilitation and Compensation Act 1988 (SRCA)</p> <p>Compensation and Legal Expenses P 1.6</p> <p>Compensation for detriment caused by defective administration P 1.6</p> <p>Administered Special Appropriations: Safety Rehabilitation and Compensation Act 1988 (SRCA)</p> <p>Permanent Impairment payments for serving and former defence force members and their dependants P 1.6</p> <p>Benefits for Defence widows and other dependants P 1.6</p> <p>Incapacity Payments P 1.6</p> <p>Medical examinations, fares and expenses of serving and former defence force members and dependants P 1.6</p> <p>Other compensation P 1.6</p> <p>Adjustment of liability provision P 1.7</p> <p>Police International Rehabilitation and Compensation Scheme</p> <p>Safety Rehabilitation and Compensation Act 1988</p> <p>Compensation for certain Australian Federal Police personnel with overseas service P 1.4</p> <p>Departmental Outputs:</p> <p>Provide incapacity payments, non-economic loss lump sums for injuries resulting in permanent impairment and payments to dependants of deceased employees through the SRCA P 1.6</p>	<p>Administered Items:</p> <p>Annual Appropriation Bill 1</p> <p>Veterans' Children Education Scheme OG 1.2</p> <p>Program Support</p>

Continued on next page.

Figure 2: Transition table, Outcome 1 (continued)

Output Group 1.6: Merit reviews under the SRCA	Program 1.6: Rehabilitation Compensation Acts Payments – Income Support and Compensation
<p>Departmental Outputs: Administer Individual Merit Reviews of SRCA decisions P 1.6</p>	<p>Administered Items:</p> <p>Appropriation Bill 1</p> <p>Other Income Support and Compensation Related Payments – SRCA OG 1.5</p> <p>Other Income Support and Compensation Related Payments – MRCA OG 1.7</p> <p>Special Appropriations:</p> <p>Safety, Rehabilitation and Compensation Act 1988</p> <p>Permanent Impairment OG 1.5</p> <p>Benefits for Eligible Dependants OG 1.5</p> <p>Incapacity Payments OG 1.5</p> <p>Medical Examinations OG 1.5</p> <p>Death Payments OG 1.5</p> <p>Other Income Support and Compensation Related Payments OG 1.5</p> <p>Military Rehabilitation and Compensation Act 2004</p> <p>Permanent Impairment OG 1.7</p> <p>Benefits for Eligible Dependants OG 1.7</p> <p>Income Maintenance Payments OG 1.7</p> <p>Medical Examinations OG 1.7</p> <p>Other Income Support and Compensation Related Payments OG 1.7</p> <p>Program Support</p>

Continued on next page.

Figure 2: Transition table, Outcome 1 (continued)

<p>Output Group 1.7: Incapacity and Impairment payments under <i>Military Rehabilitation and Compensation Act 2004</i></p>	<p>Program 1.7: Adjustment to the Rehabilitation Compensation Acts Liability Provisions – Income Support and Compensation</p>
<p>Administered Items:</p> <p>Annual Appropriation Bill 1</p> <p>Military Rehabilitation and Compensation Act 2004</p> <p>Children's Education Scheme P 1.6</p> <p>Motor Vehicle Scheme P 1.6</p> <p>Compensation and Legal Expenses P 1.6</p> <p>Compensation for detriment caused by defective administration P 1.6</p> <p>Administered Special Appropriations: Military Rehabilitation and Compensation Act 2004</p> <p>Permanent Impairment payments for veterans, serving and former defence force members and their dependants P 1.6</p> <p>Benefits for veterans and defence widows and other dependants P 1.6</p> <p>Income Maintenance Payments P 1.6</p> <p>Funeral Expenses P 1.6</p> <p>Telephone Allowance P 1.6</p> <p>Medical examinations, fares and expenses of veterans, serving and former defence force members and dependants P 1.6</p> <p>Adjustment of liability provision P 1.7</p> <p>Departmental Outputs:</p> <p>Provide incapacity payments, non-economic loss lump sums for injuries resulting in permanent impairment and payments to dependants of deceased employees under the MRCA and related legislation P 1.6</p>	<p>Administered Items:</p> <p>Adjustment of liability provision;</p> <p><i>Military Rehabilitation and Compensation Act 2004 and</i> OG 1.7</p> <p><i>Safety Rehabilitation and Compensation Act 1988 (SRCA)</i> OG 1.5</p>
<p>Output Group 1.8: Merit Reviews under the <i>Military Rehabilitation and Compensation Act 2004</i></p>	
<p>Departmental Outputs:</p> <p>Administer Individual Merit Reviews of decisions made under the MRCA and related legislation P 1.6</p>	

Figure 2: Transition table, Outcome 2

Outcome 2: Maintain and enhance the physical wellbeing and quality of the life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements.

2008–09 Budget year	2009–10 Budget year
Outcome 2: Health	Outcome 2: Health
Output Group 2.1: Health services under the <i>Veterans' Entitlements Act 1986</i>	Program 2.1: General Medical Consultations and Services
Administered Items:	Administered Items:
Annual Appropriation Bill 1	Special Appropriations:
Veterans' Entitlements Act 1986 (VEA)	Veterans' Entitlements Act 1986 (VEA)
Compensation and Legal Expenses P 2.5	LMO Consultations OG 2.1
Health and medical research for veterans' health care P 2.5	Specialist Consultations OG 2.1
Veterans' employment and training scheme P 2.5	Medical Services OG 2.1
Health treatment for British Commonwealth and Allied Veterans P 2.5	Dental OG 2.1
Special Appropriations:	Program Support
Veterans' Entitlements Act 1986 (VEA)	
Subsistence P 2.5	
Consultations and services by medical practitioners P 2.1	
Treatment in public and private hospitals P 2.2	
Veterans' pharmaceutical services P 2.3	
Residential Care P 2.4	
Veterans' Home Care P 2.4	
Other health care expenses P 2.1, P 2.4, P 2.5	
Australian Participants in British Nuclear Tests (Treatment) Act 2006	
Treatment for Australian Participants in British Nuclear Tests P 2.5	
Annual Appropriation Bill 2	
Transfer of Repatriation General Hospitals	
Home and Community Care Services for Veterans	
Departmental Outputs:	
Arrangements for delivery of health and other care services under the VEA and related legislation	

Continued on next page.

Figure 2: Transition table, Outcome 2 (continued)

Output Group 2.2: Counselling and referral services under the <i>Veterans' Entitlements Act 1986</i>	Program 2.2: Veterans' Hospital Services
<p>Administered Items:</p> <p>Annual Appropriation Bill 1 Veterans' Entitlements Act 1986 (VEA)</p> <p>Counselling Support and Children's Assistance P 2.5</p> <p>Special Appropriations:</p> <p>Veterans' Entitlements Act 1986 (VEA)</p> <p>Veterans & Veterans' Families Counselling Services (VVCS) P 2.5</p> <p>Departmental Outputs:</p> <p>Provide counselling and referral services for veterans and their families</p>	<p>Administered Items:</p> <p>Special Appropriations: Veterans' Entitlements Act 1986 (VEA)</p> <p>Public Hospitals OG 2.1</p> <p>Private hospitals OG 2.1</p> <p>Psychology OG 2.1</p> <p>Nursing Homes (POW) OG 2.1</p> <p>Program Support</p>
Output Group 2.3: Medical, rehabilitation and other services under <i>Safety, Rehabilitation and Compensation Act 1988</i>	Program 2.3: Veterans' Pharmaceuticals benefits
<p>Administered Items:</p> <p>Administered Special Appropriations: Safety, Rehabilitation and Compensation Act 1988 (SRCA) and related legislation</p> <p>Serving and former defence force members' hospital and health services P 2.6</p> <p>Serving and former defence force members' rehabilitation services (including counselling) P 2.6</p> <p>Other Services P 2.6</p> <p>Adjustment to Liability Provisions P 2.7</p> <p>Police International Rehabilitation and Compensation Scheme</p> <p>Safety Rehabilitation and Compensation Act 1988</p> <p>Compensation for certain Australian Federal Police personnel with overseas service P 2.5</p> <p>Departmental Outputs:</p> <p>Arrange for the delivery of medical, rehabilitation and other related services under the SCRA and related legislation P 2.6</p>	<p>Administered Items:</p> <p>Special Appropriations: Veterans' Entitlements Act 1986 (VEA)</p> <p>Pharmaceuticals Services OG 2.1</p> <p>Program Support</p>

Continued on next page.

Figure 2: Transition table, Outcome 2 (continued)

Output Group 2.4: Medical, rehabilitation and other services under <i>Military Rehabilitation and Compensation Act 2004</i>	Program 2.4: Veterans' Community Care and Support
Administered Items: Administered Special Appropriations: Military Rehabilitation and Compensation Act (MRCA) 2004 and related legislation Veterans' and serving and former defence force members' hospital and health services P 2.6 Veterans' and serving and former defence force members' rehabilitation services P 2.6 Other Services P 2.6 Adjustment of Liability Provisions P 2.7 Departmental Outputs: Arrange for the delivery of medical, rehabilitation and other related services under the MRCA and related legislation related legislation	Administered Items: Appropriation Bill 1 Grants-In-Aid OG 4.1 Community Care Grants OG 4.1 Joint Venture Grants OG 4.1 JV Day Clubs OG 4.1 JV Home Maintenance Special Appropriations OG 4.1 Veterans' Entitlements Act 1986 (VEA) Residential Care OG 2.1 Community Nursing OG 2.1 Veterans' Home Care OG 2.1 In Home Respite OG 2.1 Home Help OG 2.1 Carer and Volunteer Support OG 2.1 Program Support
	Program 2.5: Veterans' Counselling and Other Health Services Administered Items: Annual Appropriation Bill 1 Counselling Support & Children's Assistance OG 2.2 Compensation and Legal Expenses OG 2.1 Veterans' Employment & Training Scheme OG 2.1 Health & Medical Research OG 2.1 Special Appropriations: Veterans' Entitlements Act 1986 (VEA) OG 2.1 Travel for Treatment OG 2.1 Subsistence OG 2.1 Veterans and Veterans' Families Counselling Service OG 2.2 Allied Health Services OG 2.1 Rehabilitation Appliances OG 2.1 Health Treatment for BCAL Veterans OG 2.1 Veterans' Entitlements Act 1986 (VEA) Nuclear Test Health Care Payments OG 2.1 Veterans' Entitlements Act 1986 (VEA) Health care and rehabilitation for certain AFP personnel with overseas service OG 2.3 Program Support

Continued on next page.

Figure 2: Transition table, Outcome 2 (continued)

Program 2.6: Rehabilitation Compensation Acts – Health & Other Care Services	
Administered Items:	
Administered Special Appropriations:	
Safety Rehabilitation and Compensation Act 1988 (SRCA)	
Medical Services	OG 2.3
Rehabilitation Services	OG 2.3
Other Services	OG 2.3
Military Rehabilitation and Compensation Act 2004	
Medical Services	OG 2.4
Rehabilitation Services	OG 2.4
Other Services	OG 2.4
Program Support	
Program 2.7: Adjustment to the Rehabilitation Compensation Acts Liability Provisions – Health & Other Care Services	
Administered Items:	
Special Appropriations:	
Adjustment of liability provision;	
<i>Military Rehabilitation and Compensation Act 2004 and</i>	OG 2.3
<i>Safety Rehabilitation and Compensation Act 1988 (SRCA)</i>	OG 2.4

Figure 2: Transition table, Outcome 3

Outcome 3: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia’s wartime heritage, and official commemorations.

