

# Portfolio Additional Estimates Statements 2016-17

Defence Portfolio  
(Department of Veterans' Affairs)

Explanations of Additional Estimates 2016-17

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## The Hon Dan Tehan MP

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Minister for Defence Personnel  
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President of the Senate  
Australian Senate  
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CANBERRA ACT 2600

Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2016-17 Additional Estimates for the Department of Veterans' Affairs portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the Portfolio.

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

Yours sincerely

A handwritten signature in blue ink, consisting of a large, stylized 'D' and 'T' followed by a long horizontal stroke.

DAN TEHAN

## Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million

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

## ENQUIRIES

Should you have any enquiries regarding this publication please contact Graeme Rochow, Chief Finance Officer, Department of Veterans' Affairs on (02) 6289 6620.

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

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



## USER GUIDE

The purpose of the 2016-17 Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by outcome(s) since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in *Appropriation Bills (Nos. 3 and 4) 2016-17*. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook (MYEFO) 2016-17* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for entities within the portfolio.

## Structure of the Portfolio Additional Estimates Statements

The PAES are presented in three parts with subsections.

### User Guide

Provides a brief introduction explaining the purpose of the PAES.

### Portfolio Overview

Provides an overview of the portfolio, including a chart that outlines the outcomes for entities in the portfolio.

### Entity Additional Estimates Statements

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

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<b>Section 1: Entity Overview and Resources</b>	This section details the total resources available to an entity, the impact of any measures since Budget, and impact on <i>Appropriation Bills Nos. 3 and 4</i> .
<b>Section 2: Revisions to Outcomes and Planned Performance</b>	This section details <b>changes</b> to Government outcomes and/or <b>changes</b> to the planned performance of entity programs.
<b>Section 3: Special Account Flows and Budgeted Financial Statements</b>	This section contains updated explanatory tables on special account flows and revisions to the budgeted financial statements.
<b>Glossary</b>	Explains key terms relevant to the portfolio.

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# PORTFOLIO OVERVIEW



# PORTFOLIO OVERVIEW

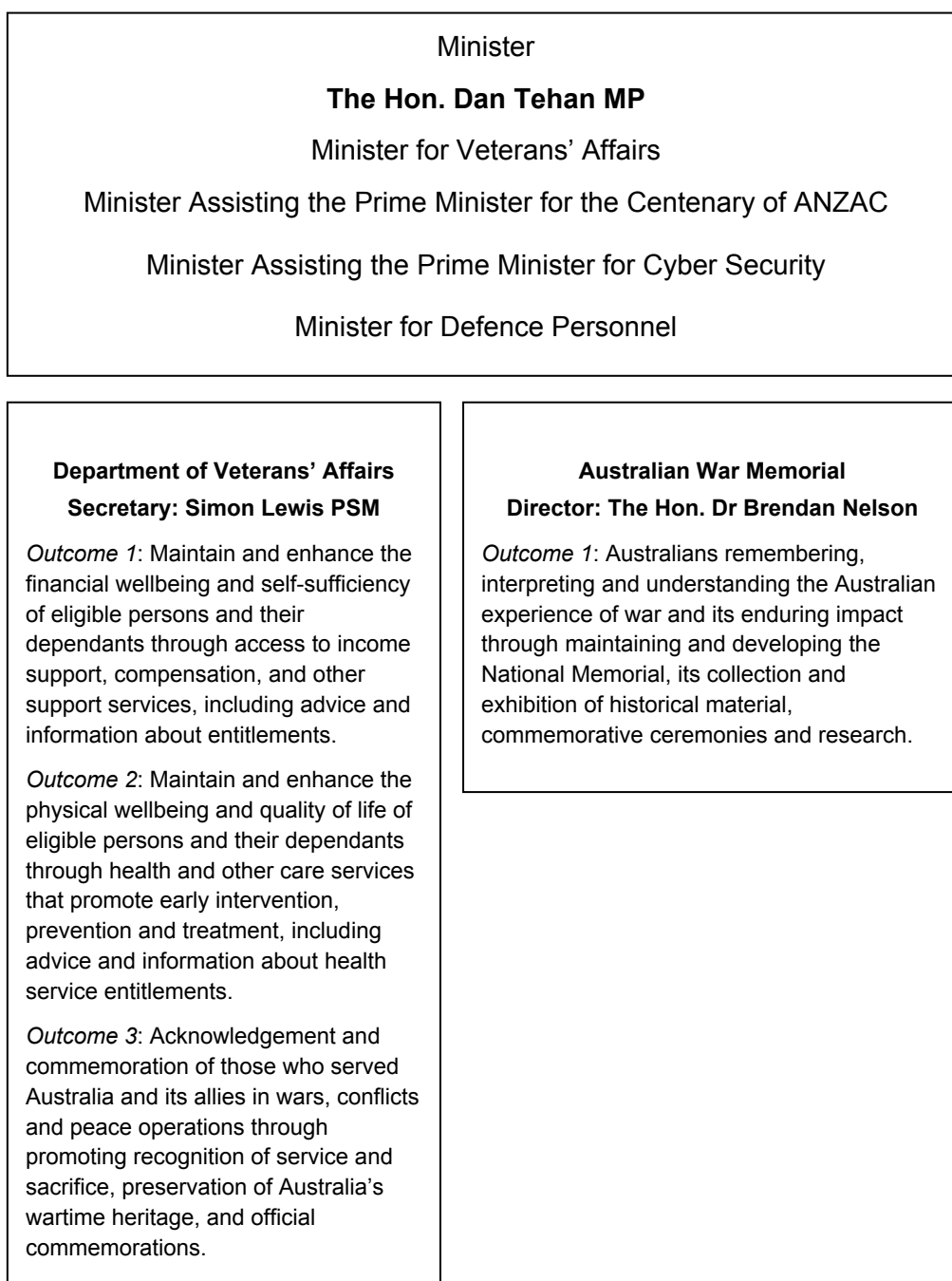
## MINISTER AND PORTFOLIO RESPONSIBILITIES

There has been no change in the Department's role, planned outcomes or programs structure since the 2016-17 Portfolio Budget Statements. A full outline of the Department of Veterans' Affairs (DVA) Portfolio Overview can be found in the 2016-17 Portfolio Budget Statements.

The portfolio is seeking, for the Department of Veterans' Affairs, net additional funding of \$8.8 million, including \$0.2 million for departmental expenses and \$7.6 million for administered expenses. The new appropriation funding of \$11,301.9 million being sought will provide the Department with \$10,962.5 million in administered expenses and \$339.3 million in total departmental expenses.

No additional funding is being sought for the Australian War Memorial.

**Figure 1: Department of Veterans' Affairs Portfolio Structure and Outcomes**





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# DEPARTMENT OF VETERANS' AFFAIRS

## Section 1: Entity Overview and Resources

### 1.1 STRATEGIC DIRECTION

The Department of Veterans' Affairs (DVA) supports those who serve or have served in defence of our nation and commemorates their service and sacrifice.

DVA provides a range of programs and financial entitlements to support the health and wellbeing of Australia's veterans, current serving men and women, war widows and widowers, dependants and eligible members of the Australian Federal Police.

There has been no change in the Department's role, planned outcomes or programs structure since the 2016-17 Portfolio Budget Statements. A full outline of DVA's strategic direction can be found in the 2016-17 Portfolio Budget Statements.

#### **Administered expenses**

The additional administered funding of \$7.6 million is required for new measures and other estimate variations as set out in Table 1.1, 1.2, 1.3, pages 11 to 18.

#### **Departmental expenses**

The additional departmental funding of \$0.2 million is required for new measures and other estimate variations as set out in Table 1.1, 1.2, and 1.3, pages 11 to 18.

## 1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for the Department of Veterans' Affairs at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2016-17 Budget year, including variations through Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts.

**Table 1.1: Department of Veterans' Affairs Resource Statement  
Additional Estimates for 2016-17 as at Additional Estimates February 2017**

	<i>Total available appropriation</i>	Estimate as at + Budget	Proposed Additional Estimates	= Total estimate at Additional Estimates
	2015-16 \$'000	2016-17 \$'000	2016-17 \$'000	2016-17 \$'000
<b>Departmental</b>				
Annual appropriations - ordinary annual services <sup>1</sup>				
Prior year departmental appropriation <sup>2</sup>	-	13,154	3,801	16,955
Departmental appropriation	303,097	306,341	153	306,494
s74 Retained Revenue Receipts <sup>3</sup>	8,936	6,746	(115)	6,631
Departmental Capital Budget	13,317	13,282	-	13,282
Annual appropriations - other services - non operating				
Equity injections <sup>5</sup>	1,189	19,295	267	19,562
<b>Total departmental annual appropriations</b>	<b>326,539</b>	<b>358,818</b>	<b>4,106</b>	<b>362,924</b>
Special Accounts				
Opening balance <sup>6</sup>	2,412	2,433	(262)	2,171
Appropriation Receipts <sup>7</sup>	120	120	-	120
Non-Appropriation receipts to Special Accounts	44,801	45,801	1,199	47,000
<b>Total special account</b>	<b>47,333</b>	<b>48,354</b>	<b>937</b>	<b>49,291</b>
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	120	120	-	120
<b>Total departmental resourcing</b>	<b>373,752</b>	<b>407,052</b>	<b>5,043</b>	<b>412,095</b>
<b>Administered</b>				
Annual appropriations - ordinary annual services				
Outcome 1	42,082	43,616	6,356	49,972
Outcome 2	7,080	7,427	1,187	8,614
Outcome 3	39,501	50,058	9	50,067
Payments to corporate entities <sup>4</sup>	44,059	42,699	-	42,699
Annual appropriations - other services - non operating				
Payments to corporate entities - non-operating <sup>4</sup>	7,472	7,154	-	7,154
<b>Total available annual appropriations</b>	<b>140,194</b>	<b>150,954</b>	<b>7,552</b>	<b>158,506</b>

Continued on next page

**Table 1.1: Department of Veterans' Affairs Resource Statement – Additional Estimates for 2016-17 as at Additional Estimates February 2017 (continued)**

	<i>Total available appropriation</i>	<i>Estimate as at Budget</i>	<i>Proposed Additional Estimates</i>	<i>Total estimate at Additional Estimates</i>
	<i>2015-16 \$'000</i>	<i>2016-17 \$'000</i>	<i>2016-17 \$'000</i>	<i>2016-17 \$'000</i>
<b>Special appropriations</b>				
<b>Outcome 1</b>				
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>	36	58	(46)	12
<i>Veterans' Entitlements Act 1986 (VEA)</i>	5,694,389	5,497,165	(44,469)	5,452,696
<i>Compensation (Japanese Interment) Act 2001</i>	50	25	-	25
<i>Defence Service Homes Act 1918</i>	1,078	1,030	(121)	909
<i>Safety, Rehabilitation and Compensation Act 1988</i>	120,180	122,629	10,381	133,010
<i>Military Rehabilitation and Compensation Act 2004</i>	314,726	292,311	6,264	298,575
<b>Total Outcome 1</b>	<b>6,130,459</b>	<b>5,913,218</b>	<b>(27,991)</b>	<b>5,885,227</b>
<b>Outcome 2</b>				
<i>Veterans' Entitlements Act 1986 (VEA)</i>	4,751,132	4,862,424	(67,701)	4,794,723
<i>Safety, Rehabilitation and Compensation Act 1988</i>	38,707	35,498	9,543	45,041
<i>Military Rehabilitation and Compensation Act 2004</i>	65,542	70,062	8,618	78,680
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	345	359	(1)	358
<i>Public Governance, Performance and Accountability Act 2013 - s77 Repayments</i>	-	-	5	5
<b>Total Outcome 2</b>	<b>4,855,726</b>	<b>4,968,343</b>	<b>(49,536)</b>	<b>4,918,807</b>
<b>Total administered special appropriations</b>	<b>10,986,185</b>	<b>10,881,561</b>	<b>(77,527)</b>	<b>10,804,034</b>
<i>less payments to corporate entities from annual/special appropriations</i>	50,051	49,853	-	49,853
<b>Total administered resourcing</b>	<b>11,076,328</b>	<b>10,982,662</b>	<b>(69,975)</b>	<b>10,912,687</b>
<b>Total resourcing for DVA</b>	<b>11,450,080</b>	<b>11,389,714</b>	<b>(64,932)</b>	<b>11,324,782</b>
			<i>2015-16</i>	<i>2016-17</i>
<b>Average Staffing Level</b>			1,884	1,896

1. *Appropriation Act (No. 1) 2016-17 and Appropriation Bill (No. 3) 2016-17.*
2. Estimated adjusted balance carried from previous year for annual appropriations
3. Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability (PGPA) Act 2013*.
4. 'Corporate Entities' are Corporate Commonwealth Entities and Commonwealth Companies as defined under the *PGPA Act 2013*.
5. *Appropriation Act (No. 2) 2016-17 and Appropriation Bill (No. 4) 2016-17.*
6. Estimated opening balance for special accounts (less 'Special Public Money' held in a *Services for Other Entities and Trust Moneys Special Accounts (SOETM)*). For further information on Special Accounts see Table 3.1.
7. Appropriation receipts credited into DSHIS special account included in total departmental appropriation. For further information, see Table 3.1. (Note: Non-appropriation receipts other than those of the DSHIS special account are excluded as these represent Special Public Monies).

