

AGENCY RESOURCES AND PLANNED PERFORMANCE

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Department of Veterans' Affairs

Agency resources and planned performance

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DEPARTMENT OF VETERANS' AFFAIRS

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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 services to veterans, war widow/ers, serving members, former defence force members and their families, and eligible members of the Australian Federal Police who have served overseas.

For over 95 years DVA has been providing a high level of service and support to veterans and their families. DVA is now providing services to all generations of Australian veterans, their families and the wider community. In light of this, DVA's strategic directions are about having a more flexible, modern approach to developing and delivering programs for the veteran community.

As we approach 2020, DVA will lead the Australian community in supporting veterans and their families to achieve sustainable wellbeing, social inclusion and financial independence. We provide programs and services to a broad range of clients ranging from widows of WW1 veterans through to service men and women returning from Afghanistan and their dependants. Our challenge is to tailor our support to meet the changing needs of all our clients, being sensitive to their situations and family and life circumstances.

DVA will continue to engage with the ex-service and veteran community, to ensure our services remain relevant, accessible and effective. Honouring those who have served and sacrificed is an important and significant role for DVA, and as we look towards the future the Department will ensure that commemorations remain relevant to, and inclusive of, our modern day veterans.

The key focus in delivering the Government's programs over the next Budget year will be putting in place initiatives that position DVA to meet future challenges. These will include:

- mental health initiatives;
- health initiatives for aged care;
- forthcoming significant commemorative events;
- the effective and efficient allocation of DVA's financial resources available to meet and exceed the expectations of our clients and the broader community; and

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- The requirement to continue to deliver high-quality services using a single, cohesive and national approach. To achieve this, the Department continues to streamline functions to make them client-centric and to build the capability of its people and systems.

The Department will continue to target its services and business processes to maintain and enhance financial wellbeing and health care to the veteran and defence communities and other eligible persons.

In 2013-14, the Department will progress plans for the upcoming Anzac Centenary. The Centenary will mark 100 years since Australia's involvement in the First World War, as well as commemorate over a Century of Service. It will also provide the opportunity for Australians to honour and reflect upon the service and sacrifice of our servicemen and women, past and present in all wars, conflicts, peacekeeping and other deployments in which Australians have been involved.

The Department will continue to develop the way it supports the mental health of the veteran community, including in the context of the drawdown in Afghanistan. A new Veteran Mental Health Strategy will be released to set strategic objectives over the next decade. The Mental Health Services expansion will provide additional access to mental health services, strengthen mental health support for veterans, and improve claims processing.

In conjunction with the Department of Defence, the Department will continue to implement the recommendations accepted by Government in its response to the Review of Military Compensation Arrangements. The implementation of these recommendations will deliver improvements to current arrangements for compensation and health care; increase financial compensation for eligible members and families; improve training for those who provide advice to the veteran community on entitlements; and promote rehabilitation.

The Department will also continue to develop the way veterans and their dependants communicate with the Department, through implementation of a new suite of online services, providing clients with more choice and convenience in the way they interact with the Department.

1.2 AGENCY RESOURCE STATEMENT

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

Table 1.1: Department of Veterans' Affairs Resource Statement – Budget Estimates for 2013-14 as at Budget May 2013

	Estimate of prior year amounts available in 2013-14 \$'000	+	Proposed at Budget 2013-14 \$'000	=	Total estimate 2013-14 \$'000	Actual available appropriation 2012-13 \$'000
Ordinary annual services¹						
Departmental appropriation						
Prior year departmental appropriation ²	23,277	-	-		23,277	-
Departmental appropriation ³	-		303,330		303,330	299,392
s31 Relevant agency receipts ⁴	-		9,290		9,290	9,219
Total	23,277		312,620		335,897	308,611
Administered expenses						
Outcome 1 ⁸	-		37,342		37,342	37,319
Outcome 2 ⁸	-		7,415		7,415	6,887
Outcome 3 ⁸	-		62,545		62,545	31,606
Payments to CAC Act bodies	-		49,330		49,330	39,353
Total	-		156,632		156,632	115,165
Total ordinary annual services	A		469,252		492,529	423,776
Other services⁵						
Administered expenses						
Administered non-operating						
Payments to CAC Act bodies - non-operating	-		25,265		25,265	11,125
Total	-		25,265		25,265	11,125
Departmental non-operating						
Equity injections ⁵	-		10,325		10,325	7,296
Total	-		10,325		10,325	7,296
Total other services	B		35,590		35,590	18,421
Total available annual appropriations			504,842		528,119	442,197

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Table 1.1: Department of Veterans' Affairs Resource Statement – Budget Estimates for 2013-14 as at Budget May 2013 (continued)**Special appropriations**

	Estimate of prior year amounts available in 2013-14 \$'000	+	Proposed at Budget 2013-14 \$'000	=	Total estimate 2013-14 \$'000	Actual available appropriation 2012-13 \$'000
Special appropriations limited by criteria/entitlement Outcome 1						
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>	-		70		70	65
<i>Veterans' Entitlements Act 1986 (VEA)</i>	-		6,239,199		6,239,199	6,224,103
<i>Defence Service Homes Act 1918</i>	-		1,426		1,426	2,123
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-		126,843		126,843	134,854
<i>Military Rehabilitation and Compensation Act 2004</i>	-		158,049		158,049	145,677
Total Outcome 1	-		6,525,587		6,525,587	6,506,822
Outcome 2						
<i>Veterans' Entitlements Act 1986 (VEA)</i>	-		5,361,449		5,361,449	5,377,235
<i>Safety, Rehabilitation and Compensation Act 1988</i>	-		37,876		37,876	37,103
<i>Military Rehabilitation and Compensation Act 2004</i>	-		26,467		26,467	23,762
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	-		274		274	406
Total Outcome 2	-		5,426,066		5,426,066	5,438,506
Total special appropriations	C	-	11,951,653		11,951,653	11,945,328
Total appropriations excluding Special Accounts		23,277	12,456,495		12,479,772	12,387,525

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Table 1.1: Department of Veterans' Affairs Resource Statement – Budget Estimates for 2013-14 as at Budget May 2013 (continued)

	Estimate of prior year amounts available in 2013-14 \$'000	+	Proposed at Budget 2013-14 \$'000	=	Total estimate 2013-14 \$'000	Actual available appropriation 2012-13 \$'000
Special Accounts						
Opening balance ⁶	1,062		-		1,062	1,550
Appropriation receipts ⁷	-		120		120	120
Non-appropriation receipts to Special Accounts	-		48,547		48,547	41,292
Total Special Accounts	1,062	D	48,667		49,729	42,962
Total resourcing	24,339		12,505,162		12,529,501	12,430,487
A+B+C+D						
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts and/or CAC Act bodies through annual appropriations	-		74,715		74,715	50,598
Total net resourcing for DVA	24,339		12,430,447		12,454,786	12,379,889

1. Appropriation Bill (No. 1) 2013-14.
2. Estimated adjusted balance carried from previous year for annual appropriations.
3. Includes an amount of \$14.1 million in 2013-14 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributed by owners'.
4. Section 31 Relevant Agency receipts – estimate.
5. Appropriation Bill (No. 2) 2013-14.
6. Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for other Government and Non-agency Bodies accounts (SOG), or Services for Other Entities and Trust Moneys Special accounts (SOETM)). For further information on special accounts see Table 3.1.2.
7. Appropriation receipts from annual appropriations for 2013-14 included above.
8. Includes reductions to 2012-13 annual estimates subsequent to 2012-13 PBS.

Reader note: All figures are GST exclusive.