2008–09 Budget year	2009–10 Budget year
Outcome 3: Commemorations	Outcome 3: Commemorations
Output Group 3.1: Commemorative activities	Program 3.1: War Graves and Commemorations
Administered Items: Annual Appropriation Bill 1 Veterans' commemorative activities P 3.1 Departmental Outputs: Develop and implement commemorative initiatives and Saluting Their Service	Administered Items: Annual Appropriation Bill 1 Provision, maintenance and refurbishment of official graves, war cemeteries and overseas memorials OG 3.2 Compensation and Legal Expenses OG 3.2 Veterans' Commemorative Activities OG 3.1 Program Support
Output Group 3.2: War graves	Program 3.2: Gallipoli Related Activities
Administered Items: Annual Appropriation Bill 1 War Graves – Commemoration care and maintenance P 3.1 Refurbishment, reconstruction and relocation of war graves and related facilities P 3.1 Compensation and Legal Expenses P 3.1 Departmental Outputs: Maintain, construct and refurbish war graves and post-war commemorations within war cemeteries, gardens of remembrance, cemeteries and crematoria in Australia and Papua New Guinea. Process claims for and provision of official post-war commemorations	Administered Items: Annual Appropriation Bill 1 Gallipoli Related Activities Program Support

Figure 2: Transition table (old outcomes)

Outcome 4: Service Delivery

Output Group 4.1: Communications, community support and development services	
Administered Items:	
Annual Appropriation Bill 1	
Grants in aid	P 2.4
Community care grants	P 2.4
Payments to ex-service organisations to facilitate claims by eligible veterans	P 1.4
Payments to persons and organisations in respect of agreed joint venture and support for day clubs for the care and welfare of veterans, war widows and dependants	P 2.4
Compensation and legal expenses	P 1.4
Veterans' access to community information systems	P 1.4
Departmental Outputs:	
Provide communication and community support and development services to the veteran community and providers, including veterans' local support groups	

Output Group 4.2: Advice and Information services under the SRCA	
Departmental Outputs:	
Provide advice and information to members of the defence force community and providers related to the SRCA	

Output Group 4.3: Advice and information under the MRCA	
Departmental Outputs:	
Revenues from other sources (s. 31)	
Revenues from other sources	

Outcome 5: Defence Force Services

Output Group 5.1: Joint Defence/DVA projects	
Administered Items:	
Revenues from other sources (s. 31)	
Joint Defence/DVA projects	
Revenues from other sources	

1.5 PAYMENTS DELIVERED BY OR THROUGH TREASURY UNDER THE FEDERAL FINANCIAL FRAMEWORK

The Council of Australian Governments (COAG) has agreed to a new framework for federal financial relations that is being implemented in a staged manner from 1 January 2009. Under these arrangements specific purpose payments (SPPs) will now be made through combined monthly payments from the Commonwealth Treasury to and through state and territory treasuries.

Details of payments previously the responsibility of the Department of Veterans' Affairs and now being made by the Treasury are summarised below in terms of the agency program through which payments were previously made and the Treasury program now responsible. Further information on these arrangements can be found in the Portfolio Budget Statements of the Treasury and in Budget Paper No. 3 (Australia's Federal Relations).

Table 1.3: Programs for which Treasury is appropriated under the Federal Financial Relations Framework

Treasury Program <i>Agency Program</i>	2008–09 \$'000	2009–10 \$'000	2010–11 \$'000	2011–12 \$'000	2012–13 \$'000
1.1 Outcome 2 Payment to/through States – Veterans' hospital services					
<i>Outcome 2 – 1076 – Transfer of RGH</i>	631	1,936	1,829	1,727	1,724
1.2 Outcome 2 Payment to/through States – Assistance to the aged					
<i>Outcome 2 – 1085 – Home and Community Care Services for Veterans</i>	5,324	17,972	18,457	18,438	18,404
Total	5,955	19,908	20,286	20,165	20,128

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are intended results, impacts or consequences of actions by the government on the Australian community. Agencies deliver programs which are the government actions taken to deliver the stated outcomes. Agencies are required to identify the programs which contribute to government outcomes over the Budget and forward years.

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

Outcome 1

Outcome 1: Maintain and enhance the financial wellbeing and self-sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements.

Outcome 1 strategy

- Increase awareness and understanding of compensation, rehabilitation and income support schemes among veterans, serving and former members, their families and their advocates.
- Assist members and their dependants to receive their correct entitlements through effective advice and efficient claims determinations and review.
- Integrate rehabilitation as a key consideration in compensation policy and decision making.
- Engage younger veterans and Australian Defence Force members in policy development and review.
- Ensure that the changing needs of members, especially those with severe disabilities, are addressed.
- Secure continuing access to home loan and insurance services for eligible members of the veteran and defence force communities.
- Implement a range of government commitments and budget measures including Dependant's Pension – lump sum payment and closure; Improved payment arrangements for veterans residing overseas; Defence Service Homes Insurance Scheme (DSHIS) extension of eligibility; Military Compensation – review of current arrangements; Clarke Review – review of unimplemented recommendations.

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In addition, the department will implement a number of cross-portfolio measures (refer Table 1.2).

Outcome 1 budgeted expenses and resources

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

Table 2.1: Budgeted expenses and resources for Outcome 1

Outcome 1: Maintain and enhance the financial wellbeing and self-sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements.	2008–09 Estimated Actual Expenses \$'000	2009–10 Estimated Expenses \$'000
Program 1.1: Veterans' Income Support and Allowances		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	3,329,203	2,951,522
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	46,856	56,464
Revenues from Independent Sources (Section 31)	2,985	1,422
Expenses not requiring Appropriation in the Budget year	139	179
Total for Program 1.1	3,379,183	3,009,587
Program 1.2: Veterans' Disability Support		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	11,997	11,532
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	1,465,317	1,468,818
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	41,343	49,821
Revenues from Independent Sources (Section 31)	2,414	1,150
Expenses not requiring Appropriation in the Budget year	112	145
Total for Program 1.2	1,521,183	1,531,466
Program 1.3: Assistance to Defence Widow(er)s and Dependants		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	1,674,611	1,814,277
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	8,269	9,964
Revenues from Independent Sources (Section 31)	506	241
Expenses not requiring Appropriation in the Budget year	24	30
Total for Program 1.3	1,683,410	1,824,512

Continued on next page.

Table 2.1: Budgeted expenses and resources for Outcome 1 (continued)

Outcome 1 (continued)	2008–09 Estimated Actual Expenses \$'000	2009–10 Estimated Expenses \$'000
Program 1.4: Assistance and Other Compensation for Veterans and Dependants		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	10,106	8,451
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	22,922	23,986
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	16,537	19,929
Revenues from Independent Sources (Section 31)	1,031	491
Expenses not requiring Appropriation in the Budget year	48	62
Total for Program 1.4	50,644	52,919
Program 1.5: Veterans' Children Education Scheme		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	15,698	16,982
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	2,756	3,321
Revenues from Independent Sources (Section 31)	116	55
Expenses not requiring Appropriation in the Budget year	5	7
Total for Program 1.5	18,575	20,365
Program 1.6: Rehabilitation Compensation Acts Payments - Income Support and Compensation		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	4,697	4,988
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	155,697	156,251
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	27,562	33,215
Revenues from Independent Sources (Section 31)	1,610	767
Expenses not requiring Appropriation in the Budget year	75	97
Total for Program 1.6	189,641	195,318

Continued on next page.

Table 2.1: Budgeted expenses and resources for Outcome 1 (continued)

Outcome 1 (continued)	2008–09 Estimated Actual Expenses \$'000	2009–10 Estimated Expenses \$'000
Program 1.7: Adjustment to the Rehabilitation Compensation Acts Liability Provision – Income Support and Compensation		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Expenses not requiring Appropriation in the Budget year	90,200	101,174
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Revenues from Independent Sources (Section 31)	-	-
Expenses not requiring Appropriation in the Budget year	-	-
Total for Program 1.7	90,200	101,174
Outcome 1 Totals by Appropriation type		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	42,498	41,953
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	6,647,750	6,414,854
Special Accounts	-	-
Expenses not requiring Appropriation in the Budget year	90,200	101,174
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	143,323	172,714
Revenues from Independent Sources (Section 31)	8,662	4,126
Expenses not requiring Appropriation in the Budget year	403	520
Total Expenses for Outcome 1	6,932,836	6,735,341
	2008–09	2009–10
Average Staffing Level (number)	1,087	1,040

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

1. The total departmental expenses for Outcome 1 includes DVA programs only, excluding Defence Services Housing Insurance Scheme (DSHIS) expenditure. DSHIS expenses can be referenced at Section 3, Table 3.2.3a.

Program 1.1: Veterans' Income Support and Allowances

Program 1.1 objective

To deliver means tested income support pensions and other allowances to veterans and dependants under the *Veterans' Entitlements Act 1986* and related legislation. There are five forms of income support paid under this program:

- Service Pension (age) and invalidity service pension, similar to age and disability support pensions paid by Centrelink
- Partner Service pension paid to partners of veterans
- Income support supplement, paid to eligible war widows and widowers
- Social security age pension paid to eligible disability pensioners and their partners, paid by DVA as an agent of Department of Families, Housing, Community Services and Indigenous Affairs
- Defence Force Income Support Allowance.

Income support payments provide a regular source of income for eligible veterans, partners, widows and widowers with limited means.

Program 1.1 expenses

As the veteran population continues to age, program expenses are expected to fall in real terms over the forward years.

Note that the 2008–09 revised budget includes the Economic Security Strategy lump sum payments to pensioners, seniors and carers.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
\$ ('000)					
Annual Administered Expenses:					
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Income Support Pensions	3,229,834	2,907,852	2,874,411	2,806,496	2,743,783
Telephone and other allowances	99,369	43,670	43,528	43,351	43,351
Program Support	49,841	57,886	54,812	55,596	56,448
Expenses not requiring Appropriation in the Budget year	139	179	203	214	221
Total Program Expenses	3,379,183	3,009,587	2,972,954	2,905,657	2,843,803

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Program 1.1 deliverables					
Process claims and reviews in order to deliver means tested income support pensions and allowances to veterans and their dependants:					
<ul style="list-style-type: none"> Quantity: Number of income support beneficiaries Timeliness: Mean time to process new claims Timeliness: Mean time to process pensioner initiated reviews. 					
Deliverables	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
New claims processed	13,100	6,653	6,185	6,076	6,045
Pensioner initiated reviews processed	130,750	93,887	85,947	78,021	70,408
<i>Quantity</i> : Number of income support beneficiaries	301,600	284,600	267,600	250,100	232,600
<i>Timeliness</i> : Mean time to process new claims (days)	50	32	32	32	32
<i>Timeliness</i> : Mean time to process pensioner initiated reviews (days)	23	14	14	14	14

Program 1.1 key performance targets					
<ul style="list-style-type: none"> Price: Cost per income support beneficiary Quality: Critical error rate for income support processing 					
Key Performance Indicators	2008–09 Revised budget	2009–10 Budget Target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<i>Price</i> : Cost per income support beneficiary \$	156	198	205	222	243
<i>Quality</i> : Critical error rate for income support processing	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.2: Veterans' Disability Support

Program 1.2 objective

To deliver disability pensions, allowances and special purpose assistance to eligible veterans under the VEA and related legislation.