Reader note: All figures are GST exclusive.

**Table 1.1: Department of Veterans' Affairs Resource Statement – Additional Estimates for 2016-17 as at Additional Estimates February 2017 (continued)****Third Party Payments from and on Behalf of Other Entities**

	<i>Actual payments</i>	Estimate as at Budget	+ Proposed Additional Estimates	= Total estimate at Additional Estimates
	<i>2015-16 \$'000</i>	2016-17 \$'000	2016-17 \$'000	2016-17 \$'000
Receipts received from the Department of Defence for the provision of services (disclosed above in s74 Retained Revenue Receipts section above)	7,820	6,746	975	7,721
Payments made to corporate entities within the Portfolio				
Australian War Memorial - Bill 1	42,459	42,699	-	42,699
Australian War Memorial - Bill 2	7,472	7,154	-	7,154
Payments made on behalf of Department of Social Services <i>Social Security (Administration) Act 1999</i>	49,559	48,397	(2,401)	45,996
Payments made on behalf of Department of Social Services <i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	1,163	1,302	(161)	1,141
Payments made on behalf of Department of Social Services for the provision of services	157	146	-	146
Payments made by the Department of Human Services (DHS) on behalf of DVA				
<i>Veterans' Entitlements Act 1986,</i>	3,527,879	3,593,391	(49,365)	3,544,026
<i>Military Rehabilitation and Compensation Act 2004</i>	42,232	48,496	3,568	52,064
<i>Safety, Rehabilitation and Compensation Act 1988</i>	14,057	12,514	901	13,415
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	345	359	(1)	358
Payments made to DHS for processing payment of health care provider treatment accounts and the provision of IT services.	27,420	33,230	(1,907)	31,323

### 1.3 ENTITY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2016-17 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

**Table 1.2: Entity 2016-17 Measures since Budget**

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Expense measures</b>					
<b>Outcome 1</b>					
Pension Supplement - changes to the payment of the Pension Supplement for permanent departures overseas and temporary absences <sup>1</sup>					
	1.1				
	Administered expenses	–	(173)	(165)	(159)
	Departmental expenses	45	21	2	2
	<b>Total</b>	<b>45</b>	<b>(152)</b>	<b>(163)</b>	<b>(157)</b>
Support for Veterans and Their Families					
	1.6				
	Administered expenses	338	1,346	1,335	1,337
	Departmental expenses	–	–	–	–
	<b>Total</b>	<b>338</b>	<b>1,346</b>	<b>1,335</b>	<b>1,337</b>
<b>Total Outcome 1</b>					
	Administered expenses	338	1,173	1,170	1,178
	Departmental expenses	45	21	2	2
	<b>Total</b>	<b>383</b>	<b>1,194</b>	<b>1,172</b>	<b>1,180</b>
<b>Outcome 2</b>					
Investing in Medicare - Medicare Benefits Schedule - new and amended listings <sup>2</sup>					
	2.1				
	Administered expenses	(1)	16	22	14
	Departmental expenses	–	–	–	–
	<b>Total</b>	<b>(1)</b>	<b>16</b>	<b>22</b>	<b>14</b>
Investing in Medicare - Magnetic Resonance Imaging licences for Frankston and Maroondah Hospitals <sup>2</sup>					
	2.1				
	Administered expenses	13	26	26	27
	Departmental expenses	–	–	–	–
	<b>Total</b>	<b>13</b>	<b>26</b>	<b>26</b>	<b>27</b>
Repatriation Pharmaceutical Benefits Scheme - new listings and price amendments					
	2.1				
	Administered expenses	–	–	–	–
	Departmental expenses	–	–	–	–
	<b>Total</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

Continued on next page

Table 1.2: Entity 2016-17 Measures since Budget (continued)

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Expense measures</b>					
<b>Outcome 2</b>					
Pharmaceutical Benefits Scheme - new and amended listings <sup>2</sup>	2.1 & 2.3				
Administered expenses		(3,673)	(3,167)	(2,979)	(2,473)
Departmental expenses		–	–	–	–
<b>Total</b>		<b>(3,673)</b>	<b>(3,167)</b>	<b>(2,979)</b>	<b>(2,473)</b>
Pharmaceutical Benefits Scheme - price amendments <sup>2</sup>	2.3				
Administered expenses		415	717	716	726
Departmental expenses		–	–	–	–
<b>Total</b>		<b>415</b>	<b>717</b>	<b>716</b>	<b>726</b>
Specialist Dementia Care Units - establishments <sup>2</sup>	2.4				
Administered expenses		–	(142)	(517)	(1,012)
Departmental expenses		130	2	2	2
<b>Total</b>		<b>130</b>	<b>(140)</b>	<b>(515)</b>	<b>(1,010)</b>
Aged Care Provider Funding - addressing growth in residential aged care <sup>2</sup>	2.4				
Administered expenses		(2,243)	(2,136)	(459)	3,073
Departmental expenses		–	–	–	–
<b>Total</b>		<b>(2,243)</b>	<b>(2,136)</b>	<b>(459)</b>	<b>3,073</b>
Support for Veterans and Their Families	2.5				
Administered expenses		1,593	3,143	3,027	1,982
Departmental expenses		–	–	–	–
<b>Total</b>		<b>1,593</b>	<b>3,143</b>	<b>3,027</b>	<b>1,982</b>
<b>Total Outcome 2</b>					
Administered expenses		(3,896)	(1,543)	(164)	2,337
Departmental expenses		130	2	2	2
<b>Total</b>		<b>(3,766)</b>	<b>(1,541)</b>	<b>(162)</b>	<b>2,339</b>
<b>Total expense measures</b>					
Administered		(3,558)	(370)	1,006	3,515
Departmental		175	23	4	4
<b>Total</b>		<b>(3,383)</b>	<b>(347)</b>	<b>1,010</b>	<b>3,519</b>

Continued on next page

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

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Capital Measures</b>					
Pension Supplement - changes to the payment of the Pension Supplement for permanent departures overseas and temporary absences <sup>1</sup>	1.1				
Administered Capital		–	–	–	–
Departmental Capital		97	45	–	–
<b>Total</b>		<b>97</b>	<b>45</b>	<b>–</b>	<b>–</b>
Specialist Dementia Care Units - establishments <sup>2</sup>	2.4				
Administered Capital		–	–	–	–
Departmental Capital		170	–	–	–
<b>Total</b>		<b>170</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total capital measures</b>					
Administered		–	–	–	–
Departmental		267	45	–	–
<b>Total</b>		<b>267</b>	<b>45</b>	<b>–</b>	<b>–</b>

Prepared on a Government Finance Statistics (fiscal) basis.

1. The lead agency for this measure is the Department of Social Services. The full measure description and package details appear in Mid Year Economic and Fiscal Outlook (MYEFO).
2. The lead agency for this measure is the Department of Health. The full measure description and package details appear in Mid Year Economic and Fiscal Outlook (MYEFO).

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for Department of Veterans' Affairs at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures and other variations since the 2016-17 Budget in Appropriation Bills Nos. 3 and 4.

**Table 1.3: Additional Estimates and Other Variations to Outcomes Since 2016-17 Budget**

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Outcome 1</b>					
<b>Administered</b>					
<b>Annual appropriations</b>					
Support for Veterans and their Families	1.6	250	1,000	1,000	1,000
Change in price & wage indices	1.1-1.6	(237)	(448)	(608)	(680)
Program specific - beneficiary or rate changes	1.1-1.6	4,830	4,840	7,551	5,475
Other variations	1.1-1.6	1,538	–	–	–
<b>Special appropriations</b>					
Pension Supplement - Changes to the payment of the pension supplement for permanent departures overseas and temporary absences	1.1	–	(173)	(165)	(159)
Support for Veterans and their Families	1.6	88	346	335	337
Change in price & wage indices	1.1-1.6	(13,598)	(30,829)	(40,039)	(40,786)
Program specific - beneficiary or rate changes	1.1-1.6	(17,116)	16,062	42,663	82,885
Other variations	1.1-1.6	1,655	(29)	(91)	(46)
<b>Net impact on appropriations for Outcome 1 (administered)</b>		<b>(22,590)</b>	<b>(9,231)</b>	<b>10,646</b>	<b>48,026</b>
<b>Departmental</b>					
<b>Annual appropriations</b>					
Pension Supplement - Changes to the payment of the pension supplement for permanent departures overseas and temporary absences (Expenses)	1.6	45	21	2	2
Pension Supplement - Changes to the payment of the pension supplement for permanent departures overseas and temporary absences (Capital)	1.6	97	45	–	–
Changes in price & wage indices	1.1-1.6	–	(1,375)	(1,623)	(2,146)
Application of efficiency dividend	1.1-1.6	–	(4,304)	(7,087)	(8,459)
Govlink contract adjustment	1.1-1.6	(22)	(30)	(30)	(30)
Other variations (Expenses)	1.1-1.6	–	110	3	3
Other variations (Capital)	1.1-1.6	–	206	–	–
<b>Net impact on appropriations for Outcome 1 (departmental)</b>		<b>120</b>	<b>(5,327)</b>	<b>(8,735)</b>	<b>(10,630)</b>

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**Table 1.3: Additional Estimates and Other Variations to Outcomes Since 2016-17 Budget (continued)**

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Outcome 2</b>					
<b>Administered</b>					
<b>Annual appropriation</b>					
Support for Veterans and their Families	2.5	1,000	2,000	2,000	1,000
Change in price & wage indices	2.1-2.6	(11)	(37)	(39)	(52)
Program specific - beneficiary or rate changes	2.1-2.6	198	100	111	(14)
<b>Special appropriations</b>					
Investing in Medicare - Medicare Benefits Schedule - new and amended listings	2.1	(1)	16	22	14
Investing in Medicare - Magnetic resonance imaging licences for Frankston and Maroondah hospitals	2.1	13	26	26	27
Pharmaceutical Benefits Scheme - New and amended listings	2.1, 2.3	(3,673)	(3,167)	(2,979)	(2,473)
Pharmaceutical Benefits Scheme - Price amendments	2.3	415	717	716	726
Specialist dementia care units - Establishment	2.4	–	(142)	(517)	(1,012)
Aged care provider funding - Addressing growth in residential aged care	2.4	(2,243)	(2,136)	(459)	3,073
Support for Veterans and their Families	2.5	593	1,143	1,027	982
Change in price & wage indices	2.1-2.6	(2,504)	(14,845)	(22,213)	(30,571)
Program specific - beneficiary or rate changes	2.1-2.6	(48,808)	(60,974)	(72,561)	(114,371)
Other variations	2.1-2.6	5	7	6	6
<b>Net impact on appropriations for Outcome 2 (administered)</b>		<b>(55,016)</b>	<b>(77,292)</b>	<b>(94,860)</b>	<b>(142,665)</b>
<b>Departmental</b>					
<b>Annual appropriations</b>					
Specialist dementia care units - Establishment (Expense)	2.4	130	2	2	2
Specialist dementia care units - Establishment (Capital)	2.4	170	–	–	–
<b>Net impact on appropriations for Outcome 2 (departmental)</b>		<b>300</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Outcome 3</b>					
<b>Administered</b>					
<b>Annual appropriation</b>					
Approved movement of funds between years	3.1	211	–	–	–
Change in price & wage indices	3.1-3.2	(202)	(408)	(430)	(461)
<b>Net impact on appropriations for Outcome 3 (administered)</b>		<b>9</b>	<b>(408)</b>	<b>(430)</b>	<b>(461)</b>

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the Department of Veterans' Affairs through *Appropriation Bills Nos. 3 and 4*.