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Table 1.1: Department of Veterans' Affairs Resource Statement – Budget Estimates for 2013-14 as at Budget May 2013 (continued)

Third Party Payments from and on behalf of other agencies

	2013-14	2012-13
	\$'000	\$'000
Receipts received from the Department of Defence for the provision of services (disclosed above within Departmental s31)	5,838	5,881
Payments made to CAC Act bodies within the Portfolio		
Australian War Memorial - Bill 1	49,330	39,353
Australian War Memorial - Bill 2	25,265	11,125
Payments made on behalf of Department of Families, Housing, Community Services and Indigenous Affairs for pension payments	57,407	56,142
Payments made on behalf of Department of Families, Housing, Community Services and Indigenous Affairs for school kids bonus	1,300	650
Payments received from the Department of Families, Housing, Community Services and Indigenous Affairs for the provision of services	195	195
Payments made by the Department of Human Services (DHS) on behalf of DVA under the <i>Veterans' Entitlements Act 1986</i> ,	4,046,737	3,991,779
under the <i>Military Rehabilitation and Compensation Act 2004</i> , and	16,587	14,299
under the <i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	274	406
Payments made to DHS for processing payment of health care provider treatment accounts and the provision of IT services.	35,339	27,883

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to Department of Veterans' Affairs are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Expense Measures						
Outcome 1						
Pension Bonus Scheme - cease late registrations ¹	1.1					
Administered expenses		-	(1,746)	(3,339)	(870)	-
Departmental expenses		-	176	-	-	-
Total		-	(1,570)	(3,339)	(870)	-
Superannuation reforms - extending the normal deeming rules to new superannuation account-based income streams ¹	1.1					
Administered expenses		-	-	(318)	(949)	(1,545)
Departmental expenses		-	-	620	123	-
Total		-	-	302	(826)	(1,545)
Supporting Senior Australians - Housing Help for Seniors - pilot ¹	1.1					
Administered expenses		-	-	1,198	2,371	3,488
Departmental expenses		-	1,110	422	409	415
Total		-	1,110	1,620	2,780	3,903
Reclassification of Australian Defence Force Service - Third Country Deployments in Afghanistan	1.6					
Administered expenses		-	374	27	30	32
Departmental expenses		-	-	-	-	-
Total		-	374	27	30	32
Mental health services - expansion	1.6					
Administered expenses		-	-	-	-	-
Departmental expenses		-	255	340	509	595
Total		-	255	340	509	595

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Prepared on a Government Finance Statistics (fiscal) basis

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Total Outcome 1						
	Administered	-	(1,372)	(2,432)	582	1,975
	Departmental	-	1,541	1,382	1,041	1,010
	Total	-	169	(1,050)	1,623	2,985
Outcome 2						
Medicare Benefits Schedule - new listings ²	2.1					
	Administered expenses	(1)	(1)	3	4	(1)
	Total	(1)	(1)	3	4	(1)
World Leading Cancer Care - National Bowel Cancer Screening Program - additional funding ²	2.1					
	Administered expenses	-	29	30	34	30
	Total	-	29	30	34	30
Medicare Benefits Schedule - removing double billing ²	2.1					
	Administered expenses	-	-	(829)	(1,492)	(1,599)
	Total	-	-	(829)	(1,492)	(1,599)
Medicare Benefits Schedule - realigning indexation with the financial year ²	2.1					
	Administered expenses	-	(7,741)	(6,943)	(10,814)	(14,284)
	Total	-	(7,741)	(6,943)	(10,814)	(14,284)
Post-market surveillance - review of Alzheimers Disease medications ²	2.1					

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Prepared on a Government Finance Statistics (fiscal) basis

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Mental health services - expansion	2.1, 2.5					
Administered expenses		-	380	6,998	8,759	10,934
Departmental expenses		-	640	849	894	1,007
Total		-	1,020	7,847	9,653	11,941
Pharmaceutical Benefits Scheme - price changes ²	2.3					
Administered expenses		7	55	48	48	47
Departmental expenses		-	-	-	-	-
Total		7	55	48	48	47
Pharmaceutical Benefits Scheme - new and amended listings ²	2.3					
Administered expenses		(507)	(1,450)	(1,471)	(1,505)	(1,538)
Departmental expenses		-	-	-	-	-
Total		(507)	(1,450)	(1,471)	(1,505)	(1,538)
Superannuation reforms - extending the normal deeming rules to new superannuation account-based income streams ¹	2.4					
Administered expenses		-	-	(37)	(333)	(721)
Departmental expenses		-	-	-	-	-
Total		-	-	(37)	(333)	(721)
Residential aged care - improving access	2.4					
Administered expenses		-	24	8	(15)	(47)
Departmental expenses		-	-	-	-	-
Total		-	24	8	(15)	(47)
Living Longer, Living Better - addressing workforce pressures - aged care workforce supplement ²	2.4					
Administered expenses		-	2,771	5,432	8,322	10,025
Departmental expenses		-	1,799	361	21	-
Total		-	4,570	5,793	8,343	10,025

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Prepared on a Government Finance Statistics (fiscal) basis

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
National Partnership on Home and Community Care Services to Veterans - redirection	2.4					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		-	-	-	-	-
Total Outcome 2						
Administered		(501)	(5,933)	3,239	3,008	2,846
Departmental		-	2,439	1,210	915	1,007
Total		(501)	(3,494)	4,449	3,923	3,853
Outcome 3						
Anzac Centenary Program 2014-18 - additional funding	3.1					
Administered expenses		-	5,305	1,268	602	593
Departmental expenses		-	511	397	242	219
Total		-	5,816	1,665	844	812
Defence service commemorations by Inverell and Gunnedah - contribution	3.1					
Administered expenses		-	120	-	-	-
Departmental expenses		-	-	-	-	-
Total		-	120	-	-	-
Anzac Centenary Program 2014-18 - Local Grants Program - additional funding	3.1					
Administered expenses		(1,050)	12,850	(2,150)	(2,150)	-
Departmental expenses		(426)	472	(495)	(498)	-
Total		(1,476)	13,322	(2,645)	(2,648)	-
Commemorations - National Boer War Memorial ³	3.1					
Administered expenses		-	-	-	-	-
Departmental expenses		-	-	-	-	-
Total		-	-	-	-	-
Total Outcome 3						
Administered		(1,050)	18,275	(882)	(1,548)	593
Departmental		(426)	983	(98)	(256)	219
Total		(1,476)	19,258	(980)	(1,804)	812

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Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

Program		\$'000	\$'000	\$'000	\$'000	\$'000
Targeted savings - public service efficiencies ⁴	All					
Administered expenses		-	-	-	-	-
Departmental expenses		-	(598)	(646)	(707)	(603)
Total		-	(598)	(646)	(707)	(603)
Total Outcome All						
Administered		-	-	-	-	-
Departmental		-	(598)	(646)	(707)	(603)
Total		-	(598)	(646)	(707)	(603)
Total Expense Measures						
Administered		(1,551)	10,970	(75)	2,042	5,414
Departmental		(426)	4,365	1,848	993	1,633
Total		(1,977)	15,335	1,773	3,035	7,047
Capital Measures						
Pension Bonus Scheme - cease late registrations ¹	1.1					
Departmental Capital		-	183	-	-	-
Total		-	183	-	-	-
Supporting Senior Australians - Housing Help for Seniors - pilot ¹	1.1					
Departmental Capital		-	1,738	-	-	-
Total		-	1,738	-	-	-
Superannuation reforms - extending the normal deeming rules to new superannuation account-based income streams ¹	1.1					
Departmental Capital		-	-	1,564	-	-
Total		-	-	1,564	-	-

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Prepared on a Government Finance Statistics (fiscal) basis

Table 1.2: Department of Veterans' Affairs 2013-14 Budget measures (continued)