The program provides compensation to eligible veterans (including Australian merchant mariners) for the tangible effects of war or defence service. Eligible persons receive disability pensions and ancillary benefits.

Program 1.2 expenses

While numbers will drop around 5 per cent per year over the out years, expenses are expected to initially rise over the next two years, before beginning to drop in accordance with the reducing size of the total veteran population.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Annual Administered Expenses:					
Appropriation Bill 1					
Medical examinations, fares and expenses	11,273	10,814	10,362	9,969	9,584
Repayments of Maintenance Deductions	67	67	67	67	67
Vehicle Assistance Scheme	657	651	650	647	647
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Disability Pensions	1,461,468	1,465,326	1,457,264	1,433,648	1,411,727
Loss of Earnings	134	129	129	129	129
Recreation Transport Allowance	3,715	3,363	3,057	2,771	2,517
Program Support	43,757	50,971	44,337	44,971	45,660
Expenses not requiring Appropriation in the Budget year	112	145	165	173	178
Total Program Expenses	1,521,183	1,531,466	1,516,031	1,492,375	1,470,509

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Program 1.2 deliverables					
Deliver disability pensions to veterans under the <i>Veterans' Entitlements Act 1986</i> and related legislation:					
<ul style="list-style-type: none"> • Process new disability pension claims • Process Loss of Earnings and Recreation Allowance • Process and pay repayments of medical fares and maintenance deductions • Deliver Vehicle Assistance Scheme 					
Deliverables	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<i>Quantity</i> : Number of disability pensioners	131,305	125,300	119,350	113,550	107,950
<i>Timeliness</i> : Mean number of days to process a primary claim	68	75	75	75	75
<i>Timeliness</i> : Mean number of days to process a s. 31 claim	40	40	40	40	40

Program 1.2 key performance targets					
<ul style="list-style-type: none"> • Price Average cost per disability pensioner • Quality: Critical error rates. 					
Key Performance Indicators	2008–09 Revised budget	2009–10 Budget Target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<i>Price</i> : Per disability pensioner	322	407	381	406	434
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.3: Assistance to Defence Widow(er)s and Dependants

Program 1.3 objective

Deliver compensation pensions, allowances and special purpose assistance to the dependants of veterans under the VEA and related legislation including the payment of War Widow(er) claims for compensation.

Program 1.3 expenses

While numbers will drop between 1 and 2 per cent over the out years, expenses are expected to initially rise by about 8 per cent before beginning to drop in accordance with the reducing size of the total widow population.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
\$ ('000)					
Annual Administered Expenses:					
Appropriation Bill 1					
War & Defence Widows Pension	1,674,611	1,814,277	1,840,875	1,796,782	1,778,493
Program Support	8,775	10,205	9,288	9,420	9,565
Expenses not requiring Appropriation in the Budget year	24	30	34	36	37
Total Program Expenses	1,683,410	1,824,512	1,850,197	1,806,238	1,788,095

Program 1.3 deliverables

Process and pay pensions, allowances and other support to war widow(er)s under the *Veterans' Entitlements Act 1986* and related legislation.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Deliverables					
<i>Quantity:</i> Number of war widows/widowers pensioners	106,561	103,400	99,800	95,650	91,000
<i>Timeliness:</i> Mean number of days to process a primary claim	75	75	75	75	75
<i>Timeliness:</i> Mean number of days to process a section 31 claim	40	40	40	40	40

Program 1.3 key performance targets

For key performance targets, please refer to Program 1.2 Veterans Disability Support.

Program 1.4: Assistance and Other Compensation for Veterans and Dependants

Program 1.4 objective

To deliver other allowances and assistance to eligible veterans and dependants under the VEA and related legislation including funeral benefits, Prisoner of War ex-gratia payments and payments on behalf of Commonwealth and Allied countries.

The department also provides assistance to the ESO community through Building Excellence in Support and Training (BEST) grants and funding Training and Information Program (TIP) network.

Program 1.4 expenses

Other allowances projected to move in line with forecast of the total veteran population.

Benchmark interest rates for Defence Home loans are unpredictable so estimates will vary depending on movement in interest rates.

Forward Year Projections are based on:

- 5.84% as the anticipated benchmark interest rate
- portfolio balances reduced by an average 1.31% a month
- Home Support Loans continuing to be granted at the rate of 12/month
- balances of Home Support Loans increase by \$10,000/month.

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	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Annual Administered Expenses:					
Appropriation Bill 1					
Compensation and Legal Expenses	1,501	1,537	1,565	1,563	1,560
Defective Administration	60	74	74	74	74
Payments to ESOs (BEST)	5,172	5,896	5,829	4,679	4,670
Veterans' Access to Community Information	742	835	861	890	888
Act of Grace	98	109	109	108	108
Compensation Payments for BCAL Veterans	2,533	-	-	-	-
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Funeral Benefits	17,225	16,800	16,350	16,350	16,350
POW (J)	25	25	25	25	25
POW (E)	225	150	50	50	50
Compensation Payments for BCAL Veterans	-	2,408	2,288	2,173	2,065
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>					
PNG Pensions	71	76	76	76	76
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Compensation for certain AFP personnel with overseas service	-	1,127	1,127	1,127	1,127
<i>Defence Service Homes Act 1918</i>					
Interest Subsidy	5,376	3,400	3,000	2,600	2,200
Program Support	17,568	20,420	18,941	19,212	19,506
Expenses not requiring Appropriation in the Budget year	48	62	70	74	76
Total Program Expenses	50,644	52,919	50,365	49,001	48,775

Program 1.4 deliverables					
<ul style="list-style-type: none"> • Process funeral benefit claims • Process claims for and maintain Housing Loans • Provide Grants funding to eligible ESOs for provision of services to support the veteran community • Provide ESO representatives with essential skills for pension and compensation claims and welfare work. 					
	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Deliverables					
Funeral benefit processed \$'000	17,225	16,800	16,350	16,350	16,350

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Program 1.4 key performance targets					
<ul style="list-style-type: none"> Quantity: Number of Certificates of Entitlement issued for Defence Home loans Quality: Critical error rates. 					
Key Performance Indicators	2008–09 Revised budget	2009–10 Budget Target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<i>Timeliness</i> : Mean time to process funeral benefits claims (days)	16	10	10	10	10
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.5: Veterans' Children Education Scheme

Program 1.5 objective

Provide financial assistance to eligible students under the VEA Veterans' Children Education Scheme (VCES) and the *Military Rehabilitation and Compensation Act 2004* Education and Training Scheme (MRCAETS) to assist with their education needs.

Program 1.5 expenses

In total numbers, eligible students are reducing at a rate of approximately 4 per cent per year. Numbers of students eligible under MRCAETS are very low (approximately 20 compared to VCES, approximately 3,595).

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
\$ ('000)					
Annual Administered Expenses:					
Appropriation Bill 1					
Veterans' Children Education Scheme	15,698	16,982	18,034	17,735	17,499
Program Support	2,872	3,376	2,132	2,162	2,195
Expenses not requiring Appropriation in the Budget year	5	7	8	8	9
Total Program Expenses	18,575	20,365	20,174	19,905	19,703

Program 1.5 deliverables

- Process new claims under VCES and MRCAETS.
- Deliver financial assistance and allowances to eligible students.
- Quantity: Number of primary students receiving assistance.
- Quantity: Number of secondary students receiving assistance.
- Quantity: Number of tertiary students receiving assistance.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Deliverables					
<i>Quantity:</i> Number of primary students	1,030	985	950	915	875
<i>Quantity:</i> Number of secondary students	1,515	1425	1,340	1260	1185
<i>Quantity:</i> Number of tertiary students	1,050	1015	975	945	910

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Program 1.5 key performance targets					
• Quality: Critical error rates.					
	2008–09	2009–10	2010–11	2011–12	2012–13
Key Performance Indicators	Revised budget	Budget Target	Forward year 1	Forward year 2	Forward year 3
Quality: Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.6: Rehabilitation Compensation Acts Payments—Income Support and Compensation

Program 1.6 objective

To provide incapacity payments, non-economic loss lump sums for injuries resulting in permanent impairment and payments to dependants of deceased employees under the *Safety, Rehabilitation and Compensation Act 1988* and the *Military Rehabilitation and Compensation Act 2004* and related legislation.

Program 1.6 expenses

Future budget results are anticipated to reflect a shift from SRCA related payments to MRCA related payments, in line with the extent of claims made against each legislation.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Annual Administered Expenses:					
Appropriation Bill 1					
Other Income Support and Compensation Related Payments – SRCA	4,068	3,904	3,794	3,687	3,599
Other Income Support and Compensation Related Payments – MRCA	629	1,084	1,293	1,637	1,744
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Permanent Impairment Benefits for Eligible Dependants	39,996	32,628	28,221	22,279	20,839
Incapacity Payments	3,895	4,008	3,989	3,992	3,992
Medical Examinations	68,167	57,307	56,089	54,775	53,432
Death Payments	3,170	3,070	2,971	2,894	2,822
Other Income Support and Compensation Related Payments	1,113	1,111	1,106	1,107	1,107
<i>Military Rehabilitation and Compensation Act 2004</i>					
Permanent Impairment Benefits for Eligible Dependants	17,928	23,611	31,288	40,458	45,752
Income Maintenance Payments	1,098	4,011	3,985	3,988	3,988
Medical Examinations	17,462	26,127	32,829	40,078	47,745
Other Income Support and Compensation Related Payments	1,183	2,694	3,384	4,016	4,012
Program Support	9	20	26	26	26
Expenses not requiring Appropriation in the Budget year	29,172	33,982	29,568	29,991	30,451
	75	97	110	116	119
Total Program Expenses	189,641	195,318	200,314	210,698	221,280

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Program 1.6 deliverables

- Administer individual merit reviews for SRCA and MRCA decisions.
- Provide incapacity payments, non-economic loss lump sums/pensions for injuries resulting in permanent disability and payments to dependants of deceased employees under the MRCA and SRCA.

Program 1.7: Adjustment to the Rehabilitation Compensation Acts Liability Provision– Income Support and Compensation

Program 1.7 objective

To provide an actuarial assessment on the future liability of income support and compensation under the Rehabilitation Compensation Acts.

Program 1.7 expenses

The liability provision for SRCA and MRCA is adjusted based on annual Actuarial assessment from the Australian Government Actuary.

The figures below represent the estimated net movement based on the actuarial report.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
\$ ('000)					
Special Appropriations:					
Expenses not requiring Appropriation in the Budget year	90,200	101,174	106,789	113,398	120,295
Total Program Expenses	90,200	101,174	106,789	113,398	120,295

Outcome 2

Outcome 2: Maintain and enhance the physical wellbeing and quality of life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements.

Outcome 2 strategy

- Ensure continued access to high-quality health care and rehabilitation services, in partnership with public and private providers.
- Develop an integrated approach to support the physical and mental health and wellbeing of the veteran and defence force communities.
- Promote rehabilitation as a health priority for veterans and former members.
- Maintain and develop services targeted to the needs of an ageing veteran population to support a level of independence.
- Continue research to support the health and wellbeing of members and their families.
- Implement a range of government commitments and budget measures, including review of the cost of pharmaceuticals for war caused disabilities, the government's response to the Independent Study into Suicide in the Ex-Service Community, and HomeFront, Rehabilitation Appliance Program and Veterans' Home Care assessments.