**Table 1.4: Appropriation Bill (No. 3) 2016-17**

	2015-16 Available \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>ADMINISTERED ITEMS</b>					
<b>Outcome 1</b>	42,082	43,616	49,972	6,356	–
<b>Outcome 2</b>	7,080	7,427	8,614	1,187	–
<b>Outcome 3</b>	35,177	50,058	50,067	9	–
<b>Total</b>	<b>84,339</b>	<b>101,101</b>	<b>108,653</b>	<b>7,552</b>	<b>–</b>
<b>DEPARTMENTAL PROGRAMS</b>					
<b>Outcome 1</b>	169,939	182,511	182,534	23	–
<b>Outcome 2</b>	117,226	109,967	110,097	130	–
<b>Outcome 3</b>	29,249	27,145	27,145	–	–
<b>Total</b>	<b>316,414</b>	<b>319,623</b>	<b>319,776</b>	<b>153</b>	<b>–</b>
<b>Total administered and departmental</b>	<b>400,753</b>	<b>420,724</b>	<b>428,429</b>	<b>7,705</b>	<b>–</b>

**Table 1.5: Appropriation Bill (No. 4) 2016-17**

	2015-16 Available \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
<b>Non-Operating</b>					
Equity Injections	1,189	19,295	19,562	267	–
<b>Total Departmental</b>	<b>1,189</b>	<b>19,295</b>	<b>19,562</b>	<b>267</b>	<b>–</b>

## Section 2: Revisions to Entity Outcomes and Planned Performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change in the Department's role, planned outcomes or programs structure since the 2016-17 Portfolio Budget Statements. Therefore, the objectives, deliverables and targets have not been altered. Complete details of the Department's resources and performance information can be found in the 2016-17 Portfolio Budget Statements.

#### OUTCOME 1

##### Outcome 1 Strategy

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.

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

	2015-16 Actual expenses \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 1.1: Veterans' Income Support and Allowances</b>					
Administered Expenses					
Special Appropriations	2,484,690	2,387,686	2,293,328	2,226,231	2,208,351
<b>Administered total</b>	<b>2,484,690</b>	<b>2,387,686</b>	<b>2,293,328</b>	<b>2,226,231</b>	<b>2,208,351</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	85,774	89,769	81,822	78,830	78,151
Expenses not requiring appropriation in the Budget year <sup>2</sup>	11,704	11,034	10,689	10,048	9,252
<b>Departmental total</b>	<b>97,478</b>	<b>100,803</b>	<b>92,511</b>	<b>88,878</b>	<b>87,403</b>
<b>Total expenses for program 1.1</b>	<b>2,582,168</b>	<b>2,488,489</b>	<b>2,385,839</b>	<b>2,315,109</b>	<b>2,295,754</b>
<b>Program 1.2: Veterans' Disability Support</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	13,143	18,080	17,623	19,745	19,667
Special Appropriations	1,539,229	1,518,596	1,522,415	1,530,608	1,548,620
<b>Administered total</b>	<b>1,552,372</b>	<b>1,536,676</b>	<b>1,540,038</b>	<b>1,550,353</b>	<b>1,568,287</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	39,816	41,670	37,994	36,615	36,299
Expenses not requiring appropriation in the Budget year <sup>2</sup>	3,772	3,554	3,438	3,235	2,976
<b>Departmental total</b>	<b>43,588</b>	<b>45,224</b>	<b>41,432</b>	<b>39,850</b>	<b>39,275</b>
<b>Total expenses for program 1.2</b>	<b>1,595,960</b>	<b>1,581,900</b>	<b>1,581,470</b>	<b>1,590,203</b>	<b>1,607,562</b>
<b>Program 1.3: Assistance to Defence Widowers and Dependants</b>					
Administered Expenses					
Special Appropriations	1,670,084	1,553,187	1,443,941	1,347,851	1,229,755
<b>Administered total</b>	<b>1,670,084</b>	<b>1,553,187</b>	<b>1,443,941</b>	<b>1,347,851</b>	<b>1,229,755</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	13,734	14,382	13,113	12,637	12,528
Expenses not requiring appropriation in the Budget year <sup>2</sup>	1,575	1,483	1,435	1,349	1,242
<b>Departmental total</b>	<b>15,309</b>	<b>15,865</b>	<b>14,548</b>	<b>13,986</b>	<b>13,770</b>
<b>Total expenses for program 1.3</b>	<b>1,685,393</b>	<b>1,569,052</b>	<b>1,458,489</b>	<b>1,361,837</b>	<b>1,243,525</b>

Continued on next page

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

	2015-16 Actual expenses \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Outcome 1:</b>					
<b>Program 1.4: Assistance and Other Compensation for Veterans and Dependents</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	7,543	8,102	8,108	8,092	8,673
Special Appropriations	15,918	13,695	11,543	9,613	7,871
<b>Administered total</b>	<b>23,461</b>	<b>21,797</b>	<b>19,651</b>	<b>17,705</b>	<b>16,544</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	14,150	14,790	13,476	12,996	12,884
Expenses not requiring appropriation in the Budget year <sup>2</sup>	1,065	1,003	972	911	838
Special Accounts	31,154	37,577	35,583	36,083	36,583
<b>Departmental total</b>	<b>46,369</b>	<b>53,370</b>	<b>50,031</b>	<b>49,990</b>	<b>50,305</b>
<b>Total expenses for program 1.4</b>	<b>69,830</b>	<b>75,167</b>	<b>69,682</b>	<b>67,695</b>	<b>66,849</b>
<b>Program 1.5: Veterans' Children Education Scheme</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	15,145	15,408	15,796	15,719	14,528
<b>Administered total</b>	<b>15,145</b>	<b>15,408</b>	<b>15,796</b>	<b>15,719</b>	<b>14,528</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	4,758	4,993	4,549	4,387	4,349
Expenses not requiring appropriation in the Budget year <sup>2</sup>	628	591	572	536	494
<b>Departmental total</b>	<b>5,386</b>	<b>5,584</b>	<b>5,121</b>	<b>4,923</b>	<b>4,843</b>
<b>Total expenses for program 1.5</b>	<b>20,531</b>	<b>20,992</b>	<b>20,917</b>	<b>20,642</b>	<b>19,371</b>
<b>Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	4,827	8,441	8,429	8,868	9,520
Special Appropriations	435,778	432,679	418,728	422,160	442,238
Special Accounts	292	262	607	360	60
<b>Administered total</b>	<b>440,897</b>	<b>441,382</b>	<b>427,764</b>	<b>431,388</b>	<b>451,818</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	28,691	30,020	27,372	26,377	26,150
Expenses not requiring appropriation in the Budget year <sup>2</sup>	1,927	1,815	1,755	1,653	1,522
<b>Departmental total</b>	<b>30,618</b>	<b>31,835</b>	<b>29,127</b>	<b>28,030</b>	<b>27,672</b>
<b>Total expenses for program 1.6</b>	<b>471,515</b>	<b>473,217</b>	<b>456,891</b>	<b>459,418</b>	<b>479,490</b>

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

	2015-16 Actual expenses \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Outcome 1:</b>					
<b>Program 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation</b>					
Administered Expenses					
Expenses not requiring appropriation in the Budget year	1,404,600	265,500	258,700	265,400	272,700
<b>Administered total</b>	<b>1,404,600</b>	<b>265,500</b>	<b>258,700</b>	<b>265,400</b>	<b>272,700</b>
<b>Total expenses for program 1.7</b>	<b>1,404,600</b>	<b>265,500</b>	<b>258,700</b>	<b>265,400</b>	<b>272,700</b>
<b>Outcome 1 Totals by appropriation type</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	40,658	50,031	49,956	52,424	52,388
Special Appropriations	6,145,699	5,905,843	5,689,955	5,536,463	5,436,835
Special Accounts	292	262	607	360	60
Expenses not requiring appropriation in the Budget year	1,404,600	265,500	258,700	265,400	272,700
<b>Administered total</b>	<b>7,591,249</b>	<b>6,221,636</b>	<b>5,999,218</b>	<b>5,854,647</b>	<b>5,761,983</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	186,923	195,624	178,326	171,842	170,361
Expenses not requiring appropriation in the Budget year <sup>2</sup>	20,671	19,480	18,861	17,732	16,324
Special Accounts	31,154	37,577	35,583	36,083	36,583
<b>Departmental total</b>	<b>238,748</b>	<b>252,681</b>	<b>232,770</b>	<b>225,657</b>	<b>223,268</b>
<b>Total Expenses for Outcome 1</b>	<b>7,829,997</b>	<b>6,474,317</b>	<b>6,231,988</b>	<b>6,080,304</b>	<b>5,985,251</b>

	2015-16	2016-17
<b>Average Staffing Level (number)</b>	1,029	1,032

1. Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1 & 3)' and 'Retained Revenue Receipts (s74)'.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense, Audit Fees and Australian Tax Office data matching services.
3. Figures displayed as negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

**Table 2.1.2: Program Components of Outcome 1****Program 1.1: Veterans' Income Support and Allowances**

	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Income support pensions	2,480,056	2,383,449	2,289,223	2,222,263	2,204,502
Other allowances	4,634	4,237	4,105	3,968	3,849
Program support	85,774	89,769	81,822	78,830	78,151
Expenses not requiring appropriation in the Budget year	11,704	11,034	10,689	10,048	9,252
<b>Total program expenses</b>	<b>2,582,168</b>	<b>2,488,489</b>	<b>2,385,839</b>	<b>2,315,109</b>	<b>2,295,754</b>

**Program 1.2: Veterans' Disability Support**

	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Annual Administered Expenses:					
Appropriation Bill No. 1 & 3					
Medical examinations, fares and expenses	12,319	17,142	16,755	18,921	18,914
Vehicle Assistance Scheme	824	938	868	824	753
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Disability pensions	1,537,226	1,516,549	1,520,495	1,528,804	1,546,813
Loss of earnings	382	424	412	390	402
Recreation transport allowance	1,621	1,623	1,508	1,414	1,405
Program support	39,816	41,670	37,994	36,615	36,299
Expenses not requiring appropriation in the Budget year	3,772	3,554	3,438	3,235	2,976
<b>Total program expenses</b>	<b>1,595,960</b>	<b>1,581,900</b>	<b>1,581,470</b>	<b>1,590,203</b>	<b>1,607,562</b>

**Program 1.3: Assistance to Defence Widow/ers and Dependants**

	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
War & Defence Widows pension	1,670,084	1,553,187	1,443,941	1,347,851	1,229,755
Program support	13,734	14,382	13,113	12,637	12,528
Expenses not requiring appropriation in the Budget year	1,575	1,483	1,435	1,349	1,242
<b>Total program expenses</b>	<b>1,685,393</b>	<b>1,569,052</b>	<b>1,458,489</b>	<b>1,361,837</b>	<b>1,243,525</b>