Program		\$'000	\$'000	\$'000	\$'000	\$'000
Living Longer, Living Better - addressing workforce pressures - aged care workforce supplement ²	2.4					
Departmental Capital		-	1,481	-	-	-
Total		-	1,481	-	-	-
Mental health services - expansion	2.5					
Departmental Capital		-	859	-	-	-
Total		-	859	-	-	-
Total capital measures						
Departmental		-	4,261	1,564	-	-
Total		-	4,261	1,564	-	-

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1. The lead agency for this measure is the Department of Families, Housing, Community Services and Indigenous Affairs (FAHCSIA). The full measure description and package details appear in BP 2 under the FAHCSIA portfolio.
2. The lead agency for this measure is the Department of Health and Ageing (DoHA). The full measure description and package details appear in BP 2 under the DoHA portfolio.
3. Funding for this measure is to be provided from DVA's existing resources.
4. This measure was announced in the 2012-13 MYEFO but not previously reported in a portfolio statement.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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

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

OUTCOME 1

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

Outcome 1 Strategy

- Increase awareness and understanding of compensation, rehabilitation and income support schemes among veterans, war widow/ers, serving members, former defence force members, and their families and advocates.
- Assist eligible persons and their dependants to receive their correct entitlements through effective advice and efficient claims determinations and review.
- Integrate rehabilitation as a key consideration in compensation policy and decision making.
- Engage younger veterans and Australian Defence Force members in policy development and review.
- Ensure that the changing needs of eligible veterans, especially those with complex needs or severe disabilities, are addressed.
- Secure continuing access to home loan and insurance services for eligible members of the veteran and defence force communities.

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- In conjunction with the Department of Defence, continue to implement the recommendations accepted by Government in its response to the Review of Military Compensation Arrangements.
- Continue to implement the recommendations from the review of DVA-funded Ex-service Organisation Advocacy and Welfare Services.
- In addition, the Department will implement a number of cross-portfolio measures (refer Table 1.2).

Outcome 1 Expense Statement

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

Table 2.1: Budgeted Expenses for Outcome 1

Outcome 1: 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.	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Program 1.1: Veterans' Income Support and Allowances		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	2,842,902	2,835,577
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	47,761	48,383
Expenses not requiring appropriation in the Budget year ²	4,360	4,468
Total for Program 1.1	2,895,023	2,888,428
Program 1.2: Veterans' Disability Support		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	10,183	10,154
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	1,521,290	1,536,688
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	39,201	38,653
Expenses not requiring appropriation in the Budget year ²	3,593	3,683
Total for Program 1.2	1,574,267	1,589,178

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Table 2.1: Budgeted Expenses for Outcome 1 (continued)

	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Outcome 1:		
Program 1.3: Assistance to Defence Widow/ers and Dependants		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	1,842,845	1,848,633
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	10,661	10,513
Expenses not requiring appropriation in the Budget year ²	977	1,002
Total for Program 1.3	1,854,483	1,860,148
Program 1.4: Assistance and Other Compensation for Veterans and Dependants		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	7,065	7,175
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	26,736	24,931
Departmental Expenses		
Special Accounts ³	35,384	33,349
Departmental appropriation ¹	18,069	17,807
Expenses not requiring appropriation in the Budget year ²	1,228	1,259
Total for Program 1.4	88,482	84,521
Program 1.5: Veterans' Children Education Scheme		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	16,132	16,078
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	2,543	2,506
Expenses not requiring appropriation in the Budget year ²	233	239
Total for Program 1.5	18,908	18,823

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Table 2.1: Budgeted Expenses for Outcome 1 (continued)

	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Outcome 1:		
Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,938	3,915
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	280,511	283,709
Special Accounts	285	499
Departmental Expenses		
Departmental appropriation ¹	30,725	30,298
Expenses not requiring appropriation in the Budget year ²	2,817	2,888
Total for Program 1.6	318,276	321,309
Program 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Expenses not requiring appropriation in the Budget year	210,700	164,500
Departmental Expenses		
Departmental appropriation ¹	-	-
Expenses not requiring appropriation in the Budget year ²	-	-
Total for Program 1.7	210,700	164,500
Outcome 1 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	37,318	37,322
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	6,514,284	6,529,538
Special Accounts	285	499
Expenses not requiring appropriation in the Budget year	210,700	164,500
Departmental Expenses		
Special Accounts	38,833	33,349
Departmental appropriation ¹	148,960	148,160
Expenses not requiring appropriation in the Budget year ²	13,208	13,539
Total Expenses for Outcome 1	6,963,588	6,926,907
	2012-13	2013-14
Average Staffing Level (number)	990	988

1. Departmental Appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s31)'.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense and Audit Fees.
3. DSHIS expenses (Section 3, Table 3.1.2 and Table 3.2.1c refers).

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

Contributions to Outcome 1

Program 1.1 objective

To deliver means tested income support pensions and other allowances to eligible veterans and dependants under the *Veterans' Entitlements Act 1986* and related legislation, including:

- Service Pension (Age) and Invalidity Service Pension, similar to Age and Disability Support pensions paid by Department of Human Services
- Partner Service Pension paid to eligible partners of veterans
- Income Support Supplement paid to eligible war widow/ers

Other forms of income support paid to eligible veterans, members and former members of the Defence Force or Peacekeeping Force, include:

- Social Security Age Pension paid to eligible disability pensioners and their partners, paid by DVA as an agent of Department of Families, Housing, Community Services and Indigenous Affairs
- Defence Force Income Support Allowance

Income support payments provide a regular source of income for eligible veterans, partners, widow/ers, and other eligible people with limited means.

Linked to:

This program is linked to the Department of Families, Housing, Community Services and Indigenous Affairs' (FaHCSIA's) Program 2.1 – Housing Assistance and Homelessness Prevention, Program 4.1 – Income Support for Seniors, Program 4.2 – Allowances, Concessions and Services for Seniors and Department of Human Services Program 1.1 – Services to the Community.

Program 1.1 expenses

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

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Special appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Income support pensions	2,811,244	2,802,032	2,709,890	2,647,258	2,548,075
Other allowances	31,658	33,545	32,132	31,437	31,525
Program support	47,761	48,383	47,332	46,397	46,237
Expenses not requiring appropriation in the Budget year	4,360	4,468	4,552	4,555	4,529
Total program expenses	2,895,023	2,888,428	2,793,906	2,729,647	2,630,366

Program 1.1: Veterans' Income Support and Allowances (continued)

Program 1.1 deliverables

Process claims and reviews in order to deliver means tested income support pensions, allowances and other services to veterans and their dependants.

This program has been revised to include claims for qualifying service and the resultant card claims: Commonwealth Seniors Health Card (CSHC); Repatriation Health Card — For All Conditions (Gold Card) and Repatriation Pharmaceutical Benefits Card (Orange Card). While claims for qualifying service may not lead to immediate payment of pension or allowances, entitlement for possible future benefits is established. CSHC holders and those Gold Card holders who are age qualified are entitled to Seniors Supplement (if not already receiving Pension Supplement), whereas the remainder of Gold Card holders and all Orange Card holders receive Veterans Supplement.

Deliverables	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
New claims processed	9,891	8,812	7,715	7,269	6,201
Pensioner initiated reviews processed	87,107	81,494	80,547	73,740	74,189
<i>Quantity: Number of income support beneficiaries</i>	235,400	221,700	208,400	195,800	183,800

Program 1.1 key performance indicators

The following KPIs measure the impact of the Program:

Key Performance Indicators	2012-13 Revised budget	2013-14 Budget target	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
<i>Timeliness: Mean time to process new claims (days)</i>	32	32	32	32	32
<i>Timeliness: Mean time to process pensioner initiated reviews (days)</i>	14	14	14	14	14
<i>Price: Cost per income support beneficiary</i>	203	218	227	237	252
<i>Quality: Critical error rate for income support processing</i>	<5%	<5%	<5%	<5%	<5%

Program 1.2: Veterans' Disability Support

Program 1.2 objective

To deliver disability pensions, allowances and special purpose assistance to eligible veterans and members of the Defence Force or Peacekeeping Force under the *Veterans' Entitlements Act 1986* and related legislation.