In addition, the department will implement a number of cross-portfolio measures (refer Table 1.2).

Outcome 2 budgeted expenses and resources

Table 2.2 provides an overview of the total expenses for Outcome 2, by program.

Table 2.2: Budgeted expenses and resources for Outcome 2

Outcome 2: Maintain and enhance the physical wellbeing and quality of the life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements	2008–09 Estimated Actual Expenses \$'000	2009–10 Estimated Expenses \$'000
Program 2.1: General Medical Consultations and Services		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	944,917	959,120
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	17,875	21,109
Revenues from Independent Sources (Section 31)	57	78
Special Appropriations	46	60
Total for Program 2.1	962,895	980,367
Program 2.2: Veterans' Hospital Services		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	1,635,012	1,675,072
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	15,321	18,094
Revenues from Independent Sources (Section 31)	57	79
Special Appropriations	47	61
Total for Program 2.2	1,650,437	1,693,306
Program 2.3: Veterans' Pharmaceuticals Benefits		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	462,250	450,088
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	5,107	6,031
Revenues from Independent Sources (Section 31)	18	24
Expenses not requiring Appropriation in the Budget year	14	19
Total for Program 2.3	467,389	456,162

Continued on next page.

Table 2.2: Budgeted expenses and resources for Outcome 2 (continued)

Outcome 2 (continued)	2008–09 Estimated Actual Expenses \$'000	2009–10 Estimated Expenses \$'000
Program 2.4: Veterans' Community Care and Support		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	3,868	3,943
Other Services (Appropriation Bill No. 2)	11,902	-
Special Appropriations	1,163,748	1,250,595
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	20,428	24,125
Revenues from Independent Sources (Section 31)	75	102
Expenses not requiring Appropriation in the Budget year	61	79
Total for Program 2.4	1,200,082	1,278,844
Program 2.5: Veterans' Counselling and Other Health Services		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	8,409	3,814
Other Services (Appropriation Bill No. 2)	1,450	-
Special Appropriations	480,128	516,419
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	38,303	45,234
Revenues from Independent Sources (Section 31)	145	199
Expenses not requiring Appropriation in the Budget year	119	154
Total for Program 2.5	528,554	565,820
Program 2.6: Military Rehabilitation Compensation Acts - Health and Other Care Services		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	37,351	36,291
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	10,214	12,062
Revenues from Independent Sources (Section 31)	42	57
Expenses not requiring Appropriation in the Budget year	35	45
Total for Program 2.6	47,642	48,455

Continued on next page.

Table 2.2: Budgeted expenses and resources for Outcome 2 (continued)

Outcome 2 (continued)	2008–09 Estimated Actual Expenses \$'000	2009–10 Estimated Expenses \$'000
Program 2.7: Adjustment to the Military Rehabilitation Compensation Acts Liability Provision – Health and Other Care Services		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Expenses not requiring Appropriation in the Budget year	10,600	13,866
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	-
Revenues from Independent Sources (Section 31)	-	-
Expenses not requiring Appropriation in the Budget year	-	-
Total for Program 2.7	10,600	13,866
Outcome 2 Totals by Appropriation type		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	12,277	7,757
Other Services (Appropriation Bill No. 2)	13,352	-
Special Appropriations	4,723,406	4,887,585
Special Accounts	-	-
Expenses not requiring Appropriation in the Budget year	10,600	13,866
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	107,248	126,655
Revenues from Independent Sources (Section 31)	394	539
Expenses not requiring Appropriation in the Budget year	322	418
Total Expenses for Outcome 2	4,867,599	5,036,820
	2008–09	2009–10
Average Staffing Level (number)	878	840

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

Program 2.1: General Medical Consultations and Services

Program 2.1 objective

Provide access to general and specialist medical and dental services to entitled VEA beneficiaries.

Program 2.1 expenses

Expenditure for general and specialist medical and dental consultations in forward years is expected to decline with a reducing treatment population. It is expected that the effect of the decline in treatment population will be softened by an expected increase in service usage by the ageing veteran population.

Expenditure on medical and dental services is likely to increase slightly as the ageing veteran population accesses a greater number of services.

The majority of payments to medical providers are made through arrangements with Medicare Australia on behalf of DVA.

Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Annual Administered Expenses:					
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
LMO Consultations	151,043	144,517	138,467	132,597	126,482
Specialist Consultations	151,157	147,462	146,137	144,230	143,984
Medical Services	535,641	553,482	569,097	583,259	596,294
Dental	107,076	113,659	120,275	127,224	133,464
Program Support	17,932	21,187	17,471	17,581	17,836
Expenses not requiring Appropriation in the Budget year	46	60	68	72	74
Total Program Expenses	962,895	980,367	991,515	1,004,963	1,018,134

Program 2.1 deliverables					
<ul style="list-style-type: none"> To ensure entitled beneficiaries have access to general and specialist medical and dental services. To maintain and develop arrangements with medical and dental practitioners in both the public and private sectors. Ensure a geographically diverse range of providers participate in the arrangements for provision of general and specialist medical and dental services to entitled beneficiaries. Ensure a comprehensive range of general and specialist medical and dental services are available to entitled beneficiaries in order to meet their health care needs. To facilitate effective payment of medical practitioners under the Department of Veterans' Affairs arrangements. 					
	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Deliverables					
Treatment Population	269,200	256,200	243,100	230,000	217,000

Program 2.1 key performance targets					
<ul style="list-style-type: none"> To ensure arrangements are in place for the access to and delivery of general and specialist medical services under the VEA and related legislation. To maintain a schedule of general and specialist medical services to meet the health care needs of entitled beneficiaries and maintain consistency with trends in the delivery of health care services. 					
	2008–09 Revised budget	2009–10 Budget Target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Key Performance Targets					
Price: Unit cost per cardholder	66	82	72	76	82

Program 2.2: Veterans' Hospital Services

Program 2.2 objective

Provide access to hospital services for entitled beneficiaries through arrangements with hospitals in both the private and public sectors.

Program 2.2 expenses

- Costs in private and public hospitals are expected to increase as the ageing population access more services, and fees for hospitals increase with changes in contract rates for the provision of hospital services.
- Public hospitals—agreements are in place with state and territory health authorities for the treatment of veterans in public hospitals.
- Private hospitals—contracts are in place with a number of private hospitals for the provision of inpatient services for veterans.
- Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
\$ ('000)					
Annual Administered Expenses:					
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Public Hospitals	743,556	763,941	775,618	790,083	805,365
Private Hospitals	888,900	908,426	908,882	907,979	916,330
Nursing Homes (POW)	2,556	2,705	2,839	2,984	3,123
Program Support	15,378	18,173	17,704	17,815	18,073
Expenses not requiring Appropriation in the Budget year	47	61	69	72	75
Total Program Expenses	1,650,437	1,693,306	1,705,112	1,718,933	1,742,966

Program 2.2 deliverables

- Maintain arrangements to ensure access to hospital services for entitled beneficiaries through arrangements with hospitals in both the private and public sectors.
- Ensure geographically diverse range of providers including private hospitals, public hospitals and day procedure centres are contracted to deliver hospital services to entitled beneficiaries.
- Ensure a comprehensive range of hospital services are made available to entitled beneficiaries in order to meet their health care needs.
- To facilitate effective payment of hospital providers under the Department of Veterans' Affairs arrangements.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Deliverables					
Treatment Population	269,200	256,200	243,100	230,000	217,000

Program 2.2 key performance targets					
To ensure that arrangements are in place for the access to and delivery of private and public hospital services under the VEA and related legislation.					
Key Performance Indicators	2008–09 Revised budget	2009–10 Budget Target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<i>Price</i> : Unit cost per cardholder	57	71	73	77	83

Program 2.3: Veterans' Pharmaceuticals Benefits

Program 2.3 objective

The Repatriation Pharmaceutical Benefits Scheme (RPBS) will provide entitled beneficiaries access to a comprehensive array of pharmaceuticals and wound dressings for the treatment of their health care needs.

Program 2.3 expenses

Expenditure in pharmaceuticals is expected to decline slightly with a reduction in the treatment population and number of items dispensed under the scheme.

Payments to pharmacy providers are made through arrangements with Medicare Australia on behalf of DVA.

Expenditure and utilisation of services are demand driven depending on the health care needs of entitled beneficiaries.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
\$ ('000)					
Annual Administered Expenses:					
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Pharmaceutical Services	462,250	450,088	431,036	414,065	396,154
Program Support	5,125	6,055	5,407	5,441	5,520
Expenses not requiring Appropriation in the Budget year	14	19	21	22	23
Total Program Expenses	467,389	456,162	436,464	419,528	401,697

Program 2.3 deliverables

To ensure that entitled beneficiaries have access to a comprehensive range of pharmaceuticals and wound dressings that meet their health care needs.

To facilitate arrangements with pharmaceutical sponsors for the listing of the range of items appropriate to the entitled beneficiary population.

To facilitate effective payment of approved pharmacies for supplying items under the RPBS.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Deliverables					
Treatment Population	269,200	256,200	243,100	230,000	217,000

Program 2.3 key performance targets					
To ensure arrangements are in place for the access to and delivery of pharmacy services under the VEA and related legislation.					
To maintain a comprehensive Repatriation Pharmaceutical Benefits Schedule that meets the health care needs of entitled beneficiaries and maintains consistency with trends in the delivery of health care services.					
Key Performance Indicators	2008–09 Revised budget	2009–10 Budget Target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<i>Price:</i> Unit cost per cardholder	19	24	22	24	25

Program 2.4: Veterans' Community Care and Support

Program 2.4 objective

The department's primary objective is to effectively manage community support and residential care programs, including development and review of policy and operational guidelines and procedures, and assessment of program effectiveness.

Veteran community care and support programs include the Veterans Home Care program and the Community Nursing program.

The program also includes the provision of the Australian Government subsidy for entitled veterans and non-widows/widowers living in residential aged care facilities.

The objectives of these programs are to support veterans to remain independent in their homes, and improve their quality of life and health. The veteran community is ageing and increasingly requires higher levels of service. The provision of these services helps to delay entry into residential aged care and maximises independence.

Program 2.4 expenses

Expenditure for Veterans Home Care is expected to plateau in coming years, as a slight reduction in clients will be offset by increased need due to age and frailty. However, an increase in the need for respite care is predicted, primarily given that carers themselves are ageing and will need increased support.

Expenditure on Community Nursing is expected to progressively increase for some years, given increasing need and complexity.