**Program 1.4: Assistance and Other Compensation for Veterans and Dependents**

	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Revised	Forward	Forward	Forward
\$('000)	expenses	budget	year 1	year 2	year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Compensation and Legal Expenses	1,964	1,609	1,628	1,620	1,754
Defective Administration	208	249	247	246	254
Payments to ESOs (BEST & TIP)	5,052	5,068	5,040	5,034	5,414
Veterans' Access to Community Information	262	1,115	1,130	1,127	1,184
Act of Grace	57	61	63	65	67
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Funeral benefits	9,350	8,287	7,129	5,996	4,890
POW (J)	25	25	25	25	25
POW (E)	4,791	3,877	3,090	2,462	1,962
Compensation payments for BCAL veterans	655	585	527	478	436
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>					
PNG pensions	36	12	14	14	15
<i>Defence Service Homes Act 1918</i>					
Interest subsidy	1,061	909	758	638	543
Special Account expenses:					
DSHIS	31,154	37,577	35,583	36,083	36,583
Program support	14,150	14,790	13,476	12,996	12,884
Expenses not requiring appropriation in the Budget year	1,065	1,003	972	911	838
<b>Total program expenses</b>	<b>69,830</b>	<b>75,167</b>	<b>69,682</b>	<b>67,695</b>	<b>66,849</b>

**Program 1.5: Veterans' Children Education Scheme**

	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Revised	Forward	Forward	Forward
\$('000)	expenses	budget	year 1	year 2	year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Veterans' Children Education Scheme	15,145	15,408	15,796	15,719	14,528
Program support	4,758	4,993	4,549	4,387	4,349
Expenses not requiring appropriation in the Budget year	628	591	572	536	494
<b>Total program expenses</b>	<b>20,531</b>	<b>20,992</b>	<b>20,917</b>	<b>20,642</b>	<b>19,371</b>

### Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation

	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Other income support and compensation-related payments - SRCA	2,978	3,726	3,969	4,209	4,503
Other income support and compensation-related payments - MRCA	1,849	4,715	4,460	4,659	5,017
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Permanent impairment	39,266	42,217	39,000	36,979	35,175
Benefits for eligible dependants	17,786	16,436	15,708	14,785	13,792
Incapacity payments	63,916	67,834	68,001	68,861	69,358
Medical examinations	3,798	4,291	4,175	3,968	3,862
Death payments	2,713	2,333	2,392	2,386	2,492
Other income support and compensation-related payments	254	331	338	336	347
<i>Military Rehabilitation and Compensation Act 2004</i>					
Permanent impairment	176,508	158,434	139,883	129,880	135,601
Benefits for eligible dependants	4,941	8,069	8,350	8,732	9,030
Income maintenance payments	112,015	119,632	127,055	141,989	158,064
Medical examinations	14,549	12,722	13,354	13,751	13,994
Other income support and compensation-related payments	32	380	472	493	523
Special Account Expenses:					
Military death claim compensation	292	262	607	360	60
Program support	28,691	30,020	27,372	26,377	26,150
Expenses not requiring appropriation in the Budget year	1,927	1,815	1,755	1,653	1,522
<b>Total program expenses</b>	<b>471,515</b>	<b>473,217</b>	<b>456,891</b>	<b>459,418</b>	<b>479,490</b>

### Program 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation

	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Administered Expenses:					
Expenses not requiring appropriation in the Budget year	1,404,600	265,500	258,700	265,400	272,700
<b>Total program expenses</b>	<b>1,404,600</b>	<b>265,500</b>	<b>258,700</b>	<b>265,400</b>	<b>272,700</b>

**OUTCOME 2****Outcome 2 Strategy**

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.

**Table 2.2.1: Budgeted Expenses for Outcome 2**

	2015-16 Actual expenses \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 2.1: General Medical Consultations and Services</b>					
Administered Expenses					
Special Appropriations	805,753	800,270	768,937	743,660	719,013
<b>Administered total</b>	<b>805,753</b>	<b>800,270</b>	<b>768,937</b>	<b>743,660</b>	<b>719,013</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	7,813	8,164	7,439	7,174	7,112
Expenses not requiring appropriation in the Budget year <sup>2</sup>	51	49	47	44	41
<b>Departmental total</b>	<b>7,864</b>	<b>8,213</b>	<b>7,486</b>	<b>7,218</b>	<b>7,153</b>
<b>Total expenses for program 2.1</b>	<b>813,617</b>	<b>808,483</b>	<b>776,423</b>	<b>750,878</b>	<b>726,166</b>
<b>Program 2.2: Veterans' Hospital Services</b>					
Administered Expenses					
Special Appropriations	1,529,044	1,579,066	1,570,676	1,566,660	1,559,254
<b>Administered total</b>	<b>1,529,044</b>	<b>1,579,066</b>	<b>1,570,676</b>	<b>1,566,660</b>	<b>1,559,254</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	6,203	6,500	5,923	5,711	5,662
Expenses not requiring appropriation in the Budget year <sup>2</sup>	42	40	39	37	34
<b>Departmental total</b>	<b>6,245</b>	<b>6,540</b>	<b>5,962</b>	<b>5,748</b>	<b>5,696</b>
<b>Total expenses for program 2.2</b>	<b>1,535,289</b>	<b>1,585,606</b>	<b>1,576,638</b>	<b>1,572,408</b>	<b>1,564,950</b>
<b>Program 2.3: Veterans' Pharmaceuticals Benefits</b>					
Administered Expenses					
Special Appropriations	337,074	335,472	320,903	312,012	301,352
<b>Administered total</b>	<b>337,074</b>	<b>335,472</b>	<b>320,903</b>	<b>312,012</b>	<b>301,352</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	1,781	1,983	1,690	1,630	1,616
Expenses not requiring appropriation in the Budget year <sup>2</sup>	12	23	34	34	33
<b>Departmental total</b>	<b>1,793</b>	<b>2,006</b>	<b>1,724</b>	<b>1,664</b>	<b>1,649</b>
<b>Total expenses for program 2.3</b>	<b>338,867</b>	<b>337,478</b>	<b>322,627</b>	<b>313,676</b>	<b>303,001</b>

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**Table 2.2.1: Budgeted Expenses for Outcome 2 (continued)**

	2015-16 Actual expenses \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Outcome 2:</b>					
<b>Program 2.4: Veterans' Community Care and Support</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	2,201	2,270	2,309	2,299	2,503
Special Appropriations	1,399,025	1,466,840	1,416,921	1,367,385	1,324,632
<b>Administered total</b>	<b>1,401,226</b>	<b>1,469,110</b>	<b>1,419,230</b>	<b>1,369,684</b>	<b>1,327,135</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	18,592	19,438	17,711	17,079	16,932
Expenses not requiring appropriation in the Budget year <sup>2</sup>	1,735	1,634	1,583	1,484	1,366
<b>Departmental total</b>	<b>20,327</b>	<b>21,072</b>	<b>19,294</b>	<b>18,563</b>	<b>18,298</b>
<b>Total expenses for program 2.4</b>	<b>1,421,553</b>	<b>1,490,182</b>	<b>1,438,524</b>	<b>1,388,247</b>	<b>1,345,433</b>
<b>Program 2.5: Veterans' Counselling and Other Health Services</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	3,517	6,344	7,640	6,289	5,416
Special Appropriations	573,402	623,255	639,361	645,099	648,478
<b>Administered total</b>	<b>576,919</b>	<b>629,599</b>	<b>647,001</b>	<b>651,388</b>	<b>653,894</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	32,278	33,757	30,758	29,661	29,405
Expenses not requiring appropriation in the Budget year <sup>2</sup>	1,969	1,855	1,797	1,685	1,551
<b>Departmental total</b>	<b>34,247</b>	<b>35,612</b>	<b>32,555</b>	<b>31,346</b>	<b>30,956</b>
<b>Total expenses for program 2.5</b>	<b>611,166</b>	<b>665,211</b>	<b>679,556</b>	<b>682,734</b>	<b>684,850</b>
<b>Program 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services</b>					
Administered Expenses					
Special Appropriations	102,840	123,721	117,835	110,989	107,987
<b>Administered total</b>	<b>102,840</b>	<b>123,721</b>	<b>117,835</b>	<b>110,989</b>	<b>107,987</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	14,577	15,261	13,905	13,409	13,294
Expenses not requiring appropriation in the Budget year <sup>2</sup>	505	475	460	431	397
<b>Departmental total</b>	<b>15,082</b>	<b>15,736</b>	<b>14,365</b>	<b>13,840</b>	<b>13,691</b>
<b>Total expenses for program 2.6</b>	<b>117,922</b>	<b>139,457</b>	<b>132,200</b>	<b>124,829</b>	<b>121,678</b>

Continued on next page

**Table 2.2.1: Budgeted Expenses for Outcome 2 (continued)**

	2015-16 Actual expenses \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Outcome 2:</b>					
<b>Program 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and Other Care Services</b>					
Administered Expenses					
Expenses not requiring appropriation in the Budget year	1,080,100	96,400	95,400	98,000	100,900
<b>Administered total</b>	<b>1,080,100</b>	<b>96,400</b>	<b>95,400</b>	<b>98,000</b>	<b>100,900</b>
<b>Total expenses for program 2.7</b>	<b>1,080,100</b>	<b>96,400</b>	<b>95,400</b>	<b>98,000</b>	<b>100,900</b>
<b>Outcome 2 Totals by appropriation type</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	5,718	8,614	9,949	8,588	7,919
Special Appropriations	4,747,138	4,928,624	4,834,633	4,745,805	4,660,716
Expenses not requiring appropriation in the Budget year	1,080,100	96,400	95,400	98,000	100,900
<b>Administered total</b>	<b>5,832,956</b>	<b>5,033,638</b>	<b>4,939,982</b>	<b>4,852,393</b>	<b>4,769,535</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	81,244	85,103	77,426	74,664	74,021
Expenses not requiring appropriation in the Budget year <sup>2</sup>	4,314	4,076	3,960	3,715	3,422
<b>Departmental total</b>	<b>85,558</b>	<b>89,179</b>	<b>81,386</b>	<b>78,379</b>	<b>77,443</b>
<b>Total expenses for Outcome 2</b>	<b>5,918,514</b>	<b>5,122,817</b>	<b>5,021,368</b>	<b>4,930,772</b>	<b>4,846,978</b>
	2015-16	2016-17			
<b>Average Staffing Level (number)</b>	686	696			

1. Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1 & 3)' and 'Retained Revenue Receipts (s74)'.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense, Audit Fees and Australian Tax Office data matching services.
3. Figures displayed as negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

**Table 2.2.2: Program Components of Outcome 2****Program 2.1: General Medical Consultations and Services**

(\$'000)	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
LMO consultations	155,900	152,654	147,245	142,320	137,463
Specialist consultations	139,800	137,276	131,698	126,473	123,702
Medical services	422,170	423,064	407,502	396,126	382,532
Dental	87,883	87,276	82,492	78,741	75,316
Program support	7,813	8,164	7,439	7,174	7,112
Expenses not requiring appropriation in the Budget year	51	49	47	44	41
<b>Total program expenses</b>	<b>813,617</b>	<b>808,483</b>	<b>776,423</b>	<b>750,878</b>	<b>726,166</b>

**Program 2.2: Veterans' Hospital Services**

(\$'000)	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Public hospitals	720,236	754,268	766,164	779,429	790,341
Private hospitals	803,773	819,864	801,531	784,384	766,141
Nursing homes (POW)	5,035	4,934	2,981	2,847	2,772
Program support	6,203	6,500	5,923	5,711	5,662
Expenses not requiring appropriation in the Budget year	42	40	39	37	34
<b>Total program expenses</b>	<b>1,535,289</b>	<b>1,585,606</b>	<b>1,576,638</b>	<b>1,572,408</b>	<b>1,564,950</b>

**Program 2.3: Veterans' Pharmaceuticals Benefits**

(\$'000)	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Pharmaceutical services	337,074	335,472	320,903	312,012	301,352
Program support	1,781	1,983	1,690	1,630	1,616
Expenses not requiring appropriation in the Budget year	12	23	34	34	33
<b>Total program expenses</b>	<b>338,867</b>	<b>337,478</b>	<b>322,627</b>	<b>313,676</b>	<b>303,001</b>