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

Linked to:

Department of Human Services Program 1.1 – Services to the Community.

Program 1.2 expenses

Numbers of disability pensioners are expected to reduce by approximately 5% per year over the forward years.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
\$(000)					
Annual Administered Expenses:					
Appropriation Bill 1					
Medical examinations, fares and expenses	9,392	9,364	9,346	9,336	9,523
Repayments of maintenance deductions	71	71	71	71	71
Vehicle Assistance Scheme	720	719	719	719	719
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Disability pensions	1,518,487	1,534,212	1,525,579	1,527,535	1,527,996
Loss of earnings	421	422	423	423	432
Recreation transport allowance	2,382	2,054	1,774	1,534	1,329
Program support	39,201	38,653	37,987	37,638	37,599
Expenses not requiring appropriation in the Budget year	3,593	3,683	3,752	3,754	3,733
Total program expenses	1,574,267	1,589,178	1,579,651	1,581,010	1,581,402

Program 1.2: Veterans' Disability Support (continued)

Program 1.2 deliverables

Deliver disability pensions to veterans under the *Veterans' Entitlements Act 1986* and related legislation:

- Process new disability pension claims
- Process applications for assessments of disability pension rates
- Process Loss of Earnings and Recreation Allowance
- Process and pay repayments of medical transport and maintenance deductions
- Deliver Vehicle Assistance Scheme.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables					
<i>Quantity</i> : Number of disability pensioners	105,400	100,300	95,600	91,500	87,700

Program 1.2 key performance indicators

- The following KPIs measure the impact of the Program:

Key Performance Indicators	2012-13 Revised budget	2013-14 Budget target	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
<i>Timeliness</i> : Mean number of days to process a primary claim	75	75	75	75	75
<i>Timeliness</i> : Mean number of days to prepare s.31 review	40	40	40	40	40
<i>Price</i> : Average cost per disability pensioner	372	385	397	411	429
<i>Quality</i> : Critical errors	<5%	<5%	<5%	<5%	<5%

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

Deliver war widow/ers and Defence pensions, allowances and special purpose assistance to the dependants of veterans under the *Veterans' Entitlements Act 1986* and related legislation including the payment of war widow/ers claims for compensation.

Linked to:

Department of Human Services Program 1.1 – Services to the Community.

Program 1.3 expenses

Numbers of War and Defence widow/ers are expected to show an increasing rate of decline over the forward years. Expenses are expected to reduce as the War and Defence widow/ers population reduces in size.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
War & Defence Widow/ers pension	1,842,845	1,848,633	1,798,185	1,746,047	1,672,745
Program support	10,661	10,513	10,332	10,236	10,227
Expenses not requiring appropriation in the Budget year	977	1,002	1,021	1,021	1,015
Total program expenses	1,854,483	1,860,148	1,809,538	1,757,304	1,683,987

Program 1.3: Assistance to Defence Widow/ers and Dependants (continued)

Program 1.3 deliverables

Process claims and pay pensions, allowances and other support to war and Defence widow/ers under the *Veterans' Entitlements Act 1986* and related legislation.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables					
<i>Quantity</i> : Number of war and Defence widow/ers pensioners	87,100	82,200	76,900	71,500	66,100

Program 1.3 key performance indicators

The following KPIs measure the impact of the Program:

Key Performance Indicators	2012-13 Revised budget	2013-14 Budget target	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
<i>Timeliness</i> : Mean number of days to process a primary claim	75	75	75	75	75
<i>Timeliness</i> : Mean number of days to prepare s.31 review	40	40	40	40	40
<i>Price</i> : Cost per war widow/ers pensioner \$/beneficiary	122	128	134	143	155
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%

Program 1.4: Assistance and Other Compensation for Veterans and Dependants

Program 1.4 objective

To deliver other allowances and assistance to eligible veterans and dependants under the *Veterans' Entitlements Act 1986* and related legislation including home support loans, funeral benefits, prisoner of war ex gratia payments and payments on behalf of Commonwealth and allied countries. The Department also provides assistance to the Ex-Service Organisations (ESO) community through Building Excellence in Support and Training (BEST) grants and funding the Training and Information Program (TIP).

Linked to:

Department of Human Services Program 1.1 – Services to the Community.

Program 1.4 expenses

This program is projected to move broadly in line with the forecast of the total veteran population. Benchmark interest rates for Defence home loans will vary depending on movement in interest rates.

Forward year Defence home loans projections are based on:

- 6.44% as the anticipated benchmark interest rate
- portfolio balances reduce by an average 1.56% per month
- home support loans continuing to be granted at the rate of 8 per month
- balances of home support loans are at a stable level.

Program 1.4: Assistance and Other Compensation for Veterans and Dependents (continued)

Program 1.4 expenses	2012-13	2013-14	2014-15	2015-16	2016-17
(\$'000)	Revised budget	Budget	Forward year 1	Forward year 2	Forward year 3
Annual administered expenses:					
Appropriation Bill 1					
Legal Expenses	1,560	1,850	1,597	1,591	1,623
Defective Administration	665	350	140	140	99
Payments to ESOs (BEST & TIP)	3,669	3,788	3,781	3,769	3,845
Veterans' Access to Community Information	1,093	1,109	1,108	1,104	1,126
Act of Grace	78	78	78	78	80
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Funeral benefits	14,031	13,578	13,143	12,725	12,324
POW (J)	25	25	25	25	25
POW (E)	9,504	7,825	6,377	5,130	4,081
Compensation payments for BCAL veterans	988	834	710	611	531
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>					
PNG pensions	65	70	70	70	70
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Compensation for certain AFP personnel with overseas service	-	1,173	1,172	1,172	1,201
<i>Defence Service Homes Act 1918</i>					
Interest subsidy	2,123	1,426	1,206	1,025	874
Special Account expenses:					
DSHIS	35,384	33,349	36,368	39,671	43,287
Program support	18,069	17,807	17,578	17,459	17,447
Expenses not requiring appropriation in the Budget year	1,228	1,259	1,283	1,283	1,276
Total program expenses	88,482	84,521	84,636	85,853	87,889

**Program 1.4: Assistance and Other Compensation for Veterans and Dependents
(continued)**
Program 1.4 deliverables

- Process funeral benefit claims
- Process claims for and maintain housing loans
- Provide grants funding to eligible ESOs for provision of services to support the veteran community
- Provide ESO representatives with essential skills for pension and compensation claims and welfare work

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables					
Funeral benefit processed \$'000	14,031	13,578	13,143	12,725	12,324

Program 1.4 key performance indicators

- The following KPIs measure the impact of the Program:

Key Performance Indicators	2012-13 Revised budget	2013-14 Budget target	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Funeral Benefits					
<i>Timeliness</i> : Mean time to process funeral benefits claims (days)	10	10	10	10	10
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	<5%
Defence Home Loans					
<i>Timeliness</i> : Mean time to process subsidy	18	18	18	18	18
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	<5%

Program 1.5: Veterans' Children Education Scheme

Program 1.5 objective

Provide financial assistance to eligible students under the *Veterans' Entitlements Act 1986* Veterans' Children Education Scheme (VCES) and the *Military Rehabilitation and Compensation Act 2004* Education and Training Scheme (MRCAETS) to assist with their education needs.

Linked to:

Department of Human Services Program 1.1 – Services to the Community.