The Treasury now administers expenditure for the Home and Community Care Services for Veterans Specific Purpose Payment (Appropriation Bill 2). In 2008–09, the revised DVA budget is \$11.854 million, with remaining funds for the remainder of 2008–09 and the out years now paid by Treasury.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Annual Administered Expenses:					
Appropriation Bill 1					
Grants-In-Aid	145	145	145	145	145
Community Care Grants	1,651	1,688	1,717	1,749	1,749
Joint Venture Grants	1,284	1,313	1,335	1,361	1,361
JV Day Clubs	449	458	466	475	475
JV Home Maintenance	339	339	357	357	357
Appropriation Bill 2					
Home and Community Care Services for Veterans	11,902	-	-	-	-
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Residential Care	951,614	1,025,579	1,099,594	1,187,623	1,219,890
Community Nursing	105,398	113,949	122,625	131,837	141,021
Veterans' Home Care	83,623	86,464	88,797	88,723	88,551
In Home Respite	22,329	23,180	23,784	24,322	25,244
Home Help	13	13	13	13	13
Carer and Volunteer Support	771	1,410	1,326	1,332	1,332
Program Support	20,503	24,227	22,965	23,110	23,445
Expenses not requiring Appropriation in the Budget year	61	79	89	94	97
Total Program Expenses	1,200,082	1,278,844	1,363,213	1,461,141	1,503,680

Program 2.4 deliverables*Community Nursing*

- The Community Nursing program assists veterans to avoid early admission to hospital and/or residential care by providing access to community nursing services. The activities of this program include the provision of clinical nursing and personal care services by DVA contracted community nursing providers.
- The Department currently contracts with 231 organisations to provide community nursing services to approximately 32,000 eligible veterans and war widows/widowers.

Veterans' Home Care (VHC)

- The VHC program supports veterans and war widows/widowers in their own homes to improve the quality of life, independence and health, in particular, maintaining independent functioning within the home environment. The veteran community is ageing and increasingly requiring higher levels of services from the VHC program to remain in their own homes. The provision of these services helps to delay entry to residential aged care and maximises independence for veterans and war widows/widowers.
- The VHC program currently has 190 contracts for assessment and service provision, and provides support services to approximately 75,000 eligible veterans and war widows/widowers. The average annual cost of VHC services (including in home respite care) is approximately \$1,400 per veteran and war/widowers.
- To ensure services are of high quality, a contract and quality management framework, together with post-payment monitoring, is in place for both community nursing and VHC.

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Residential care

Approximately \$951,614 million is expected to be provided by the Department as the Australian Government subsidy for entitled veterans and war/widowers being in residential aged care facilities in 2008–2009. This supports approximately 27,000 entitled veterans in long time residential care.

Program 2.4 key performance targets

Community Nursing and Veterans' Home Care

- Provision of clinical nursing and home care services to eligible veterans' and war widow/widowers according to their assessed need.

	2008–09	2009–10	2010–11	2011–12	2012–13
Key Performance Indicators	Revised budget	Budget Target	Forward year 1	Forward year 2	Forward year 3
<i>Price:</i> Unit cost per cardholder	76	94	94	100	108

Program 2.5: Veteran Counselling and Other Health Services

Program 2.5 objective

To provide a wide range of allied health care services, including counselling and referral services for veterans and their families.

Program 2.5 expenses

Expenditure under allied health care is expected to increase as an ageing veteran population access a greater variety of allied health care services. Expenditure and utilisation of services are demand driven, depending on the health care needs of entitled beneficiaries.

Payments to allied health providers for services provided to entitled beneficiaries are made through arrangements with Medicare Australia on behalf of DVA.

The increase in travel for treatment costs is attributable to increased ageing of the treatment population, resulting in increased treatment utilisation.

Variation in expenses expected over the forward years for aids and appliances is expected due to:

- new contractual arrangements for the supply of aids and appliances, and
- an ageing treatment population driving increasing quantum and complexity of aids and appliances.

The VVCS (Veterans and Veterans Families Counselling Service) does not envisage any significant trends, changes of variances in the program resourcing over the forward years.

DVA Budget Statements

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Annual Administered Expenses:					
Appropriation Bill 1					
Counselling Support & Children's Assistance	976	1,001	933	476	476
Compensation and Legal Expenses	52	53	54	54	54
Veterans' Employment & Training	398	392	392	389	389
Health & Medical Research	2,316	2,368	2,408	2,454	2,454
Health Treatment for BCAL Veterans	4,667	-	-	-	-
Appropriation Bill 2					
Transfer of RGH	1,450	-	-	-	-
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Travel for Treatment	141,934	152,503	163,088	175,098	184,777
Subsistence	6,066	5,962	5,907	5,836	5,836
Veterans and Veterans'					
Families	22,368	29,917	27,127	20,366	20,411
Optical Services	6,793	7,273	7,703	7,940	8,341
Optical Supplies	18,291	19,451	20,501	21,100	21,950
Physiotherapy	65,234	69,482	73,268	75,270	79,856
Podiatry	53,684	57,368	60,884	62,926	65,924
Other Allied Health	32,615	34,925	37,097	38,574	44,430
Kilometres	1,808	1,927	2,034	2,094	2,249
Medication Management	5,223	5,756	6,226	6,508	7,113
Rehabilitation Appliances	122,179	122,911	127,662	132,803	136,555
Health Treatment for BCAL Veterans	3,333	8,000	8,000	8,000	8,000
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Nuclear Test Health Care	600	598	595	595	595
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Health care and rehabilitation for certain AFP personnel with overseas service	-	346	345	345	345
Program Support	38,448	45,433	44,826	45,109	45,763
Expenses not requiring Appropriation in the Budget year	119	154	174	183	189
Total Program Expenses	528,554	565,820	589,224	606,120	635,707

Program 2.5 deliverables					
<p>Ensure arrangements are in place to assist veterans to reach treatment locations through a variety of systems and transport modes. This includes reimbursing travel costs privately incurred (including meals and accommodation), arranging taxi and air travel, and purchasing ambulance services from public and private sector providers.</p> <p>Ensure arrangements are in place to provide an extensive range of rehabilitation aids which assist independent living and which are provided through a comprehensive system of prescribers and contracted suppliers.</p> <p>Maintain arrangements with allied health providers in both the public and private sectors for the delivery of a comprehensive range of allied health services to entitled beneficiaries in order to meet their health care needs.</p> <p>Ensure effective payment arrangements are in place for allied health providers.</p> <p>Provide access to counselling services through the VVCS through outplacement counsellors and through relevant providers in the public and private health sectors:</p> <ul style="list-style-type: none"> • Intake and referral services • Counselling services • After hours counselling, and • Group program intervention. 					
Deliverables	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<i>Transport</i>					
Number of processed claims for reimbursement	192,000	192,000	192,000	192,000	192,000
Number of DVA arranged person trips	796,000	859,000	928,000	1,002,000	1,083,000
Health Treatment Card Holder Population	269,200	256,200	243,100	230,000	217,000
<i>Price:</i> Unit cost per cardholder	142	177	184	196	211
Percentage of aids and appliances listed may be prescribed by General Practitioners, Registered Nurses and Occupational Therapists	95%	95%	95%	95%	95%
Number of unique clients receiving intake referral services	11,528	11,460	11,415	11,395	11,350
Number of unique clients counselling sessions delivered	14,247	13,911	5,626	13,365	13,153
Number of counselling sessions delivered	52,845	52,435	51,780	51,315	51,040
Number of calls received by the After Hours Counselling service	4,100	3,800	3,625	3,425	3,350
Number of Unique clients receiving group program intervention	3,304	2,885	2,480	2,135	1,860

DVA Budget Statements

Program 2.5 key performance targets					
	<ul style="list-style-type: none"> • Veterans' claims for travel costs are reimbursed within 28 days. • Veterans have access to ambulance services at the Repatriation Commission's expense in all states and territories. • High level of veteran satisfaction. • Percentage of unique clients presenting for service who receive attention within two weeks of intake. 				
Key Performance Indicators	2008–09 Revised budget	2009–10 Budget Target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
<i>Transport to Treatment</i>					
Quantity: Treatment Population	269,200	256,200	243,100	230,000	217,000
Target percentage of claims for reimbursement processed within the Service Charter timeframe (28 days)	100%	100%	100%	100%	100%
Degree of complaints about arranged travel relative to the quantity of bookings	V/low	V/low	V/low	V/low	V/low
Number of states/territories serviced by public or private ambulance providers	All	All	All	All	All
<i>Rehabilitation Appliances</i>					
Quantity: Treatment Population	268,700	255,700	242,700	229,600	216,700
Cost: Attributed across Treatment Population					
Number of broad categories of aids and appliances available to the veteran community listed in the RAP Schedule	269	269	269	269	269
Number of veterans receiving RAP aids and appliances provided under departmental contracts	84,000	80,000	76,000	73,000	69,000
Percentage of unique clients presenting for service who receive attention within two weeks of intake	95%	92%	92%	91%	91%
Level of Veteran satisfaction	High	High	High	High	High

Program 2.6: Rehabilitation Compensation Acts—Health and other Care Services

Program 2.6 objective

To arrange for the delivery of medical, rehabilitation and other related services under the *Safety, Rehabilitation and Compensation Act 1988* (SRCA) and under the *Military Rehabilitation and Compensation Act 2004* (MRCA) and related legislation. This includes payment for medical treatment, rehabilitation services, attendant care and household services.

Program 2.6 expenses

Future budget results are anticipated to reflect a shift from SRCA-related payments to MRCA-related payments, in line with the extent of claims made against each Act.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
\$ ('000)					
Annual Administered Expenses:					
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Medical Services	21,921	21,197	20,484	19,849	19,204
Rehabilitation Services	5,334	4,477	4,112	3,756	3,195
Other Services	4,108	3,952	3,825	3,727	3,633
<i>Military Rehabilitation and Compensation Act 2004</i>					
Medical Services	3,489	3,216	4,541	6,551	8,620
Rehabilitation Services	2,232	2,700	2,969	3,364	4,083
Other Services	267	749	1,094	1,470	1,862
Program Support	10,256	12,119	13,023	13,106	13,296
Expenses not requiring Appropriation in the Budget year	35	45	-	-	-
Total Program Expenses	47,642	48,455	50,048	51,823	53,893

Program 2.6 deliverables

Under the SRCA & MRCA the department will administer a range of benefits for Defence-related claims, including payment for medical treatment, rehabilitation services, attendant care and household services.

Program 2.7: Adjustment to the Rehabilitation Compensation Acts Liability Provision—Health and Other Care Services

Program 2.7 objective

To provide an actuarial assessment of the future liability of health and other care services under the Rehabilitation Compensation Acts.

Program 2.7 expenses

The liability provision for SRCA and MRCA is adjusted based on annual Actuarial assessment from the Australian Government Actuary

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
\$ ('000)					
Annual Administered Expenses:					
Special Appropriations:					
Expenses not requiring Appropriation in the Budget year	10,600	13,866	14,529	15,177	15,858
Total Program Expenses	10,600	13,866	14,529	15,177	15,858

Outcome 3

Outcome 3: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia's wartime heritage, and official commemorations.

Outcome 3 strategy

- Promote community involvement in commemorations programs, in conjunction with other government agencies and ex-service and community organisations.
- Support community awareness and preservation of Australia's wartime and service heritage and veterans' experiences.
- Commemorate eligible war dead and deceased veterans by maintaining individual graves, war cemeteries and Gardens of Remembrance.
- Maintain existing national memorials overseas and construct new memorials as determined by government processes.
- Manage Anzac Day services at Gallipoli and Villers-Bretonneux.

Outcome 3 budgeted expenses and resources

Table 2.3 provides an overview of the total expenses for Outcome 3, by program.