**Program 2.4: Veterans' Community Care and Support**

	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Grants-In-Aid	109	145	145	145	145
Community Care Grants	623	633	639	636	713
Joint Venture Grants	1,100	1,119	1,129	1,124	1,219
JV Day Clubs	369	373	396	394	426
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Residential care	1,161,605	1,215,835	1,162,424	1,113,032	1,066,697
Community nursing	127,003	137,639	138,078	138,855	140,937
Veterans' Home Care	99,840	97,895	101,001	100,108	101,610
In-home respite	9,679	14,077	14,022	13,995	13,967
Carer and volunteer support	898	1,389	1,391	1,390	1,416
<i>Public Governance, Performance and Accountability Act 2013 (PGPA)</i>					
Section 77 Repayments	-	5	5	5	5
Program support	18,592	19,438	17,711	17,079	16,932
Expenses not requiring appropriation in the Budget year	1,735	1,634	1,583	1,484	1,366
<b>Total program expenses</b>	<b>1,421,553</b>	<b>1,490,182</b>	<b>1,438,524</b>	<b>1,388,247</b>	<b>1,345,433</b>

**Program 2.5: Veterans' Counselling and Other Health Services**

	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
<b>Annual Administered Expenses:</b>					
Appropriation Bill No. 1 & 3					
Counselling support & children's assistance	1,183	2,928	4,243	2,858	1,866
Compensation and legal expenses	-	56	57	57	61
Veterans' employment & training	612	835	785	781	703
Health & medical research	1,722	2,525	2,555	2,593	2,786
<b>Special Appropriations:</b>					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Travel for treatment	155,520	185,068	189,482	194,213	197,126
Subsistence	6,577	6,505	6,558	6,616	6,775
Veterans and veterans' families counselling services	30,363	35,612	37,246	37,550	38,066
Non-institutional care - services	167,169	172,127	173,055	173,316	171,886
Non-institutional care - products	58,701	55,268	52,271	49,369	47,783
Rehabilitation appliances	146,066	160,349	172,443	175,746	178,382
Health treatment for BCAL veterans	8,661	7,968	7,929	7,913	8,056
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>					
Nuclear test health care payments	345	358	377	376	404
Program support	32,278	33,757	30,758	29,661	29,405
Expenses not requiring appropriation in the Budget year	1,969	1,855	1,797	1,685	1,551
<b>Total program expenses</b>	<b>611,166</b>	<b>665,211</b>	<b>679,556</b>	<b>682,734</b>	<b>684,850</b>

### Program 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services

	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
<b>Special Appropriations:</b>					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Medical services	22,647	28,016	23,933	22,239	20,620
Rehabilitation services	5,983	7,264	7,356	6,747	6,290
Other services	9,533	9,761	9,319	8,409	8,056
<i>Military Rehabilitation and Compensation Act 2004</i>					
Medical services	45,667	57,486	54,875	52,782	51,004
Rehabilitation services	16,451	18,363	19,484	17,958	19,111
Other services	2,559	2,831	2,868	2,854	2,906
Program support	14,577	15,261	13,905	13,409	13,294
Expenses not requiring appropriation in the Budget year	505	475	460	431	397
<b>Total program expenses</b>	<b>117,922</b>	<b>139,457</b>	<b>132,200</b>	<b>124,829</b>	<b>121,678</b>

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

	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Administered Expenses					
Expenses not requiring appropriation in the Budget year	1,080,100	96,400	95,400	98,000	100,900
<b>Total program expenses</b>	<b>1,080,100</b>	<b>96,400</b>	<b>95,400</b>	<b>98,000</b>	<b>100,900</b>

## OUTCOME 3

### Outcome 3 Strategy

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.

**Table 2.3.1: Budgeted Expenses for Outcome 3**

	2015-16 Actual expenses \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Program 3.1: War Graves and Commemorations</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	29,243	46,503	37,434	29,808	26,659
Special Accounts	24,299	16,152	8,922	6,604	3,139
<b>Administered total</b>	<b>53,542</b>	<b>62,655</b>	<b>46,356</b>	<b>36,412</b>	<b>29,798</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	30,417	31,810	28,984	27,950	27,709
Expenses not requiring appropriation in the Budget year <sup>2</sup>	3,566	3,360	3,254	3,051	2,808
<b>Departmental total</b>	<b>33,983</b>	<b>35,170</b>	<b>32,238</b>	<b>31,001</b>	<b>30,517</b>
<b>Total expenses for program 3.1</b>	<b>87,525</b>	<b>97,825</b>	<b>78,594</b>	<b>67,413</b>	<b>60,315</b>
<b>Program 3.2: Gallipoli-related Activities</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	5,404	3,564	3,626	3,130	3,468
<b>Administered total</b>	<b>5,404</b>	<b>3,564</b>	<b>3,626</b>	<b>3,130</b>	<b>3,468</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	1,553	1,633	1,488	1,435	1,422
Expenses not requiring appropriation in the Budget year <sup>2</sup>	73	70	68	64	59
<b>Departmental total</b>	<b>1,626</b>	<b>1,703</b>	<b>1,556</b>	<b>1,499</b>	<b>1,481</b>
<b>Total expenses for program 3.2</b>	<b>7,030</b>	<b>5,267</b>	<b>5,182</b>	<b>4,629</b>	<b>4,949</b>

Continued on next page

**Table 2.3.1: Budgeted Expenses and Resources for Outcome 3 (continued)**

	2015-16 Estimated actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Outcome 3 Totals by appropriation type</b>					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	34,647	50,067	41,060	32,938	30,127
Special Accounts	24,299	16,152	8,922	6,604	3,139
<b>Administered total</b>	<b>58,946</b>	<b>66,219</b>	<b>49,982</b>	<b>39,542</b>	<b>33,266</b>
Departmental Expenses					
Departmental appropriation <sup>1</sup>	31,970	33,443	30,472	29,385	29,131
Expenses not requiring appropriation in the Budget year <sup>2</sup>	3,639	3,430	3,322	3,115	2,867
<b>Departmental total</b>	<b>35,609</b>	<b>36,873</b>	<b>33,794</b>	<b>32,500</b>	<b>31,998</b>
<b>Total expenses for Outcome 3</b>	<b>94,555</b>	<b>103,092</b>	<b>83,776</b>	<b>72,042</b>	<b>65,264</b>
	2015-16 Estimated actual \$'000	2016-17 Revised budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
<b>Movement of administered funds between years</b>					
Program 3.1 War Graves and Commemorations - Repatriation of Australian Remains from Terendak Military Cemetery in Malaysia and the Kranji War Cemetery in Singapore	(211)	211	-	-	-
<b>Total movement of administered funds</b>	<b>(211)</b>	<b>211</b>	<b>-</b>	<b>-</b>	<b>-</b>
	2015-16	2016-17			
<b>Average Staffing Level (number)</b>	169	168			

1. Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1 & 3)' and 'Retained Revenue Receipts (s74)'.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense, Audit Fees and Australian Tax Office data matching services.
3. Figures displayed as negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

**Table 2.3.2: Program Components of Outcome 3****Program 3.1: War Graves and Commemorations**

\$(000)	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
War graves care & maintenance	16,822	18,342	21,099	17,355	17,967
OAWG refurbishment, reconstruction & relocation	996	1,023	1,230	1,026	1,136
Compensation and legal expenses	3	5	5	5	5
Veterans' commemorative activities	11,422	27,133	15,100	11,422	7,551
Special Account Expenses:					
Australians at War	-	-	-	-	-
Services for Other Entities and Trust Moneys Special Account	149	102	122	102	102
Anzac Centenary Public Fund Special Account	24,150	16,050	8,800	6,502	3,037
Program support	30,417	31,810	28,984	27,950	27,709
Expenses not requiring appropriation in the Budget year	3,566	3,360	3,254	3,051	2,808
<b>Total program expenses</b>	<b>87,525</b>	<b>97,825</b>	<b>78,594</b>	<b>67,413</b>	<b>60,315</b>

**Program 3.2: Gallipoli-related Activities**

\$(000)	2015-16 Actual expenses	2016-17 Revised budget	2017-18 Forward year 1	2018-19 Forward year 2	2019-20 Forward year 3
Annual administered expenses:					
Appropriation Bill No. 1 & 3					
Gallipoli-related activities	5,404	3,564	3,626	3,130	3,468
Program support	1,553	1,633	1,488	1,435	1,422
Expenses not requiring appropriation in the Budget year	73	70	68	64	59
<b>Total program expenses</b>	<b>7,030</b>	<b>5,267</b>	<b>5,182</b>	<b>4,629</b>	<b>4,949</b>

## Section 3: Special Account Flows and Budgeted Financial Statements

### 3.1 SPECIAL ACCOUNT FLOWS

#### Estimates of Special Account Flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Department of Veterans' Affairs.

**Table 3.1: Estimates of Special Account Flows and Balances**

		Opening balance <b>2016-17</b> <i>2015-16</i>	Receipts <b>2016-17</b> <i>2015-16</i>	Payments <b>2016-17</b> <i>2015-16</i>	Closing balance <b>2016-17</b> <i>2015-16</i>
	Outcome	\$'000	\$'000	\$'000	\$'000
Military Death Claim	1	165	160	262	63
Compensation Special Account (A)		145	1,822	1,802	165
Defence Service Homes	1	2,171	47,120	46,900	2,391
Insurance Account (D)		2,412	55,218	55,459	2,171
Australians at War Special Account (A)	3	289	15	-	304
Anzac Centenary Public Fund Special Account (A)	3	9,399	9,210	16,050	2,559
Services for Other Entities and Trust Moneys Special Account (A)	3	216	75	102	189
<b>Total Special Accounts</b>					
<b>2016-17 Budget estimate</b>		<b>12,240</b>	<b>56,580</b>	<b>63,314</b>	<b>5,506</b>
<i>Total Special Accounts</i> <i>2015-16 actual</i>		<i>13,995</i>	<i>79,805</i>	<i>81,560</i>	<i>12,240</i>

(A) = Administered  
(D) = Departmental

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of budgeted financial statements**

The budgeted financial statements are shown at three levels and reflect the financial results of the three reporting entities that comprise DVA's departmental accounts: DVA amalgamated, DVA excluding Defence Services Homes Insurance Scheme (DSHIS), and DSHIS.

#### **Departmental (DVA excluding DSHIS)**

##### **Budgeted Departmental Income Statement**

The Department is budgeting for a breakeven operating result in 2016-17.

##### **Budgeted Departmental Balance Sheet**

The Department's net asset (equity) position for the 2016-17 financial year is projected to be \$36.3 million, which is an increase of \$0.4 million from the estimated Budget figure of \$35.9 million. This change in equity is mainly due to an increase in estimated accumulated results of \$0.9 million mainly due to changes to opening accumulated results and reduction in depreciation expense.