Program 1.5 expenses

Numbers of students in each category fluctuate throughout the course of the academic year. Overall, numbers are expected to decline over the forward years.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
\$('000)					
Annual administered expenses:					
<i>Appropriation Bill 1</i>					
Veterans' Children Education Scheme	16,132	16,078	15,816	15,590	15,779
Program support	2,543	2,506	2,464	2,441	2,438
Expenses not requiring appropriation in the Budget year	233	239	243	243	242
Total program expenses	18,908	18,823	18,523	18,274	18,459

Program 1.5 deliverables

Process new claims under VCES and MRCAETS.

Deliver financial assistance and allowances to eligible students.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables					
<i>Quantity</i> : Number of primary students receiving assistance	717	715	713	711	709
<i>Quantity</i> : Number of secondary students receiving assistance	1,401	1,404	1,407	1,410	1,413
<i>Quantity</i> : Number of tertiary students receiving assistance	920	897	875	853	831

Program 1.5 key performance indicators

The following KPI measures the impact of the Program:

Key Performance Indicators	2012-13 Revised budget	Budget target	Forward year 1	Forward year 2	Forward year 3
<i>Quality</i> : Critical errors	< 5%	< 5%	< 5%	< 5%	< 5%

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

Program 1.6 objective

To provide compensation to current and former members of the Australian Defence Force and their dependants under the *Safety, Rehabilitation and Compensation Act 1988* and the *Military Rehabilitation and Compensation Act 2004* and related legislation.

Program 1.6 expenses

Future budget results are anticipated to reflect a shift from SRCA-related payments to MRCA-related payments. SRCA payments are in line with the pre July 2004 liabilities as they stabilise.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
\$('000)					
Annual administered expenses:					
Appropriation Bill 1					
Other income support and compensation-related payments - SRCA	3,107	3,071	3,044	3,019	3,096
Other income support and compensation-related payments - MRCA	831	844	843	843	863
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Permanent impairment	39,736	36,675	33,847	31,279	32,060
Benefits for eligible dependants	16,316	16,253	15,689	15,219	14,762
Incapacity payments	71,889	66,291	63,222	61,185	63,269
Medical examinations	3,919	3,483	3,377	3,275	3,339
Death payments	2,609	2,593	2,511	2,407	2,505
Other income support and compensation-related payments	365	363	362	363	372
<i>Military Rehabilitation and Compensation Act 2004</i>					
Permanent impairment	71,687	74,742	81,380	88,459	90,672
Benefits for eligible dependants	7,492	7,953	8,315	8,715	9,064
Income maintenance payments	60,703	69,248	79,258	90,415	94,031
Medical examinations	5,758	6,071	6,952	7,838	7,995
Other income support and compensation-related payments	37	37	37	37	37
Special Account Expenses:					
Military death claim compensation	285	499	200	276	276
Program support	30,725	30,298	29,775	29,502	29,471
Expenses not requiring appropriation in the Budget year	2,817	2,888	2,942	2,942	2,926
Total program expenses	318,276	321,309	331,754	345,774	354,738

Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation (continued)

Program 1.6 deliverables

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

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables					
Quantity: Number of incapacity payees under the SRCA	2,403	2,343	2,286	2,229	2,172
Quantity: Number of claims resulting in lump sum payments made under SRCA	1,129	1,136	1,143	1,150	1,157
Quantity: Number of incapacity payees under the MRCA	2,728	3,534	4,580	5,936	7,693
Quantity: Number of clients receiving lump sum payments made under MRCA	643	723	814	917	1,033

Program 1.6 key performance indicators

- The following KPIs measure the impact of the Program:

Key Performance Indicators	2012-13 Revised budget	2013-14 Budget target	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
<i>Quality:</i> Critical errors SRCA incapacity payments	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Timeliness:</i> Mean number of days to determine a claim under the SRCA	120	120	120	120	120
<i>Quality:</i> Critical errors SRCA lump sums	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Quality:</i> Critical errors MRCA incapacity payments	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Timeliness:</i> Mean number of days to determine a claim under the MRCA	120	120	120	120	120
<i>Quality:</i> Critical errors MRCA lump sums	< 5%	< 5%	< 5%	< 5%	< 5%

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

Program 1.7 objective

To provide an updated actuarial assessment of the movement in the liability for income support and compensation under the rehabilitation and compensation Acts.

Program 1.7 expenses

The movement in the liability provision for SRCA and MRCA is adjusted based on an annual actuarial assessment from the Australian Government Actuary.

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

	2012-13 Revised Budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Administered Expenses:					
Appropriation Bill 1					
Expenses not requiring appropriation in the Budget year	210,700	164,500	179,300	194,800	194,800
Total program expenses	210,700	164,500	179,300	194,800	194,800

OUTCOME 2

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

Outcome 2 Strategy

- Ensure continued access to high-quality health care and rehabilitation services, in partnership with public and private providers.
- Implement a new Veteran Mental Health Strategy, to set the strategic objectives and priorities for veteran mental health and wellbeing for the next decade.
- Implement new Strengthening Veteran Mental Health measures to strengthen access to high quality mental health services, including in the context of the forthcoming draw down in Afghanistan.
- Promote rehabilitation as a priority for veterans and former members.
- Maintain and develop services targeted to the needs of an ageing veteran population to support a level of independence.
- Continue research to support the health and wellbeing of members and their families.
- In addition, the Department will implement a number of cross-portfolio measures (refer Table 1.2).

Outcome 2 Expense Statement

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

Table 2.2: Budgeted Expenses for Outcome 2

Outcome 2: Maintain and enhance the physical wellbeing and quality of life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements.	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Program 2.1: General Medical Consultations and Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	927,599	915,713
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	23,314	23,480
Expenses not requiring appropriation in the Budget year ²	2,137	2,266
Total for Program 2.1	953,050	941,459
Program 2.2: Veterans' Hospital Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	1,696,049	1,663,558
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	11,195	11,273
Expenses not requiring appropriation in the Budget year ²	1,026	1,088
Total for Program 2.2	1,708,270	1,675,919
Program 2.3: Veterans' Pharmaceuticals Benefits		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	448,793	414,849
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	1,542	1,553
Expenses not requiring appropriation in the Budget year ²	141	150
Total for Program 2.3	450,476	416,552

Continued on next page

Table 2.2: Budgeted Expenses for Outcome 2 (continued)

	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Outcome 2:		
Program 2.4: Veterans' Community Care and Support		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,049	3,170
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	1,599,895	1,691,716
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	26,336	26,524
Expenses not requiring appropriation in the Budget year ²	2,414	2,560
Total for Program 2.4	1,631,694	1,723,970
Program 2.5: Veterans' Counselling and Other Health Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,838	4,245
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	585,175	614,149
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	42,377	45,399
Expenses not requiring appropriation in the Budget year ²	3,774	4,001
Total for Program 2.5	635,164	667,794
Program 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	60,855	63,983
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	19,521	19,659
Expenses not requiring appropriation in the Budget year ²	1,789	1,897
Total for Program 2.6	82,165	85,539

Continued on next page

Table 2.2: Budgeted Expenses for Outcome 2 (continued)

	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Outcome 2:		
Program 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and Other Care Services		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	-	-
Other services (Appropriation Bill No. 2)	-	-
Expenses not requiring appropriation in the Budget year	62,100	48,200
Departmental Expenses		
Departmental appropriation ¹	-	-
Expenses not requiring appropriation in the Budget year ²	-	-
Total for Program 2.7	62,100	48,200
Outcome 2 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1)	6,887	7,415
Other services (Appropriation Bill No. 2)	-	-
Special Appropriations	5,318,366	5,363,968
Special Accounts	-	-
Expenses not requiring appropriation in the Budget year	62,100	48,200
Departmental Expenses		
Departmental appropriation ¹	124,285	127,888
Expenses not requiring appropriation in the Budget year ²	11,281	11,962
Total expenses for Outcome 2	5,522,919	5,559,433
	2012-13	2013-14
Average Staffing Level (number)	772	778

1. Departmental Appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s31)'.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense and Audit Fees.