Table 2.3: Budgeted expenses and resources for Outcome 3

Outcome 3: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia's wartime heritage, and official commemorations	2008–09 Estimated Actual Expenses \$'000	2009–10 Estimated Expenses \$'000
Program 3.1: War Graves and Commemorations		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	27,203	25,822
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	12,228	11,939
Revenues from Independent Sources (Section 31)	51	71
Special Appropriations	41	53
Total for Program 3.1	39,523	37,885
Program 3.2: Gallipoli Related Activities		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	6,943
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	2,446	2,388
Revenues from Independent Sources (Section 31)	6	8
Special Appropriations	5	6
Total for Program 3.2	2,457	9,345
Outcome 3 Totals by Appropriation type		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	27,203	32,765
Other Services (Appropriation Bill No. 2)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	14,674	14,327
Revenues from Independent Sources (Section 31)	57	79
Expenses not requiring Appropriation in the Budget year	46	59
Total Expenses for Outcome 3	41,980	47,230
	2008–09	2009–10
Average Staffing Level (number)	125	120

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

Program 3.1: War Graves and Commemorations

Program 3.1 objective

Acknowledge and commemorate the service and sacrifice of the men and women who served Australia and its allies in wars, conflicts and peace operations.

Program 3.1 expenses

- Public interest in commemorative activities and war graves matters continues to rise because of significant wartime anniversaries, the ageing veteran population and ongoing Australian Defence Force deployment overseas.
- There is continuing interest in funding under the commemorations program, Saluting Their Service, and an increased demand for community awareness, education and website resources.
- For the Office of Australian War Graves (OAWG), there have been a number of national memorials constructed overseas over the past ten years, as well as special projects, such as those on the Western Front, to be implemented.
- OAWG has been providing official commemoration since 1922. As the average age of these commemorations grows, significant future works have been identified to maintain them at approved standards.
- A number of major anniversaries will occur in the out years. These include Korean War 60th anniversary (2010–13), Tobruk 70th anniversary (2011), Fall of Singapore, Papua New Guinea (PNG) initial battles and El Alamein 70th anniversaries (2012).
- The department conducts an annual Anzac Day Dawn Service at Villers-Bretonneux, France, and supports Anzac Day services at a number of other overseas locations, including Malaysia, PNG and Thailand.
- The department has been tasked as the lead agency for preparing and managing the Australian Government's arrangements for the Centenary of the Gallipoli campaign in 2015.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Annual Administered Expenses:					
Appropriation Bill 1					
War Graves Care & Maintenance	19,507	18,294	15,244	14,718	14,248
OAWG Refurbishment, Reconstruction & Relocation	979	969	968	964	964
Compensation and Legal Expenses	5	5	5	5	5
Veterans' Commemorative Activities	6,712	6,554	6,608	6,559	6,568
Program Support	12,279	12,010	12,426	12,638	13,081
Expenses not requiring Appropriation in the Budget year	41	53	61	64	66
Total Program Expenses	39,523	37,885	35,312	34,948	34,932

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Program 3.1 deliverables					
<ul style="list-style-type: none"> Develop and implement commemorative initiatives and provide support and funding under the commemorations program, <i>Saluting Their Service</i>. Promote community involvement in commemorations programs, in conjunction with other government agencies and ex-service and community organisations. Support community awareness and preservation of Australia's wartime and service heritage and veterans' experiences. Manage the Australian Government's arrangements for the Centenary of Anzac and the Gallipoli commemorations in 2015. Commemorate eligible war dead and deceased veterans by maintaining war graves and war cemeteries in Australia, Papua New Guinea, Solomon Islands and Norfolk Island, South Africa, Korea, Japan, Malaysia and Singapore. Commemorate eligible post-war dead by maintaining official commemorations in Australia. Process claims for, and provide, new official commemorations. Maintain existing Australian Government memorials overseas and construct new memorials as determined by government processes. 					
Deliverables	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Maintain and Post War Commemorations in Australia, PNG, South Africa, Korea, Japan, Malaysia and Singapore:					
War Cemeteries	75	75	75	75	75
Gardens of Remembrance	9	9	9	9	9
Memorials to the Missing	5	5	5	5	5
War Graves in Australia and PNG	19,816	19,816	19,816	19,816	19,816
Overseas Graves (non world wars)	1,023	1,023	1,023	1,023	1,023
Post War Commemorations	287,259	292,429	297,429	302,229	306,729
Provide new Post War Commemorations	5,200	5,170	5,000	4,800	4,500
Manage national memorials overseas	36	36	36	36	36
Implement War Graves related projects	4	2	2	1	1
Community awareness and education resources	267,000	270,000	275,000	275,000	275,000
Grants applications processed	840	850	950	860	870
Domestic commemorative events	4	4	4	4	4
International commemorative events (excludes Gallipoli, includes Villers-Bretonneux)	9	7	7	8	12

Program 3.1 key performance targets					
Activity levels—major events and range of programs administered.					
Key Performance Indicators	2008–09 Revised budget	2009–10 Budget Target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Maintain war and post-war commemorations in Australia, PNG, South Africa, Korea, Japan, Malaysia & Singapore:	The Maintenance of war cemeteries, memorials and graves is undertaken in accordance with Commonwealth War Graves Commission (CWGC) published standards. Performance is measured through GWGC inspections and veteran and community feedback				
<ul style="list-style-type: none"> War Cemeteries Gardens of Remembrance Memorials to the Missing War Graves in Australia & PNG Overseas graves (non world wars) Post War commemorations 					
Provide new Post War Commemorations	Commemorations are provided within published timeframes to meet Australian standards of production/ Construction.				
Manage national memorials overseas	Memorial presentation meets veteran and community approval and local requirements. Access and equity standards are met and, where applicable , information provided is both accurate and presented in a variety of formats.				
Implement War Graves related projects	Project implementation meets the budget an timing agreed and announced by Government.				
Community awareness & education resources	High Level of community and veteran satisfaction with quality and accessibility of resources				
Grants applications approved	Grant applications are processed within timeliness. High Value of community and veteran satisfaction with grant outcomes.				
Domestic commemorative events	High level of community and veteran satisfaction with commemorative events.				

Program 3.2: Gallipoli Related Activities

Program 3.2 objective

Coordinate and manage the delivery of commemorative and related activities at Gallipoli.

Program 3.2 expenses

The department is the lead government agency responsible for the planning and conduct of Anzac Day commemorations at Gallipoli.

Funding associated with commemorative activities at Gallipoli will be sought in the 2010–11 Budget. Expenses are increasing with the current global economic circumstances and in the lead-up the 95th anniversary of the landings at Gallipoli in 2010 and the 100th anniversary in 2015.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
\$ ('000)					
Annual Administered Expenses:					
Appropriation Bill 1					
Gallipoli-related Activities	-	6,943	2,943	2,943	2,943
Program Support	2,452	2,396	1,458	1,483	1,535
Expenses not requiring Appropriation in the Budget year	5	6	7	7	8
Total Program Expenses	2,457	9,345	4,408	4,433	4,486

Program 3.2 deliverables

Planning for and conduct of annual Anzac Day services and management of related reviews and research.

	2008–09 Revised budget	2009–10 Budget	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Deliverables					
Conduct of successful annual Anzac Day services at Anzac Cove and Lone Pine, Gallipoli	2,759	2,943	2,943	2,943	2,943
Management of Gallipoli related works	0.15	4			

Program 3.2 key performance targets

Delivery of commemorative and associated activities at Gallipoli.

Key Performance Indicators	2008–09 Revised budget	2009–10 Budget Target	2010–11 Forward year 1	2011–12 Forward year 2	2012–13 Forward year 3
Quality: Level of community	High	High	High	High	High
Quality: Media interest	Positive	Positive	Positive	Positive	Positive

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2009–10. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government Indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period are subject to review by the Minister for Finance and Deregulation, and may be re-appropriated to a future period, in accordance with provisions in legislation. Table 3.1.1 shows the movement of administered funds approved since the 2008–09 Additional Estimates.

Table 3.1.1: Movement of administered funds between years

Movements of funding between years	\$'000
ANZAC Memorial in Wellington, New Zealand ¹	2,390
Gallipoli Roadworks, ANZAC area ²	2,000
Australian Corps Memorial Park in Le Hamel, France ³	150
Total	4,540

Note: The above movement of funds relates to Outcome 3. Explanations are as follows:

1. Rephasing of \$2.390 million is required as a result of difficulty in New Zealand in finalising the preferred design of the commemorative park. The New Zealand Ministry of Culture and Heritage has now selected a preferred design and is seeking Ministerial endorsement.
2. Initial funding was made available for capital works and associated costs. The rephasing of \$2.0 million is required in relation to engineering consultancy services for planning design and monitoring purposes.
3. Rephasing of \$0.150 million is required to cover final payments and inspections at the end of the defects liability period on 1 August 2009.

3.1.2 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by DVA.

Table 3.1.2: Estimates of Special Account cash flows and balances

		Opening balance 2009-10 2008-09	Receipts 2009-10 2008-09	Payments 2009-10 2008-09	Adjustments 2009-10 2008-09	Closing balance 2009-10 2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australians at War Special Account (A)	3	85	2	(1)	-	86
		83	3	(1)	-	85
Defence Service Homes Insurance Account (D)	1	70,704	29,984	(29,262)	-	71,426
		69,251	30,473	(29,892)	872	70,704
Military Death Claim Compensation Special Account (A)	1	269	2,150	(2,350)	-	69
		(478)	2,358	(2,245)	634	269
Total special accounts						
2009-10 Budget estimate		71,058	32,136	(31,613)	-	71,581
Total special accounts 2008-09 estimate actual		68,856	32,834	(32,138)	1,506	71,058

A = administered; D = departmental

3.1.4 Australian Government Indigenous Expenditure

The Veterans' Affairs portfolio has no Australian Government Indigenous expenditure.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

There are no differences between agency resourcing and the financial statements.

3.2.2 Analysis of budgeted financial statements

Departmental (amalgamated)

The budgeted DVA and Defence Service Homes Insurance Scheme (DSHIS) financial statements will form the basis of the financial statements that will appear in the Department of Veterans' Affairs 2009–10 Annual Report, and form the basis for the input into the whole-of-government accounts. The statements are prepared consistent with GST accounting requirements, as outlined by the Urgent Issues Group (UIG) of the Australian Accounting Research Foundation. The UIG consensus requires that expenses and assets be recognised as net of recoverable GST, revenues be recognised as net of GST payable, and that cash flows, accounts payable and accounts receivable are reported as gross amounts.

The statements are shown at three levels to reflect the financial results of the three reporting entities that comprise DVA's departmental accounts: DVA amalgamated, DVA excluding DSHIS, and DSHIS. The DVA amalgamated tables consist of 3.2.1(a), the amalgamated income statement; 3.2.1(b), the amalgamated balance sheet; and 3.2.1(c), the amalgamated cash flow.

Departmental (DVA excluding DSHIS)

The departmental budgeted financial statements are prepared according to the Australian Equivalents to International Financial Reporting Standards (AEIFRS). The statements are shown at three levels to reflect the financial results of the reporting entity: 3.2.2(a), DVA income statement; 3.2.2(b), DVA balance sheet; and 3.2.2.(c), DVA cash flow statement.