### 3.2.2 Budgeted Financial Statements

**Table 3.2a: Budgeted Departmental Comprehensive Income Statement (amalgamated) (showing net cost of services) (for the period ended 30 June)**

	Actual 2015-16 \$'000	Revised budget 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000	Forward estimate 2019-20 \$'000
<b>EXPENSE</b>					
Employee benefits	196,993	193,152	183,015	174,573	171,864
Supplier expenses	109,653	128,235	109,924	108,348	108,679
Depreciation and amortisation	25,442	27,061	26,218	24,637	22,688
Insurance claims	26,587	31,044	29,500	30,000	30,500
Other expenses	1,486	263	315	-	-
<b>Total expenses</b>	<b>360,161</b>	<b>379,755</b>	<b>348,972</b>	<b>337,558</b>	<b>333,731</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	44,329	42,366	41,627	37,025	38,023
Resources received free of charge	2,089	827	827	827	827
Other revenue	4,204	4,300	4,400	4,500	4,600
<b>Total revenue</b>	<b>50,622</b>	<b>47,493</b>	<b>46,854</b>	<b>42,352</b>	<b>43,450</b>
<b>Total own-source income</b>	<b>50,622</b>	<b>47,493</b>	<b>46,854</b>	<b>42,352</b>	<b>43,450</b>
<b>Net cost of services</b>	<b>309,539</b>	<b>332,262</b>	<b>302,118</b>	<b>295,206</b>	<b>290,281</b>
Revenue from Government	303,097	306,494	278,454	273,621	271,145
<b>Surplus (Deficit) before income tax</b>	<b>(6,442)</b>	<b>(25,768)</b>	<b>(23,664)</b>	<b>(21,585)</b>	<b>(19,136)</b>

Continued on next page

**Table 3.2a: Budgeted Departmental Comprehensive Income Statement (amalgamated) (showing net cost of services) (for the period ended 30 June) (continued)**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
Income tax expense	-	-	-	-	-
<b>Surplus (Deficit) after income tax</b>	<b>(6,442)</b>	<b>(25,768)</b>	<b>(23,664)</b>	<b>(21,585)</b>	<b>(19,136)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in assets revaluation reserve	3,020	-	-	-	-
<b>Total other comprehensive income</b>	<b>3,020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/ (loss) attributable to the Australian Government</b>	<b>(3,422)</b>	<b>(25,768)</b>	<b>(23,664)</b>	<b>(21,585)</b>	<b>(19,136)</b>
<b>Note: Reconciliation of operating result attributable to the agency</b>					
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total Comprehensive Income (loss) Attributable to the Australian Government</b>	<b>(3,422)</b>	<b>(25,768)</b>	<b>(23,664)</b>	<b>(21,585)</b>	<b>(19,136)</b>
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	25,442	27,061	26,218	24,637	22,688
<b>Total Comprehensive Income (loss) Attributable to the agency</b>	<b>22,020</b>	<b>1,293</b>	<b>2,554</b>	<b>3,052</b>	<b>3,552</b>

Prepared on Australian Accounting Standards basis

**Table 3.3a: Budgeted Departmental Balance Sheet (amalgamated)  
(as at 30 June)**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	7,711	4,466	5,567	5,882	7,554
Trade and other receivables	15,883	14,702	14,401	13,476	13,476
Appropriation receivables	22,121	17,973	7,200	3,300	2,000
Investments	58,655	61,655	66,655	72,655	77,655
<b>Total financial assets</b>	<b>104,370</b>	<b>98,796</b>	<b>93,823</b>	<b>95,313</b>	<b>100,685</b>
<b>Non-financial assets</b>					
Land and buildings	17,047	28,288	28,582	34,935	40,536
Infrastructure, plant and equipment	1,662	1,603	2,782	3,886	4,786
Intangibles	73,780	73,383	65,344	46,877	31,302
Other non-financial assets	5,561	6,436	6,467	6,499	6,532
<b>Total non-financial assets</b>	<b>98,050</b>	<b>109,710</b>	<b>103,175</b>	<b>92,197</b>	<b>83,156</b>
<b>Total assets</b>	<b>202,420</b>	<b>208,506</b>	<b>196,998</b>	<b>187,510</b>	<b>183,841</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Supplier payables	27,220	22,314	19,061	17,326	15,981
Other payables	22,652	24,186	23,206	22,135	23,116
<b>Total payables</b>	<b>49,872</b>	<b>46,500</b>	<b>42,267</b>	<b>39,461</b>	<b>39,097</b>
<b>Provisions</b>					
Employee provisions	69,543	68,181	65,259	63,223	62,913
Other provisions	16,208	21,518	23,652	26,964	29,491
<b>Total provisions</b>	<b>85,751</b>	<b>89,699</b>	<b>88,911</b>	<b>90,187</b>	<b>92,404</b>
<b>Total liabilities</b>	<b>135,623</b>	<b>136,199</b>	<b>131,178</b>	<b>129,648</b>	<b>131,501</b>
<b>Net assets</b>	<b>66,797</b>	<b>72,307</b>	<b>65,820</b>	<b>57,862</b>	<b>52,340</b>
<b>Equity*</b>					
Contributed equity	217,849	250,693	267,870	281,497	295,111
Asset revaluation reserve	9,789	9,789	9,789	9,789	9,789
Retained surplus (accumulated deficit)	(160,841)	(188,175)	(211,839)	(233,424)	(252,560)
<b>Total equity</b>	<b>66,797</b>	<b>72,307</b>	<b>65,820</b>	<b>57,862</b>	<b>52,340</b>

Prepared on Australian Accounting Standards basis

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

**Table 3.4a: Budgeted Departmental Statement of Cash Flows (amalgamated) (for the period ended 30 June)**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	297,876	313,286	294,541	279,934	274,956
Sale of goods and services	51,437	50,312	51,717	47,189	47,272
Other	14,204	15,695	13,910	14,320	14,348
<b>Total cash received</b>	<b>363,517</b>	<b>379,293</b>	<b>360,168</b>	<b>341,443</b>	<b>336,576</b>
<b>Cash used</b>					
Employees	201,458	193,532	185,716	176,425	170,705
Suppliers	109,269	139,847	124,144	119,763	119,661
Other	48,326	47,509	44,207	38,940	39,538
<b>Total cash used</b>	<b>359,053</b>	<b>380,888</b>	<b>354,067</b>	<b>335,128</b>	<b>329,904</b>
<b>Net cash from or (used by) operating activities</b>	<b>4,464</b>	<b>(1,595)</b>	<b>6,101</b>	<b>6,315</b>	<b>6,672</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	1,350	-	-	-
Proceeds from sales of financial investments realised	6,344	-	-	-	-
<b>Total cash received</b>	<b>6,344</b>	<b>1,350</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment, and intangibles	12,055	37,843	19,650	13,627	13,614
Purchase of investments	9,966	3,000	5,000	6,000	5,000
<b>Total cash used</b>	<b>22,021</b>	<b>40,843</b>	<b>24,650</b>	<b>19,627</b>	<b>18,614</b>
<b>Net cash from or (used by) investing activities</b>	<b>(15,677)</b>	<b>(39,493)</b>	<b>(24,650)</b>	<b>(19,627)</b>	<b>(18,614)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Equity Injections	13,802	37,843	19,650	13,627	13,614
<b>Total cash received</b>	<b>13,802</b>	<b>37,843</b>	<b>19,650</b>	<b>13,627</b>	<b>13,614</b>
<b>Net cash from or (used by) financing activities</b>	<b>13,802</b>	<b>37,843</b>	<b>19,650</b>	<b>13,627</b>	<b>13,614</b>
<b>Net increase or (decrease) in cash held</b>	<b>2,589</b>	<b>(3,245)</b>	<b>1,101</b>	<b>315</b>	<b>1,672</b>
Cash and cash equivalents at the beginning of the reporting period	5,122	7,711	4,466	5,567	5,882
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>7,711</b>	<b>4,466</b>	<b>5,567</b>	<b>5,882</b>	<b>7,554</b>

Prepared on Australian Accounting Standards basis

**Table 3.2b: Departmental Comprehensive Income Statement (DVA excluding DSHIS) (Showing Net Cost of Services) (for the period ended 30 June)**

	Actual 2015-16 \$'000	Revised budget 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000	Forward estimate 2019-20 \$'000
<b>EXPENSE</b>					
Employee benefits	194,033	189,002	178,815	170,323	167,564
Supplier expenses	107,875	125,675	107,864	106,338	106,719
Depreciation and amortisation	25,367	26,986	26,143	24,562	22,613
Other expenses	1,486	263	315	-	-
<b>Total expenses</b>	<b>328,761</b>	<b>341,926</b>	<b>313,137</b>	<b>301,223</b>	<b>296,896</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	10,285	7,796	7,890	2,390	2,488
Resources received free of charge	2,031	770	770	770	770
<b>Total own-source revenue</b>	<b>12,316</b>	<b>8,566</b>	<b>8,660</b>	<b>3,160</b>	<b>3,258</b>
<b>Total own-source income</b>	<b>12,316</b>	<b>8,566</b>	<b>8,660</b>	<b>3,160</b>	<b>3,258</b>
<b>Net cost of (contribution by) services</b>	<b>316,445</b>	<b>333,360</b>	<b>304,477</b>	<b>298,063</b>	<b>293,638</b>
Revenue from Government	302,977	306,374	278,334	273,501	271,025
<b>Surplus (Deficit) before income tax</b>	<b>(13,468)</b>	<b>(26,986)</b>	<b>(26,143)</b>	<b>(24,562)</b>	<b>(22,613)</b>

Continued on next page

**Table 3.2b: Departmental Comprehensive Income Statement (DVA excluding DSHIS) (Showing Net Cost of Services) (for the period ended 30 June) (continued)**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
Income tax expense (competitive neutrality)	-	-	-	-	-
<b>Surplus (Deficit) after income tax</b>	<b>(13,468)</b>	<b>(26,986)</b>	<b>(26,143)</b>	<b>(24,562)</b>	<b>(22,613)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in assets revaluation reserve	3,020	-	-	-	-
<b>Total other comprehensive income</b>	<b>3,020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/ (loss) attributable to the Australian Government</b>	<b>(10,448)</b>	<b>(26,986)</b>	<b>(26,143)</b>	<b>(24,562)</b>	<b>(22,613)</b>

**Note: Reconciliation of operating result attributable to agency**

	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total Comprehensive Income (loss) Attributable to the Australian Government</b>	<b>(10,448)</b>	<b>(26,986)</b>	<b>(26,143)</b>	<b>(24,562)</b>	<b>(22,613)</b>
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	25,367	26,986	26,143	24,562	22,613
<b>Total Comprehensive Income (loss) Attributable to the agency</b>	<b>14,919</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis

**Table 3.3b: Budgeted Departmental Balance Sheet (DVA excluding DSHIS) (as at 30 June)**

	Actual 2015-16 \$'000	Revised budget 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000	Forward estimate 2019-20 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	5,540	2,075	2,056	2,001	2,003
Trade and other receivables	3,330	3,728	3,427	2,502	2,502
Appropriation receivables	22,121	17,973	7,200	3,300	2,000
Investments	-	-	-	-	-
<b>Total financial assets</b>	<b>30,991</b>	<b>23,776</b>	<b>12,683</b>	<b>7,803</b>	<b>6,505</b>
<b>Non-financial assets</b>					
Land and buildings	17,047	28,288	28,582	34,935	40,536
Infrastructure, plant and equipment	1,662	1,603	2,782	3,886	4,786
Intangibles	73,400	73,078	65,114	46,722	31,222
Other non-financial assets	4,472	4,436	4,467	4,499	4,532
<b>Total non-financial assets</b>	<b>96,581</b>	<b>107,405</b>	<b>100,945</b>	<b>90,042</b>	<b>81,076</b>
<b>Total assets</b>	<b>127,572</b>	<b>131,181</b>	<b>113,628</b>	<b>97,845</b>	<b>87,581</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Supplier payables	22,815	19,340	16,087	14,352	13,007
Other payables	520	4,686	3,706	2,635	3,616
<b>Total payables</b>	<b>23,335</b>	<b>24,026</b>	<b>19,793</b>	<b>16,987</b>	<b>16,623</b>
<b>Provisions</b>					
Employees provisions	69,543	68,181	65,259	63,223	62,913
Other provisions	2,918	2,690	1,256	1,250	659
<b>Total provisions</b>	<b>72,461</b>	<b>70,871</b>	<b>66,515</b>	<b>64,473</b>	<b>63,572</b>
<b>Total liabilities</b>	<b>95,796</b>	<b>94,897</b>	<b>86,308</b>	<b>81,460</b>	<b>80,195</b>
<b>Net assets</b>	<b>31,776</b>	<b>36,284</b>	<b>27,320</b>	<b>16,385</b>	<b>7,386</b>
<b>Equity*</b>					
Contributed equity	217,849	250,693	267,870	281,497	295,111
Asset revaluation reserve	9,789	9,789	9,789	9,789	9,789
Retained surplus (accumulated deficit)	(195,862)	(224,198)	(250,339)	(274,901)	(297,514)
<b>Total equity</b>	<b>31,776</b>	<b>36,284</b>	<b>27,320</b>	<b>16,385</b>	<b>7,386</b>