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

Contributions to Outcome 2

Program 2.1: General Medical Consultations and Services

Program 2.1 objective

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

Linked to:

This program is linked to the Department of Human Services' Program 1.1 – Services to the Community and the Department of Health and Ageing's Program 12.1 Workforce and Rural Distribution.

Program 2.1 expenses

Expenditure for general and specialist medical and dental consultations in forward years is expected to increase by approximately 1.5% per year against a reducing treatment population. It is expected that the effect of the decline in treatment population will be offset by an expected increase in service usage by an ageing veteran population.

Expenditure growth on medical and dental services is driven by an ageing veteran population as they access a greater number of services.

The majority of payments to medical providers are made through arrangements with the Department of Human Services (DHS) on behalf of DVA.

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

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
LMO consultations	161,070	155,311	151,312	146,074	143,944
Specialist consultations	156,499	153,250	156,460	156,018	157,606
Medical services	506,863	504,526	502,172	500,323	503,902
Dental	103,167	102,626	102,089	101,654	102,324
Program support	23,314	23,480	23,238	23,230	23,570
Expenses not requiring appropriation in the Budget year	2,137	2,266	2,307	2,334	2,349
Total program expenses	953,050	941,459	937,578	929,633	933,695

Program 2.1: General Medical Consultations and Services (continued)

Program 2.1 deliverables

- Ensure entitled beneficiaries have access to general and specialist medical and dental services by maintaining servicing arrangements with these practitioner groups.
- Ensure a geographically diverse range of providers participate in the arrangements for provision of general and specialist medical and dental services to entitled beneficiaries.
- Ensure a comprehensive range of general and specialist medical and dental services are available to entitled beneficiaries in order to meet their health care needs.
- Facilitate effective payment of medical practitioners under the Department of Veterans' Affairs arrangements.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables					
Treatment Population	222,500	211,000	199,800	189,100	179,000

Program 2.1 key performance indicators

- Ensure arrangements are in place for the access to and delivery of general and specialist medical services for all DVA beneficiaries.
- Maintain a schedule of general and specialist medical services to meet the health care needs of entitled beneficiaries and maintain consistency with trends in the delivery of health care services.

	2012-13 Revised budget	2013-14 Budget target	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Key Performance Indicators					
Price: Unit cost per cardholder	105	111	116	123	132

Program 2.2: Veterans' Hospital Services

Program 2.2 objective

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

Linked to:

This program is linked to the Department of Human Services' Program 1.1 – Services to the Community.

Program 2.2 expenses

Costs for hospital services are remaining fairly stable as the ageing population accesses more services, and as fees for hospital services increase in line with changes in contract rates for the provision of hospital services. The increasing costs incurred in this program are offset by the decreasing treatment population.

Public hospitals – agreements are in place with state and territory health authorities for the treatment of entitled beneficiaries in public hospitals.

Private hospitals – contracts are in place with a number of private hospital operators for the provision of services for beneficiaries.

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

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Special Appropriations: <i>Veterans' Entitlements Act 1986</i> (VEA)					
Public hospitals	786,044	766,577	768,372	769,219	783,064
Private hospitals	904,798	891,582	879,177	865,761	868,124
Psych	1	1	1	1	1
Nursing homes (POW)	5,206	5,398	5,575	5,722	5,826
Program support	11,195	11,273	11,158	11,154	11,316
Expenses not requiring appropriation in the Budget year	1,026	1,088	1,108	1,121	1,128
Total program expenses	1,708,270	1,675,919	1,665,391	1,652,978	1,669,459

Program 2.2: Veterans' Hospital Services (continued)
Program 2.2 deliverables

- Ensure access to hospital services for entitled beneficiaries through arrangements in both the private and public sectors.
- Ensure a comprehensive range of hospital services are made available to entitled beneficiaries in order to meet health care needs.
- Facilitate effective payment of hospital providers under the Department of Veterans' Affairs arrangements.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables					
Treatment Population	222,500	211,000	199,800	189,100	179,000

Program 2.2 key performance indicators

- Ensure that arrangements are in place for the access to and delivery of private and public hospital services under the VEA and related legislation.

	2012-13 Revised budget	2013-14 Budget target	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Key Performance Indicators					
Price: Unit cost per cardholder	50	53	56	59	63

Program 2.3: Veterans' Pharmaceuticals Benefits

Program 2.3 objective

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

Linked to:

This program is linked to the Department of Human Services' Program 1.1 – Services to the Community.

Program 2.3 expenses

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

Payments to pharmacy providers are made through arrangements with the Department of Human Services (DHS) on behalf of DVA.

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

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Pharmaceutical services	448,793	414,849	394,777	370,833	370,159
Program support	1,542	1,553	1,538	1,536	1,559
Expenses not requiring appropriation in the Budget year	141	150	153	154	155
Total program expenses	450,476	416,552	396,468	372,523	371,873

Program 2.3 deliverables

- Ensure entitled beneficiaries have access to a comprehensive range of pharmaceuticals and wound dressings that meet their health care needs.
- Facilitate arrangements with pharmaceutical sponsors for the listing of the range of items appropriate to the entitled beneficiary population.
- Facilitate effective payment of approved pharmacies for supplying items under the RPBS.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables					
Treatment Population	222,500	211,000	199,800	189,100	179,000

Program 2.3: Veterans' Pharmaceuticals Benefits (continued)

Program 2.3 key performance indicators

- Ensure arrangements are in place for the access to and delivery of pharmacy services under the VEA and related legislation.
- Maintain a comprehensive Repatriation Pharmaceutical Benefits Schedule that meets the health care needs of entitled beneficiaries and maintains consistency with trends in the delivery of health care services.

	2012-13	2013-14	2014-15	2015-16	2016-17
Key Performance Indicators	Revised budget	Budget target	Forward year 1	Forward year 2	Forward year 3
<i>Price: Unit cost per cardholder</i>	7	7	8	8	9

Program 2.4: Veterans' Community Care and Support

Program 2.4 objective

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

Veteran community care and support programs include the Veterans' Home Care program, the Community Nursing program and the provision of the Australian Government subsidy for entitled veterans and war widow/ers living in residential care facilities.

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

Linked to:

This program is linked to the Department of Human Services' Program 1.1 – Services to the Community, the Department of Health and Ageing's Program 4.4 – Residential and Flexible Care and the Department of Treasury's Program 1.10 – National Partnership Payments to the States.

Program 2.4 expenses

Expenditure for Residential Care and Community Nursing is expected to increase across the out years. A reduction in clients will be offset by increased demand due to veterans' age and frailty. An increase in the need for respite care is predicted, primarily given that carers themselves are ageing and will need increased support.

The Treasury administers expenditure for the Home and Community Care Services for Veterans' Specific Purpose Payment as part of the COAG Project Agreements with the States. These payments are disclosed in the Department of Treasury's Portfolio Budget Statements 2013-14 under program 1.10 – National Partnership Payments to the States.