Budgeted departmental income statement

The department (excluding DSHIS) is budgeting for a breakeven result in 2009–10, comprising revenues and expenses of \$313.6 million. The budgeted result represents a significant improvement even though the estimated actual 2008–09 is forecasting a breakeven result with the \$15 million supplementary funding from the government. The supplementary funding for 2008–09 is due to a number of factors, including the implementation of a number of one-off business improvement projects, appropriation revenue declines flowing from DVA's resourcing agreement and other government decisions.

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A more favourable financial result is planned in 2009–10, based on effective cost management strategies and an increase in appropriation revenue due to new measures being approved in the Budget year.

Appropriation revenues and expenses are expected to decrease by \$12.9 million in 2009–10 when compared to the estimated actual result for 2008–09. The decline in appropriation revenue is due to the one-off \$15 million appropriation receivable recorded as revenue in 2008–09 (representing the supplementary funding approved by the Expenditure Review Committee in April 2009). This is partly offset by new budget measures that will contribute to revenue and expenses in 2009–10.

Budgeted departmental balance sheet

The department's net asset (equity) position for 2009–10 is estimated to be \$7.1 million, representing an increase of \$4.2 million from the 2008–09 position (\$2.9 million). This increase in equity is largely attributable to capital appropriations amounting to \$4.3 million.

Budgeted total assets of \$101.2 million in 2009–10 represents an increase of \$4.9 million from 2008–09 (\$96.3 million), comprising an increase in cash of \$13.5 million offset by a decrease in appropriation receivable (\$14.3 million) and an increase in non-financial assets (\$5.7 million). Budgeted liabilities of \$94.2 million in 2009–10 represent an increase of \$0.7 million from 2008–09 (\$93.3 million) relating to a increase in employee provisions (\$0.7 million).

Departmental (DSHIS)

The departmental budgeted financial statements are prepared according to the Australian Equivalents to International Financial Reporting Standards (AEIFRS). The statements are shown at three levels to reflect the financial results of the three reporting entities: 3.2.3(a), DVA income statement; 3.2.3(b), DVA balance sheet; and 3.2.3(c), DVA cash flow statement.

Administered statements

Budgeted revenue and expenses

The department will administer \$11.5 billion of expenses (excluding the Australian War Memorial) in 2009–10, a decrease of \$64.8 million from estimated actual for 2008–09. However, the 2008–09 estimated actual includes a one-off payment of \$401.4 million paid to eligible veterans as part of the government's Economic Security Strategy.

Key variances for the department's expenses between 2008–09 and 2009–10 (reflecting the detailed breakdown of the administered appropriations by outcomes) are as follows:

- Personal benefits payments (excluding the one off Economic Security Strategy) have increased by 2.8% to \$6.5 billion.

- Other goods and services (including health care payments) have increased by 3.5% to \$5.0 billion.
- Grants expense has decreased by 30.5% due to the transfer of Specific Purpose Payments (SPP) to the Department of the Treasury; these SPPs were previously administered in Outcome 2.

Budgeted assets and liabilities

Total administered assets are expected to increase by \$191.6 million to \$1,319.9 million and total administered liabilities are expected to increase by \$168.6 million to \$2,530.8 million in 2009-10 from the 2008-09 estimated actual.

The increase of \$191.6 million in administered assets between 2008-09 and 2009-10 is due to an increase in cash of \$5 million, appropriation receivables \$179.1 million and investments of \$7.0 million.

Total liabilities administered by the DVA have increased by \$168.7 million between 2008-09 and 2009-10, represented by an increase in provisions and payables (\$42.0 million) and personal benefits (\$126.7 million).

3.2.3 Budgeted financial statements tables

**Table 3.2.1a: Budgeted departmental income statement (amalgamated)
(for the period ended 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
EXPENSE					
Employees	185,090	180,805	171,440	169,715	173,647
Suppliers	134,243	124,854	116,536	118,854	121,764
Depreciation and amortisation	21,852	18,643	18,080	21,494	20,141
Insurance claims	20,348	22,946	23,249	23,560	23,883
Total expenses	361,533	347,248	329,305	333,623	339,435
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and services	28,268	26,411	27,928	29,120	30,323
Other	6,489	6,510	6,523	6,533	6,652
Total revenue	34,757	32,921	34,451	35,653	36,975
Gains					
Resources received free of charge	809	903	963	980	980
Total gains	809	903	963	980	980
Total own-source income	35,566	33,824	35,414	36,633	37,955
Net cost of (contribution by) services	325,967	313,424	293,891	296,990	301,480
Appropriation revenue	326,560	313,696	294,356	297,637	302,375
Surplus (Deficit)	593	272	465	647	895
Surplus (Deficit) attributable to the Australian Government	593	272	465	647	895

Prepared on Australian Accounting Standards basis.

**Table 3.2.1b: Budgeted departmental balance sheet (amalgamated)
(as at 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
ASSETS					
Financial assets					
Cash and equivalents	(8,845)	4,179	2,409	2,592	4,778
Appropriation receivables	17,423	2,924	6,050	13,150	13,150
Investments	68,706	69,428	70,124	71,263	72,402
Other receivables	6,209	6,209	6,209	6,209	6,209
Total financial assets	83,493	82,740	84,792	93,214	96,539
Non-financial assets					
Land and buildings	15,749	12,610	10,199	8,239	6,458
Infrastructure, plant and equipment	853	771	746	693	659
Intangibles	63,766	72,633	73,496	68,639	68,937
Prepayments	6,410	6,410	6,410	6,410	6,410
Total non-financial assets	86,778	92,424	90,851	83,981	82,464
Total assets	170,271	175,164	175,643	177,195	179,003
LIABILITIES					
Provisions and payables					
Employees	74,523	75,288	74,992	75,079	75,166
Suppliers	16,229	16,188	16,149	16,149	16,149
Other provisions and payables	29,928	29,487	29,076	29,134	29,200
Total provisions and payables	120,680	120,963	120,217	120,362	120,515
EQUITY					
Accumulated surplus (deficit)	(21,736)	(21,464)	(20,999)	(20,352)	(19,457)
Capital	67,979	72,317	73,077	73,837	74,597
Asset revaluation reserve	3,348	3,348	3,348	3,348	3,348
Total equity	49,591	54,201	55,426	56,833	58,488
Total liabilities and equity	170,271	175,164	175,643	177,195	179,003
Current assets	89,903	89,150	91,202	99,624	102,949
Non-current assets	80,368	86,014	84,441	77,571	76,054
Current liabilities	115,022	115,305	114,559	114,704	114,857
Non-current liabilities	5,658	5,658	5,658	5,658	5,658

Prepared on Australian Accounting Standards basis.

**Table 3.2.1c: Budgeted statement of cash flows (amalgamated)
(for the period ended 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	310,213	328,198	291,230	290,537	302,375
Sale of goods and services	7,971	6,686	8,879	10,480	11,683
Interest	4,811	4,868	4,916	4,961	4,961
GST input credit receipts	11,033	11,530	11,332	10,973	13,336
Other	25,542	25,023	24,510	24,256	24,383
Total cash received	359,570	376,305	340,867	341,207	356,738
Cash used					
Employees	184,724	179,092	170,724	168,614	172,580
Suppliers	134,428	124,686	116,624	118,888	121,764
GST payments to suppliers	11,033	11,530	11,332	10,973	13,336
Other	24,793	27,300	27,514	27,546	27,869
Total cash used	354,978	342,608	326,194	326,021	335,549
Net cash from or (used by) operating activities	4,592	33,697	14,673	15,186	21,189
INVESTING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	21,824	24,289	16,507	14,624	18,624
Purchase of financial instruments	-	-	-	-	-
Investments	581	722	696	1,139	1,139
Total cash used	22,405	25,011	17,203	15,763	19,763
Net cash from or (used by) investing activities	(22,405)	(25,011)	(17,203)	(15,763)	(19,763)
FINANCING ACTIVITIES					
Cash received					
Equity Injections	2,911	4,338	760	760	760
Total cash received	2,911	4,338	760	760	760
Net cash from or (used by) financing activities	2,911	4,338	760	760	760
Net increase or (decrease) in cash held	(14,902)	13,024	(1,770)	183	2,186
Cash at the beginning of the reporting period	6,057	(8,845)	4,179	2,409	2,592
Cash at the end of the reporting period	(8,845)	4,179	2,409	2,592	4,778

Prepared on Australian Accounting Standards basis.

**Table 3.2.2a: Budgeted departmental income statement (DVA excluding DSHIS)
(for the period ended 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
EXPENSE					
Employees	182,260	178,534	169,079	167,261	171,095
Suppliers	132,854	122,021	112,674	114,323	116,801
Depreciation and amortisation	21,188	18,643	18,080	21,494	20,141
Total expenses	336,302	319,198	299,833	303,078	308,037
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and services	9,114	4,784	4,699	4,646	4,867
Total revenue	9,114	4,784	4,699	4,646	4,867
Gains					
Resources received free of charge	748	838	898	915	915
Total gains	748	838	898	915	915
Total own-source income	9,862	5,622	5,597	5,561	5,782
Net cost of (contribution by) services	326,440	313,576	294,236	297,517	302,255
Appropriation revenue	326,440	313,576	294,236	297,517	302,255
Surplus (Deficit)	-	-	-	-	-
Surplus (deficit) attributable to the Australian Government	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

**Table 3.2.2b: Budgeted departmental balance sheet (DVA excluding DSHIS)
(as at 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
ASSETS					
Financial assets					
Cash and equivalents	(10,842)	2,951	1,623	1,965	4,019
Appropriation receivables	17,423	2,924	6,050	13,150	13,150
Other receivables	4,146	4,146	4,146	4,146	4,146
Total financial assets	10,727	10,021	11,819	19,261	21,315
Non-financial assets					
Land and buildings	15,749	12,610	10,199	8,239	6,458
Infrastructure, plant and equipment	853	771	746	693	659
Intangibles	63,766	72,633	73,496	68,639	68,937
Prepayments	5,178	5,178	5,178	5,178	5,178
Total non-financial assets	85,546	91,192	89,619	82,749	81,232
Total assets	96,273	101,213	101,438	102,010	102,547
LIABILITIES					
Provisions and payables					
Employees	74,516	75,118	74,583	74,395	74,172
Suppliers	14,893	14,893	14,893	14,893	14,893
Other provisions and payables	3,982	3,982	3,982	3,982	3,982
Total provisions and payables	93,391	93,993	93,458	93,270	93,047
EQUITY					
Accumulated surplus (deficit)	(68,445)	(68,445)	(68,445)	(68,445)	(68,445)
Capital	67,979	72,317	73,077	73,837	74,597
Asset revaluation reserve	3,348	3,348	3,348	3,348	3,348
Total equity	2,882	7,220	7,980	8,740	9,500
Total liabilities and equity	96,273	101,213	101,438	102,010	102,547
Current assets	15,905	15,199	16,997	24,439	26,493
Non-current assets	80,368	86,014	84,441	77,571	76,054
Current liabilities	87,733	88,335	87,800	87,612	87,389
Non-current liabilities	5,658	5,658	5,658	5,658	5,658

Prepared on Australian Accounting Standards basis.