Prepared on Australian Accounting Standards basis

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

**Table 3.4b: Budgeted Departmental Statement of Cash Flows (DVA excluding DSHIS) (for the period ended 30 June)**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	297,756	313,166	294,421	279,814	274,836
Sale of goods and services	10,905	8,477	8,982	3,554	2,737
Other	7,593	11,695	9,910	10,320	10,348
<b>Total cash received</b>	<b>316,254</b>	<b>333,338</b>	<b>313,313</b>	<b>293,688</b>	<b>287,921</b>
<b>Cash used</b>					
Employees	198,459	189,732	181,816	172,425	166,605
Suppliers	107,765	139,012	123,309	118,928	118,826
Other	8,947	9,409	8,207	2,390	2,488
<b>Total cash used</b>	<b>315,171</b>	<b>338,153</b>	<b>313,332</b>	<b>293,743</b>	<b>287,919</b>
<b>Net cash from (used by) operating activities</b>	<b>1,083</b>	<b>(4,815)</b>	<b>(19)</b>	<b>(55)</b>	<b>2</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	1,350	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>1,350</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment, and intangibles	12,055	37,843	19,650	13,627	13,614
<b>Total cash used</b>	<b>12,055</b>	<b>37,843</b>	<b>19,650</b>	<b>13,627</b>	<b>13,614</b>
<b>Net cash from (used by) investing activities</b>	<b>(12,055)</b>	<b>(36,493)</b>	<b>(19,650)</b>	<b>(13,627)</b>	<b>(13,614)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	13,802	37,843	19,650	13,627	13,614
<b>Total cash received</b>	<b>13,802</b>	<b>37,843</b>	<b>19,650</b>	<b>13,627</b>	<b>13,614</b>
<b>Net cash from (used by) financing activities</b>					
	<b>13,802</b>	<b>37,843</b>	<b>19,650</b>	<b>13,627</b>	<b>13,614</b>
<b>Net increase (decrease) in cash held</b>	<b>2,830</b>	<b>(3,465)</b>	<b>(19)</b>	<b>(55)</b>	<b>2</b>
Cash and cash equivalents at the beginning of the reporting period	2,710	5,540	2,075	2,056	2,001
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>5,540</b>	<b>2,075</b>	<b>2,056</b>	<b>2,001</b>	<b>2,003</b>

Prepared on Australian Accounting Standards basis

**Table 3.2c: Departmental Comprehensive Income Statement (DSHIS) (Showing Net Cost of Services) (for the period ended 30 June)**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>EXPENSES</b>					
Employee benefits	3,225	4,150	4,200	4,250	4,300
Supplier expenses	3,036	3,725	3,325	3,375	3,425
Depreciation and amortisation	75	75	75	75	75
Insurance claims	26,587	31,044	29,500	30,000	30,500
<b>Total expenses</b>	<b>32,923</b>	<b>38,994</b>	<b>37,100</b>	<b>37,700</b>	<b>38,300</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	35,570	35,735	35,000	36,000	37,000
Resources received free of charge	58	57	57	57	57
Other revenue	4,204	4,300	4,400	4,500	4,600
<b>Total own-source revenue</b>	<b>39,832</b>	<b>40,092</b>	<b>39,457</b>	<b>40,557</b>	<b>41,657</b>
<b>Total own-source income</b>	<b>39,832</b>	<b>40,092</b>	<b>39,457</b>	<b>40,557</b>	<b>41,657</b>
<b>Net contribution by services</b>	<b>(6,909)</b>	<b>(1,098)</b>	<b>(2,357)</b>	<b>(2,857)</b>	<b>(3,357)</b>
Revenue from Government	120	120	120	120	120
<b>Surplus (Deficit) after income tax</b>	<b>7,029</b>	<b>1,218</b>	<b>2,477</b>	<b>2,977</b>	<b>3,477</b>
<b>Total comprehensive income/ (loss) attributable to the Australian Government</b>	<b>7,029</b>	<b>1,218</b>	<b>2,477</b>	<b>2,977</b>	<b>3,477</b>
<b>Note: Reconciliation of comprehensive income attributable to the agency</b>					
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total Comprehensive Income/ (loss) Attributable to the Australian Government</b>	<b>7,029</b>	<b>1,218</b>	<b>2,477</b>	<b>2,977</b>	<b>3,477</b>
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	75	75	75	75	75
<b>Total Comprehensive Income/ (loss) Attributable to the agency</b>	<b>7,104</b>	<b>1,293</b>	<b>2,552</b>	<b>3,052</b>	<b>3,552</b>

Prepared on Australian Accounting Standards basis

**Table 3.3c: Budgeted Departmental Balance Sheet (DSHS) (as at 30 June)**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	2,171	2,391	3,511	3,881	5,551
Trade and other receivables	13,814	12,500	12,500	12,500	12,500
Investments	58,655	61,655	66,655	72,655	77,655
<b>Total financial assets</b>	<b>74,640</b>	<b>76,546</b>	<b>82,666</b>	<b>89,036</b>	<b>95,706</b>
<b>Non-financial assets</b>					
Intangibles	380	305	230	155	80
Other non-financial assets	1,089	2,000	2,000	2,000	2,000
<b>Total non-financial assets</b>	<b>1,469</b>	<b>2,305</b>	<b>2,230</b>	<b>2,155</b>	<b>2,080</b>
<b>Total assets</b>	<b>76,109</b>	<b>78,851</b>	<b>84,896</b>	<b>91,191</b>	<b>97,786</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Supplier payables	5,666	4,500	4,500	4,500	4,500
Other payables	22,129	19,500	19,500	19,500	19,500
<b>Total payables</b>	<b>27,795</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>
<b>Provisions</b>					
Other provisions	13,290	18,828	22,396	25,714	28,832
<b>Total provisions</b>	<b>13,290</b>	<b>18,828</b>	<b>22,396</b>	<b>25,714</b>	<b>28,832</b>
<b>Total liabilities</b>	<b>41,085</b>	<b>42,828</b>	<b>46,396</b>	<b>49,714</b>	<b>52,832</b>
<b>Net assets</b>	<b>35,024</b>	<b>36,023</b>	<b>38,500</b>	<b>41,477</b>	<b>44,954</b>
<b>Equity*</b>					
Contributed equity	-	-	-	-	-
Asset revaluation reserve	-	-	-	-	-
Retained surplus	35,024	36,023	38,500	41,477	44,954
<b>Total equity</b>	<b>35,024</b>	<b>36,023</b>	<b>38,500</b>	<b>41,477</b>	<b>44,954</b>

Prepared on Australian Accounting Standards basis

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

**Table 3.4c: Budgeted Departmental Statement of Cash Flows (DSHS) (for the period ended 30 June)**

	Actual 2015-16 \$'000	Revised budget 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000	Forward estimate 2019-20 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	120	120	120	120	120
Sales of goods and services	41,922	43,000	44,000	45,000	46,000
Other	6,611	4,000	4,000	4,000	4,000
<b>Total cash received</b>	<b>48,653</b>	<b>47,120</b>	<b>48,120</b>	<b>49,120</b>	<b>50,120</b>
<b>Cash used</b>					
Employees	3,225	3,800	3,900	4,000	4,100
Suppliers	2,668	2,000	2,100	2,200	2,300
Other	39,379	38,100	36,000	36,550	37,050
<b>Total cash used</b>	<b>45,272</b>	<b>43,900</b>	<b>42,000</b>	<b>42,750</b>	<b>43,450</b>
<b>Net cash from (used by) operating activities</b>	<b>3,381</b>	<b>3,220</b>	<b>6,120</b>	<b>6,370</b>	<b>6,670</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Investments realised	6,344	-	-	-	-
<b>Total cash received</b>	<b>6,344</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant Investments	9,966	3,000	5,000	6,000	5,000
<b>Total cash used</b>	<b>9,966</b>	<b>3,000</b>	<b>5,000</b>	<b>6,000</b>	<b>5,000</b>
<b>Net cash from (used by) investing activities</b>	<b>(3,622)</b>	<b>(3,000)</b>	<b>(5,000)</b>	<b>(6,000)</b>	<b>(5,000)</b>
<b>Net increase (decrease) in cash held</b>	<b>(241)</b>	<b>220</b>	<b>1,120</b>	<b>370</b>	<b>1,670</b>
Cash and cash equivalents at the beginning of the reporting period	2,412	2,171	2,391	3,511	3,881
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>2,171</b>	<b>2,391</b>	<b>3,511</b>	<b>3,881</b>	<b>5,551</b>

Prepared on Australian Accounting Standards basis

**Table 3.5: Departmental Statement of Changes in Equity – Summary of Movement (Budget Year 2016-17)**

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2016</b>	<b>(160,841)</b>	<b>9,789</b>	<b>217,849</b>	<b>66,797</b>
<b>Comprehensive income</b>				
Comprehensive income attributable to the Australian Government	(25,984)	-	-	(25,984)
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(25,984)</b>	<b>-</b>	<b>-</b>	<b>(25,984)</b>
<b>Transactions with owners</b>				
<b>Distribution to owners:</b>				
Other	(1,350)	-	-	(1,350)
<b>Contribution by owners:</b>				
Appropriation (equity injection)	-	-	19,562	19,562
Departmental Capital Budget (DCBs)	-	-	13,282	13,282
<b>Sub-total transactions with owners</b>	<b>(1,350)</b>	<b>-</b>	<b>32,844</b>	<b>31,494</b>
<b>Estimated closing balance as at 30 June 2017</b>	<b>(188,175)</b>	<b>9,789</b>	<b>250,693</b>	<b>72,307</b>

Prepared on Australian Accounting Standards

**Table 3.6: Departmental Capital Budget Statement (for the period ended 30 June)**

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (Departmental Capital Budget)	13,317	13,282	13,621	13,588	13,614
Equity injections - Bill 2	1,189	19,562	3,556	39	-
<b>Total capital appropriations</b>	<b>14,506</b>	<b>32,844</b>	<b>17,177</b>	<b>13,627</b>	<b>13,614</b>
<b>Total new capital appropriations</b>					
<b>Represented by:</b>					
Purchase of non-financial assets	14,506	32,844	17,177	13,627	13,614
<b>Total items</b>	<b>14,506</b>	<b>32,844</b>	<b>17,177</b>	<b>13,627</b>	<b>13,614</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations <sup>a</sup>	1,189	19,562	3,556	39	-
Funded by capital appropriations - Departmental Capital Budget <sup>b</sup>	13,317	13,282	13,621	13,588	13,614
<b>TOTAL</b>	<b>14,506</b>	<b>32,844</b>	<b>17,177</b>	<b>13,627</b>	<b>13,614</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	14,506	32,844	17,177	13,627	13,614
less additions by finance lease	-	-	-	-	-
less additions by creditors / borrowings	-	-	-	-	-
plus borrowing / finance costs	-	-	-	-	-
plus Annual finance lease costs	-	-	-	-	-
less Gifted assets	-	-	-	-	-
less s32 / restructuring	-	-	-	-	-
less other	(2,451)	4,999	2,473	-	-
<b>Total cash used to acquire assets</b>	<b>12,055</b>	<b>37,843</b>	<b>19,650</b>	<b>13,627</b>	<b>13,614</b>

Prepared on Australian Accounting Standards basis

- a) Includes both current and prior Bill No. 4 and prior Act Nos. 2, 4/6 appropriations and special capital appropriations.
- b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).