Program 2.4: Veterans' Community Care and Support (continued)					
Program 2.4 expenses	2012-13	2013-14	2014-15	2015-16	2016-17
\$('000)	Revised budget	Budget	Forward year 1	Forward year 2	Forward year 3
Annual administered expenses:					
Appropriation Bill 1					
Grants-In-Aid	145	145	145	145	145
Community Care Grants	741	789	788	786	800
Joint Venture Grants	1,353	1,388	1,389	1,386	1,411
JV Day Clubs	471	485	487	485	494
JV Home Maintenance	339	363	364	363	369
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Residential care	1,357,398	1,430,212	1,535,499	1,663,474	1,766,964
Community nursing	130,850	139,538	151,928	165,360	180,459
Veterans' Home Care	91,393	99,266	100,155	101,004	103,543
In-home respite	19,158	21,287	21,442	21,579	22,011
Carer and volunteer support	1,096	1,413	1,403	1,404	1,436
Program support	26,336	26,524	26,250	26,242	26,625
Expenses not requiring appropriation in the Budget year	2,414	2,560	2,607	2,637	2,653
Total program expenses	1,631,694	1,723,970	1,842,457	1,984,865	2,106,910

Program 2.4 deliverables

Veterans' Home Care (VHC)

- The VHC program supports veterans and war widow/ers in their own homes to improve their quality of life, independence and health, in particular, maintaining independent functioning within the home environment. The veteran community is ageing and increasingly requiring higher levels of services from the VHC program to remain in their own homes. The provision of these services helps to delay entry to residential aged care and maximises independence for veterans and war widow/ers.
- The Department contracts with 177 organisations across Australia to assess veterans and war widow/ers for VHC services and to deliver those services. It is estimated that around 67,500 veterans and war widow/ers will receive VHC services in 2013-14, with the average annual cost of services (including in-home respite care) being approximately \$1,400 per client.
- To ensure services are of high quality, a contract and quality management framework, together with post-payment monitoring, is in place for both Community Nursing and VHC.

Community Nursing

- The Community Nursing program assists veterans and war widow/ers to avoid early admission to hospital and/or residential care by providing access to high quality community nursing services. The activities of this program include the provision of clinical nursing and personal care services by DVA contracted community nursing providers.
- The Department contracts with around 193 organisations across Australia to provide community nursing services to approximately 30,000 eligible veterans and war widow/ers.

Residential care

- Approximately \$1.4 billion is expected to be provided by the Department as the Australian Government subsidy for entitled veterans and war widow/ers being in residential aged care facilities in 2013-14. This supports approximately 27,000 entitled veterans in residential care.

Program 2.4: Veterans' Community Care and Support (continued)

Program 2.4 key performance indicators

Community Nursing and Veterans' Home Care

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

	2012-13	2013-14	2014-15	2015-16	2016-17
Key Performance Indicators	Revised budget	Budget target	Forward year 1	Forward year 2	Forward year 3
Price: Unit cost per cardholder	113	120	125	132	142

Program 2.5: Veterans' Counselling and Other Health Services

Program 2.5 objective

To provide a wide range of mental and allied health care services, including counselling and referral services for veterans, war widow/ers, serving members, former defence force members and their families.

Linked to:

This program is linked to the Department of Human Services' Program 1.1 – Services to the Community.

Program 2.5 expenses

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

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

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

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

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

Program 2.5: Veterans' Counselling and Other Health Services (continued)					
Program 2.5 expenses	2012-13	2013-14	2014-15	2015-16	2016-17
\$('000)	Revised budget	Budget	Forward year 1	Forward year 2	Forward year 3
Annual Administered Expenses:					
Appropriation Bill 1					
Counselling support & children's assistance	770	1,114	1,490	1,479	1,222
Legal expenses	54	55	55	55	56
Veterans' employment & training	573	571	570	570	585
Health & medical research	2,441	2,505	2,507	2,501	2,547
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Travel for treatment	158,993	176,642	177,921	178,892	181,081
Subsistence	6,690	6,778	6,866	6,962	7,060
Veterans and veterans' families counselling services	26,186	26,413	27,492	28,505	30,451
Non-institutional care - services	152,259	163,999	181,593	196,482	199,815
Non-institutional care - products	65,056	62,200	59,344	56,528	54,363
Rehabilitation appliances	165,923	167,850	171,000	175,171	178,175
Health treatment for BCAL veterans	9,662	9,633	9,615	9,597	9,787
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>					
Nuclear test health care payments	406	274	238	209	213
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Health care and rehabilitation for certain AFP personnel with overseas service	-	360	380	380	391
Program support	42,377	45,399	43,834	43,707	44,479
Expenses not requiring appropriation in the Budget year	3,774	4,001	4,075	4,122	4,147
Total program expenses	635,164	667,794	686,980	705,160	714,372

Program 2.5: Veterans' Counselling and Other Health Services (continued)

Program 2.5 deliverables

- Ensure arrangements are in place to assist veterans to reach treatment locations through a variety of systems and transport modes. This includes reimbursing travel costs privately incurred (including financial assistance towards the costs for meals and accommodation), arranging taxi/hire car and air travel, and purchasing ambulance services from public and private sector providers.
- Ensure arrangements are in place to provide an extensive range of rehabilitation aids which assist independent living and which are provided through a comprehensive system of prescribers and contracted suppliers.
- Maintain arrangements with allied health providers in both the public and private sectors for the delivery of a comprehensive range of allied health services to entitled beneficiaries in order to meet their health care needs.
- Ensure effective payment arrangements are in place for allied health providers.
- Provide access to counselling services through the VVCS including use of outreach counsellors and through relevant providers in the public and private health sectors:
 - intake and referral services
 - counselling services
 - after-hours counselling, and
 - group program intervention.

Deliverables	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Health Treatment Card Holder Population	222,500	211,000	199,800	189,100	179,000
Travel for Treatment:					
Number of processed claims for reimbursement	143,997	137,258	132,000	125,000	125,000
Number of DVA arranged person trips	881,191	903,220	910,000	932,000	932,000
Veteran Counselling:					
Number of unique clients receiving intake referral services	12,400	12,500	12,985	13,139	13,370
Number of unique clients in receipt of counselling	10,500	10,800	11,485	11,839	12,070
Number of counselling sessions delivered	62,000	63,000	66,310	67,234	68,620
Number of calls received by the After Hours Counselling service	6,300	6,700	7,115	7,412	7,481
Number of unique clients receiving group program intervention	3,200	3,200	3,315	3,362	3,431

Program 2.5: Veterans' Counselling and Other Health Services (continued)
Program 2.5 key performance indicators

The following KPIs measure the impact of the Program:

- Veterans' claims for travel costs are reimbursed within 28 days.
- Veterans have access to ambulance services at the Repatriation Commission's expense in all states and territories.
- Level of veteran satisfaction is determined from six attitudinal questions contained in the satisfaction surveys completed by clients.
- Percentage of unique clients presenting for service who receive attention within two weeks of intake.

Key Performance Indicators	2012-13 Revised budget	Budget target	Forward year 1	Forward year 2	Forward year 3
<i>Price:</i> Unit cost per cardholder	190	215	219	231	248
Travel for Treatment:					
Target percentage of claims for reimbursement processed within the Service Charter timeframe (28 days)	100%	100%	100%	100%	100%
Degree of complaints about arranged travel relative to the quantity of bookings	0.05%	0.05%	0.05%	0.05%	0.05%
Rehabilitation Appliances:					
<i>Cost:</i> Attributed across treatment population	664	718	778	843	843
Number of broad categories of aids and appliances available to the veteran community listed in the RAP Schedule	251	251	251	251	251
Percentage of aids and appliances listed may be prescribed by General Practitioners, Registered Nurses and Occupational Therapists	95%	95%	95%	100%	100%
Veteran Counselling:					
Percentage of unique clients presenting for service who receive attention by a Outreach contracted Counsellor within two weeks of intake.	63%	64%	65%	65%	65%
Centre based Counselling. Percentage of unique clients presenting for service who receive attention by a Centre based Counsellor within two weeks of intake.	73%	73%	74%	75%	75%
Level of veteran satisfaction.	High	High	High	High	High

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

Program 2.6 objective

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

Linked to:

This program is linked to the Department of Human Services' Program 1.1 – Services to the Community.