**Table 3.2.2c: Budgeted statement of cash flows (DVA excluding DSHIS)
(for the period ended 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	310,093	328,078	291,110	290,417	302,255
Sale of goods and services	8,714	4,784	4,699	4,646	4,867
GST input credit receipts	11,033	11,530	11,332	10,973	13,336
Total cash received	329,840	344,392	307,141	306,036	320,458
Cash used					
Employees	181,878	176,826	168,370	166,160	170,028
Suppliers	133,081	122,292	113,020	114,697	117,176
GST payments to suppliers	11,033	11,530	11,332	10,973	13,336
Total cash used	325,992	310,648	292,722	291,830	300,540
Net cash from or (used by) operating activities	3,848	33,744	14,419	14,206	19,918
INVESTING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	21,661	24,289	16,507	14,624	18,624
Total cash used	21,661	24,289	16,507	14,624	18,624
Net cash from or (used by) investing activities	(21,661)	(24,289)	(16,507)	(14,624)	(18,624)
FINANCING ACTIVITIES					
Cash received					
Equity injections	2,911	4,338	760	760	760
Total cash received	2,911	4,338	760	760	760
Net cash from or (used by) financing activities	2,911	4,338	760	760	760
Net increase or (decrease) in cash held	(14,902)	13,793	(1,328)	342	2,054
Cash at the beginning of the reporting period	4,060	(10,842)	2,951	1,623	1,965
Cash at the end of the reporting period	(10,842)	2,951	1,623	1,965	4,019

Prepared on Australian Accounting Standards basis.

**Table 3.2.3a: Budgeted departmental income statement (DSHS)
(for the period ended 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
EXPENSES					
Employees	2,829	2,271	2,361	2,454	2,552
Suppliers	2,133	3,576	4,605	5,274	5,706
Depreciation and amortisation	664	-	-	-	-
Insurance claims	20,348	22,946	23,249	23,560	23,883
Total expenses	25,974	28,793	30,215	31,288	32,141
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and services	19,897	22,370	23,972	25,217	26,199
Other	6,489	6,510	6,523	6,533	6,652
Total revenue	26,386	28,880	30,495	31,750	32,851
Gains					
Resources received free of charge	61	65	65	65	65
Total gains	61	65	65	65	65
Total own-source income	26,447	28,945	30,560	31,815	32,916
Net cost of (contribution by) services	(473)	(152)	(345)	(527)	(775)
Appropriation revenue	120	120	120	120	120
Surplus (Deficit)	593	272	465	647	895
Surplus (Deficit) attributable to the Australian Government	593	272	465	647	895

Prepared on Australian Accounting Standards basis.

**Table 3.2.3b: Budgeted departmental balance sheet (DSHIS)
(as at 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
ASSETS					
Financial assets					
Cash and equivalents	1,997	1,228	786	627	759
Investments	68,706	69,428	70,124	71,263	72,402
Other receivables	2,385	2,385	2,385	2,385	2,385
Total financial assets	73,088	73,041	73,295	74,275	75,546
Non-financial assets					
Land and buildings	-	-	-	-	-
Infrastructure, plant and equipment	-	-	-	-	-
Intangibles	-	-	-	-	-
Prepayments	1,232	1,232	1,232	1,232	1,232
Total non-financial assets	1,232	1,232	1,232	1,232	1,232
Total assets	74,320	74,273	74,527	75,507	76,778
LIABILITIES					
Provisions and payables					
Employees	157	170	189	224	244
Suppliers	1,658	1,617	1,578	1,578	1,578
Other provisions and payables	25,796	25,505	25,314	25,612	25,968
Total provisions and payables	27,611	27,292	27,081	27,414	27,790
EQUITY					
Accumulated surplus (deficit)	46,709	46,981	47,446	48,093	48,988
Capital	-	-	-	-	-
Asset revaluation reserve	-	-	-	-	-
Total equity	46,709	46,981	47,446	48,093	48,988
Total liabilities & equity	74,320	74,273	74,527	75,507	76,778
Current assets	74,320	74,273	74,527	75,507	76,778
Non-current assets	-	-	-	-	-
Current liabilities	26,921	26,614	26,414	26,745	27,120
Non-current liabilities	690	678	667	669	670

Prepared on Australian Accounting Standards basis.

**Table 3.2.3c: Budgeted statement of cash flows (DSHIS)
(for the period ended 30 June)**

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	120	120	120	120	120
Sales of goods and services	-	2,645	4,923	6,577	7,559
Interest	4,811	4,868	4,916	4,961	4,961
Other	25,542	25,023	24,510	24,256	24,383
Total cash received	30,473	32,656	34,469	35,914	37,023
Cash used					
Employees	2,846	2,266	2,354	2,454	2,552
Suppliers	2,090	3,137	4,347	4,934	5,331
Other	24,793	27,300	27,514	27,546	27,869
Total cash used	29,729	32,703	34,215	34,934	35,752
Net cash from or (used by) operating activities	744	(47)	254	980	1,271
INVESTING ACTIVITIES					
Cash received					
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	163	-	-	-	-
Investments	581	722	696	1,139	1,139
Total cash used	744	722	696	1,139	1,139
Net cash from or (used by) investing activities	(744)	(722)	(696)	(1,139)	(1,139)
FINANCING ACTIVITIES					
Cash received					
Equity injections	-	-	-	-	-
Total cash received	-	-	-	-	-
Net cash from or (used by) financing activities					
Net increase or (decrease) in cash held	-	(769)	(442)	(159)	132
Cash at the beginning of the reporting period	1,997	1,997	1,228	786	627
Cash at the end of the reporting period	1,997	1,228	786	627	759

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Departmental statement of changes in equity—summary of movement (Budget year 2009–10)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2009					
Balance carried forward from previous period	(21,736)	3,348	-	67,979	49,591
Adjustment for changes in accounting policies	-	-	-	-	-
Adjustment for Errors	-	-	-	-	-
Adjusted opening balance	(21,736)	3,348	-	67,979	49,591
Income and expense					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
Subtotal income and expense	-	-	-	-	-
Net operating result	272	-	-	-	272
Total income and expenses recognised directly in equity	272	-	-	-	272
Transactions with owners					
<i>Distribution to owners</i>	-	-	-	-	-
<i>Contribution by owners</i>	-	-	-	4,338	4,338
Subtotal transactions with owners	-	-	-	4,338	4,338
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2009	(21,464)	3,348	-	72,317	54,201

Prepared on Australian Accounting Standards basis.

DVA Budget Statements

Table 3.2.5: Departmental capital budget statement

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	1,693	4,338	760	760	760
Previous years outputs	1,076	16,347	-	-	-
Total capital appropriations	2,769	20,685	760	760	760
Represented by:					
Purchase of non-financial assets	1,777	4,338	760	760	760
Other	992	16,347	-	-	-
Total represented by	2,769	20,685	760	760	760
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	1,693	4,338	760	760	760
Funded internally from Departmental resources	20,488	20,500	15,500	13,617	17,617
TOTAL	22,181	24,838	16,260	14,377	18,377

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Schedule of budgeted income and expenses administered on behalf of government (for the period ended 30 June)

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation revenue					
Other sources of non-taxation revenue	9,471	9,471	9,471	9,471	3,456
Total non-taxation	9,471	9,471	9,471	9,471	3,456
Total revenues administered on behalf of government					
	9,471	9,471	9,471	9,471	3,456
Total revenues administered on behalf of government					
	11,021,330	11,360,798	11,201,668	11,201,706	11,122,041
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	60,153	41,780	41,256	39,786	39,512
Personal benefits	6,747,433	6,525,476	6,524,978	6,404,348	6,317,919
Other	4,795,717	4,965,436	5,077,208	5,203,286	5,294,423
Total expenses administered on behalf of government	11,603,303	11,532,692	11,643,442	11,647,420	11,651,854

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted assets and liabilities administered on behalf of government (as at 30 June)

	Estimated actual 2008–09 \$'000	Budget estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000	Forward estimate 2012–13 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	20,234	25,391	25,391	25,391	25,391
Appropriation receivables	(93,580)	85,645	297,883	466,829	514,819
Other receivables	24,727	24,727	24,727	24,727	24,727
Investments	1,155,224	1,162,433	1,169,642	1,176,851	1,184,060
Total financial assets	1,106,605	1,298,196	1,517,643	1,693,798	1,748,997
Non-financial assets					
Other	21,732	21,732	21,732	21,732	21,732
Total non-financial assets	21,732	21,732	21,732	21,732	21,732
Total assets administered on behalf of government	1,128,337	1,319,928	1,539,375	1,715,530	1,770,729
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Provisions and payables					
Other provisions and payables	636,231	678,195	720,773	763,491	800,707
Personal benefits	1,658,436	1,785,137	1,950,515	2,079,718	2,226,645
Other payables and accrued expenses	67,477	67,477	67,477	67,477	67,477
Total provisions and payables	2,362,144	2,530,809	2,738,765	2,910,686	3,094,829
Total liabilities administered on behalf of the government	2,362,144	2,530,809	2,738,765	2,910,686	3,094,829
EQUITY					
Accumulated results	(2,381,920)	(2,358,994)	(2,347,503)	(2,343,269)	(2,472,213)
Reserves	1,147,655	1,147,655	1,147,655	1,147,655	1,147,655
Capital	458	458	458	458	458
Total equity	(1,233,807)	(1,210,881)	(1,199,390)	(1,195,156)	(1,324,100)
Total liabilities and equity	1,128,337	1,319,928	1,539,375	1,715,530	1,770,729
Current assets	(26,887)	157,495	369,733	538,679	586,669
Non-current assets	1,155,224	1,162,433	1,169,642	1,176,851	1,184,060
Total assets	1,128,337	1,319,928	1,539,375	1,715,530	1,770,729
Current liabilities	708,643	708,643	708,643	708,643	708,643
Non-current liabilities	1,653,501	1,822,166	2,030,122	2,202,043	2,386,186
Total liabilities	2,362,144	2,530,809	2,738,765	2,910,686	3,094,829

Prepared on Australian Accounting Standards basis.

**Table 3.2.8: Schedule of budgeted administered cash flows
(for the period ended 30 June)**

	Estimated actual 2007–08 \$'000	Budget estimate 2008–09 \$'000	Forward estimate 2009–10 \$'000	Forward estimate 2010–11 \$'000	Forward estimate 2011–12 \$'000
OPERATING ACTIVITIES					
Cash received					
Cash from Official Public Account	11,708,202	11,385,689	11,457,177	11,497,281	11,483,391
GST input credit received	36,906	38,051	38,051	-	-
Other	9,471	9,471	9,471	9,471	9,471
Total cash received	11,754,579	11,433,211	11,504,699	11,506,752	11,492,862
Cash used					
Other	4,756,028	4,918,017	5,021,959	5,150,504	5,238,693
Grant payments	60,153	41,780	41,256	39,786	39,512
Personal benefits	6,892,021	6,398,775	6,359,600	6,275,145	6,170,992
Cash to Official Public Account	9,471	9,804	22,206	19,690	21,978
GST payments to suppliers	36,906	38,051	38,051	-	-
Total cash used	11,754,579	11,406,427	11,483,072	11,485,125	11,471,175
Net cash from or (used by) operating activities	-	26,784	21,627	21,627	21,687
Net cash received – investing					
financial loans and advances	-	(21,627)	(21,627)	(21,627)	(21,627)
Net increase/decrease in cash held	-	5,157	-	-	-
Cash at beginning of reporting period	20,234	20,234	25,391	25,391	25,391
Administered cash at end of reporting period	20,234	25,391	25,391	25,391	25,391

Prepared on Australian Accounting Standards basis.