**Table 3.7: Statement of Asset Movements (2016-17 Budget year)**

	Land	Buildings	Other infrastructure, plant and equipment	Intangibles	L&B IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2016</b>						
Gross book value	-	17,047	3,325	189,124	1,350	210,846
Accumulated depreciation/ amortisation and impairment	-	-	(1,663)	(115,344)	-	(117,007)
<b>Opening net book balance</b>	<b>-</b>	<b>17,047</b>	<b>1,662</b>	<b>73,780</b>	<b>1,350</b>	<b>93,839</b>
<b>CAPITAL ASSET ADDITIONS</b>						
<b>Estimated expenditure on new or replacement assets</b>						
By purchase or internally developed:						
Appropriation equity <sup>a</sup>	-	-	-	19,562	-	19,562
Appropriation ordinary annual services <sup>b</sup>	-	16,334	1,000	947	-	18,281
<b>Total additions</b>	<b>-</b>	<b>16,334</b>	<b>1,000</b>	<b>20,509</b>	<b>-</b>	<b>37,843</b>
<b>Other movements</b>						
Depreciation/amortisation expense	-	(5,093)	(1,059)	(20,906)	-	(27,058)
Disposals <sup>c</sup>	-	-	-	-	(1,350)	(1,350)
<b>Total depreciation/amortisation</b>	<b>-</b>	<b>(5,093)</b>	<b>(1,059)</b>	<b>(20,906)</b>	<b>(1,350)</b>	<b>(28,408)</b>
<b>As at 30 June 2017</b>						
Gross book value	-	33,381	4,325	209,633	-	247,339
Accumulated depreciation/ amortisation and impairment	-	(5,093)	(2,722)	(136,250)	-	(144,065)
<b>Closing net book balance</b>	<b>-</b>	<b>28,288</b>	<b>1,603</b>	<b>73,383</b>	<b>-</b>	<b>103,274</b>

Prepared on Australian Accounting Standards basis

- a) "Appropriation equity" refers to equity injections provided through Appropriation Bills (No. 2 & 4) 2016-17.
- b) "Appropriation ordinary annual services" refers to funding provided through Appropriation Bills (No. 1 & 3) 2016-17 for depreciation / amortisation expenses, DCBs or other operational expenses.
- c) Net proceeds may be returned to the OPA.

**Table 3.8: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)**

	Actual	Revised	Forward	Forward	Forward
	2015-16	Budget	estimate	estimate	estimate
	\$'000	2016-17	2017-18	2018-19	2019-20
		\$'000	\$'000	\$'000	\$'000
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Employee Benefits	8,291	9,862	10,018	10,148	10,280
Grants	7,515	10,288	12,749	11,333	10,917
Personal benefits	7,583,922	6,178,019	5,954,524	5,807,982	5,715,004
Payments to CAC Act bodies	42,473	42,699	41,613	40,847	40,815
Other	5,854,527	5,106,910	5,002,362	4,910,155	4,825,384
<b>Total expenses administered on behalf of government</b>	<b>13,496,728</b>	<b>11,347,778</b>	<b>11,021,266</b>	<b>10,780,465</b>	<b>10,602,400</b>
<b>LESS:</b>					
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Non-taxation revenue</b>					
Other sources of non-taxation revenue	30,119	31,114	31,114	31,114	31,114
<b>Total non-taxation</b>	<b>30,119</b>	<b>31,114</b>	<b>31,114</b>	<b>31,114</b>	<b>31,114</b>
<b>Total revenues administered on behalf of government</b>	<b>30,119</b>	<b>31,114</b>	<b>31,114</b>	<b>31,114</b>	<b>31,114</b>
<b>Net Cost of (contribution by) services</b>	<b>13,466,609</b>	<b>11,316,664</b>	<b>10,990,152</b>	<b>10,749,351</b>	<b>10,571,286</b>
<b>Surplus (Deficit)</b>	<b>(13,466,609)</b>	<b>(11,316,664)</b>	<b>(10,990,152)</b>	<b>(10,749,351)</b>	<b>(10,571,286)</b>

Prepared on Australian Accounting Standards basis

**Table 3.9: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

	Actual 2015-16 \$'000	Revised Budget 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000	Forward estimate 2019-20 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	37,851	37,851	37,851	37,851	37,851
Other receivables	120,006	120,006	120,006	120,006	120,006
Investments	1,318,920	1,316,374	1,314,596	1,321,894	1,329,190
<b>Total financial assets</b>	<b>1,476,777</b>	<b>1,474,231</b>	<b>1,472,453</b>	<b>1,479,751</b>	<b>1,487,047</b>
<b>Non-financial assets</b>					
Other	4,980	4,980	4,980	4,980	4,980
<b>Total non-financial assets</b>	<b>4,980</b>	<b>4,980</b>	<b>4,980</b>	<b>4,980</b>	<b>4,980</b>
<b>Total assets administered on behalf of government</b>	<b>1,481,757</b>	<b>1,479,211</b>	<b>1,477,433</b>	<b>1,484,731</b>	<b>1,492,027</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Provisions and payables</b>					
Other provisions and payables	3,492,851	3,599,158	3,711,910	3,833,751	3,958,339
Personal benefits	6,887,358	7,163,215	7,416,949	7,675,521	7,937,501
Other payables and accrued expenses	37,970	37,970	37,970	37,970	37,970
<b>Total provisions and payables</b>	<b>10,418,179</b>	<b>10,800,343</b>	<b>11,166,829</b>	<b>11,547,242</b>	<b>11,933,810</b>
<b>Total liabilities administered on behalf of the government</b>	<b>10,418,179</b>	<b>10,800,343</b>	<b>11,166,829</b>	<b>11,547,242</b>	<b>11,933,810</b>

Prepared on Australian Accounting Standards basis

**Table 3.10: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)**

	Actual 2015-16 \$'000	Revised budget 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000	Forward estimate 2019-20 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
GST input credit received	33,433	43,512	43,512	43,512	43,512
Other	14,228	31,114	31,114	31,114	31,114
<b>Total cash received</b>	<b>47,661</b>	<b>74,626</b>	<b>74,626</b>	<b>74,626</b>	<b>74,626</b>
<b>Cash used</b>					
Personal benefits	6,158,482	5,902,162	5,700,790	5,549,410	5,453,024
Other	4,948,171	5,011,483	4,899,628	4,798,478	4,711,092
Grant payments	8,466	9,270	12,749	11,317	10,901
GST payments to suppliers	-	43,512	43,512	43,512	43,512
Payments to Corporate Entities	42,473	42,699	41,613	40,847	40,815
<b>Total cash used</b>	<b>11,157,592</b>	<b>11,009,126</b>	<b>10,698,292</b>	<b>10,443,564</b>	<b>10,259,344</b>
<b>Net cash from (used by) operating activities</b>	<b>(11,109,931)</b>	<b>(10,934,500)</b>	<b>(10,623,666)</b>	<b>(10,368,938)</b>	<b>(10,184,718)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Payments to Corporate Entities	7,162	7,154	7,337	7,298	7,296
<b>Total cash used</b>	<b>7,162</b>	<b>7,154</b>	<b>7,337</b>	<b>7,298</b>	<b>7,296</b>
<b>Net cash from (used) by investing activities</b>	<b>(7,162)</b>	<b>(7,154)</b>	<b>(7,337)</b>	<b>(7,298)</b>	<b>(7,296)</b>
<b>Net increase/decrease in cash held</b>	<b>(11,117,093)</b>	<b>(10,941,654)</b>	<b>(10,631,003)</b>	<b>(10,376,236)</b>	<b>(10,192,014)</b>
Cash and cash equivalents at beginning of reporting period	46,033	37,851	37,851	37,851	37,851
Cash from Official Public Account	11,202,211	10,962,540	10,651,889	10,397,122	10,212,900
Cash to Official Public Account	(93,300)	(20,886)	(20,886)	(20,886)	(20,886)
<b>Cash and cash equivalents at end of reporting period</b>	<b>37,851</b>	<b>37,851</b>	<b>37,851</b>	<b>37,851</b>	<b>37,851</b>

Prepared on Australian Accounting Standards basis

**Table 3.11: Statement of Administered Asset Movements (2016-17 Budget year)**

	Land	Buildings	Other infrastructure, plant and equipment	Intangibles - Computer Software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2016</b>					
Gross book value	-	4,980	-	-	4,980
<b>Opening net book balance</b>	-	<b>4,980</b>	-	-	<b>4,980</b>
<b>CAPITAL ASSET ADDITIONS</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase or internally developed:					
Appropriation equity <sup>a</sup>	-	-	-	-	-
Appropriation ordinary annual services <sup>b</sup>	-	-	-	-	-
<b>Total additions</b>	-	-	-	-	-
<b>Other movements</b>					
<b>As at 30 June 2017</b>					
Gross book value	-	4,980	-	-	4,980
<b>Closing net book balance</b>	-	<b>4,980</b>	-	-	<b>4,980</b>

Prepared on Australian Accounting Standards basis

- a) "Appropriation equity" refers to equity injections provided through Appropriation Bills (No.2 & 4) 2016-17.
- b) "Appropriation ordinary annual services" refers to funding provided through Appropriation Bills (No. 1 & 3) 2016-17 for DCBs or other operational expenses.

## GLOSSARY

Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Additional estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Administered items	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
AEIFRS	Australian Equivalents to International Financial Reporting Standards, which were issued by the Australian Accounting Standards Board in July 2004.
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
Annual Appropriation	Acts of Parliament, which provide appropriation for the government's activities during a specific financial year. Three appropriation Bills are introduced into Parliament in May and comprise the Budget. Further supplementary Bills are introduced later in the financial year as part of the Additional Estimates process. The Parliamentary departments have their own appropriation Bills.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund (CRF). The CRF is not a bank account. The Official Public Account reflects most of the operations of the CRF.

Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency to produce outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services, and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Effectiveness indicators	Indicators to assess the degree of success in achieving outcomes. As outcomes are generally long-term in nature, effectiveness indicators often relate to intermediate outcomes (shorter term impacts) below the planned outcomes specified.
Efficiency indicators	Measures the adequacy of an agency's management of its outputs and, where applicable, administered items. Includes price, quality and quantity indicators. The interrelationship between the three efficiency indicators of any one output should be considered when judging efficiency.
Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	Expenses represent the full costs of an activity, that is, the total value of all the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of the entity. Expenses include cash items, such as salary payments, as well as expenses that have been incurred, such as accruing employee entitlements that will be paid in the future.
Fair value	Valuation methodology: The amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. Australian Government entities will move to this method incrementally by 30 June 2006 for valuing most infrastructure, plant and equipment.
Intermediate outcomes	More specific medium-term impacts (eg trend data, targets or milestones) below the level of the planned outcomes specified in the Budget. A combination of several intermediate outcomes can at times be considered as a proxy for determining the achievement of outcomes or progress towards outcomes. See Outcomes.

## Glossary

Operating result	Equals revenue less expenses.
Outcomes	The government's objectives in each portfolio area. Outcomes are desired results, impacts or consequences for the Australian community as influenced by the actions of the Australian Government. Actual outcomes are assessments of the end results or impacts actually achieved.
Output groups	A logical aggregation of agency outputs, where useful, and based either on homogeneity, type of product, business line or beneficiary target group. Aggregation of outputs may also be needed for the provision of adequate information for performance monitoring, or based on a materiality test.
Outputs	The goods and services produced by agencies on behalf of government for external organisations or individuals. Outputs also include goods and services for other areas of government external to the agency.
Price	One of the three key efficiency indicators. The amount the government or the community pays for the delivery of agreed outputs.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between users' expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include the size of an output; count or volume measures; how many or how much.
Revenue	Total value of resources earned or received to cover the production of goods and services.

Special Account	<p>Special Accounts allow money in the Consolidated Revenue Fund (CRF) to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 78 of the <i>Public Governance, Performance and Accountability (PGPA) Act 2013</i>) or through an Act of Parliament (section 80 of the <i>PGPA Act 2013</i>).</p>
Special Appropriations (including Standing Appropriations)	<p>An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations, the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.</p> <p>Standing appropriations are a subcategory consisting of ongoing special appropriations — the amount appropriated will depend on circumstances specified in the legislation.</p>