Program 2.6 expenses

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

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
\$(‘000)					
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation Act 1988</i>					
Medical services	20,949	20,996	20,657	20,637	21,050
Rehabilitation services	6,972	7,364	7,250	7,143	7,287
Other services	9,172	9,156	9,236	9,327	9,513
<i>Military Rehabilitation and Compensation Act 2004</i>					
Medical services	15,820	18,351	21,287	24,718	28,672
Rehabilitation services	6,495	6,922	7,863	8,706	8,880
Other services	1,447	1,194	1,589	1,886	1,923
Program support	19,521	19,659	19,457	19,450	19,735
Expenses not requiring appropriation in the Budget year	1,789	1,897	1,932	1,955	1,967
Total program expenses	82,165	85,539	89,271	93,822	99,027

Program 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services (continued)
Program 2.6 deliverables

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

Deliverables	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
<i>Quantity:</i> Number of SRCA rehabilitation assessments	805	764	724	686	650
<i>Quantity:</i> Number of SRCA medical and treatment accounts paid	105,133	100,928	96,891	93,015	89,400
<i>Quantity:</i> Number of MRCA rehabilitation assessments	684	773	873	986	1,100
<i>Quantity:</i> Number of MRCA medical and treatment accounts paid	21,164	25,317	30,284	36,220	42,500

Program 2.6 key performance indicators

The following KPIs measure the impact of the Program:

Key Performance Indicators	2012-13 Revised budget	Budget target	Forward year 1	Forward year 2	Forward year 3
<i>Quality:</i> Error rates SRCA rehabilitation assessments	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Quality:</i> Error rates SRCA accounts	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Quality:</i> Error rates MRCA rehabilitation assessments	< 5%	< 5%	< 5%	< 5%	< 5%
<i>Quality:</i> Error rate of MRCA accounts paid incorrectly	< 5%	< 5%	< 5%	< 5%	< 5%

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

Program 2.7 objective

To provide an updated actuarial assessment of the movement in the liability for health and other care services under the rehabilitation and compensation Acts.

Program 2.7 expenses

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

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Administered Expenses					
Expenses not requiring appropriation in the Budget year	62,100	48,200	51,000	53,800	53,800
Total program expenses	62,100	48,200	51,000	53,800	53,800

OUTCOME 3

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

Outcome 3 Strategy

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

Outcome 3 Expense Statement

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

Table 2.3: Budgeted Expenses and Resources for Outcome 3

Outcome 3: Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia's wartime heritage, and official commemorations.	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Program 3.1: War Graves and Commemorations		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	28,345	59,164
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	1	1
Departmental Expenses		
Departmental appropriation ¹	19,924	21,221
Expenses not requiring appropriation in the Budget year ²	1,830	1,999
Total for Program 3.1	50,100	82,385
Program 3.2: Gallipoli-related Activities		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	3,261	3,381
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	-	-
Departmental Expenses		
Departmental appropriation ¹	1,288	1,281
Expenses not requiring appropriation in the Budget year ²	116	127
Total for Program 3.2	4,665	4,789
Outcome 3 Totals by appropriation type		
Administered Expenses		
Ordinary annual services (Appropriation Bill No. 1 & 3)	31,606	62,545
Other services (Appropriation Bill No. 2 & 4)	-	-
Special Appropriations	-	-
Special Accounts	1	1
Departmental Expenses		
Departmental appropriation ¹	21,212	22,502
Expenses not requiring appropriation in the Budget year ²	1,946	2,126
Total expenses for Outcome 3	54,765	87,174
	2012-13	2013-14
Average Staffing Level (number)	152	158

1. Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1)' and 'Revenue from independent sources (s31)'.
2. Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense and Audit Fees.

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

Contributions to Outcome 3

Program 3.1 objective

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

Program 3.1 expenses

Public interest in commemorative activities and war graves matters continues to rise because of significant wartime anniversaries, the ageing veteran population and ongoing Australian Defence Force deployment overseas.

There is continuing interest in funding under the commemorations program, *Saluting Their Service*, and an increased demand for community awareness, education and online resources.

The Office of Australian War Graves (OAWG) constructs and maintains national memorials overseas. Projects in progress include the Australian Remembrance Trail in France and Belgium, the Australian Memorial in New Zealand, and the Australian contribution to the Vietnam Veterans' Education Centre in the United States.

OAWG has been providing official commemoration since 1922. As the average age of these commemorations grows, significant future works have been identified to maintain them at approved standards.

A number of major anniversaries will occur this year. These include the 45th anniversaries of battles in the Vietnam War (2013-14), the 60th anniversary of the Korean War armistice (2013), Second World War 70th anniversaries of the battles in the New Guinea campaign (2013-14), and the First World War 95th anniversaries of battles on the Western Front, the Middle East and the Armistice (2013).

The Department conducts an annual Anzac Day dawn service at Villers-Bretonneux in France and supports Anzac Day services at a number of other overseas locations, including Malaysia, Papua New Guinea and Thailand.

The Department has been tasked as the lead agency for preparing and managing the Australian Government's arrangements for the Anzac Centenary 2014-18, including the Centenary of the First World War and the Centenary of the Gallipoli campaign in 2015.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Annual administered expenses:					
Appropriation Bill 1 ¹					
War graves care & maintenance	18,868	21,897	17,030	12,959	13,247
OAWG refurbishment, reconstruction & relocation	981	1,006	1,005	1,005	1,030
Legal expenses	5	5	5	5	5
Veterans' commemorative activities	8,491	36,256	15,075	10,622	8,686
Special Account Expenses:					
Australians at War	1	1	1	1	-
Program support	19,924	21,221	20,007	18,373	18,576
Expenses not requiring appropriation in the Budget year	1,830	1,999	1,962	1,827	1,826
Total program expenses	50,100	82,385	55,085	44,792	43,370

1 Refer to the Movement of Funds Table 3.1.1

Program 3.1: War Graves and Commemorations (continued)

Program 3.1 deliverables

- Develop and implement commemorative initiatives and provide support and funding under the commemorations program, *Saluting Their Service*.
- Promote community involvement in commemorations programs, in conjunction with other government agencies and ex-service and community organisations.
- Support community awareness and preservation of Australia's wartime and service heritage and veterans' experiences.
- Lead and manage the Anzac Centenary 2014-18, including the Centenary of the First World War and the Centenary of the Gallipoli Campaign in 2015.
- Commemorate eligible war dead and deceased veterans by maintaining war graves and war cemeteries in Australia, Papua New Guinea, Solomon Islands and Norfolk Island, South Africa, Korea, Japan, Malaysia and Singapore.
- Process claims for, and provide new, official post-war commemorations.
- Provide Australian commemorative information on cemeteries and memorials.
- Maintain existing Australian Government memorials overseas and construct new memorials as determined by government processes.
- Manage the "Graves of the Bravest" program for recipients of the Victoria Cross, George Cross and Cross of Valour.

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables					
Maintain Commemorations:					
War Cemeteries	75	75	75	75	75
Gardens of Remembrance	10	10	10	10	10
Memorials to the Missing	5	5	5	5	5
War Graves in Australia and PNG	20,966	20,971	20,971	20,971	20,971
Overseas Graves (non world wars)	1,043	1,043	1,043	1,043	1,043
Post War Commemorations	305,374	309,750	313,871	317,737	321,348
Provide new Post War Commemorations	4,376	4,121	3,866	3,611	3,356
Manage national memorials overseas	36	36	37	37	37
Implement War Graves related projects	3	3	2	-	-
Community awareness and education resources	399,186	439,000	483,000	531,000	584,000
Grants applications processed	445	1,908	508	508	508
Domestic commemorative events	2	3	3	3	3
International commemorative events (excludes Gallipoli, includes Villers-Bretonneux)	8	3	3	3	3

Program 3.1: War Graves and Commemorations (continued)

Program 3.1 key performance targets	
Deliverables (as shown in previous table)	Key Performance Indicators
Maintain facilities and individual commemorations in Australia, PNG, South Africa, Korea, Japan, Malaysia & Singapore: War Cemeteries Gardens of Remembrance Memorials to the Missing War Graves in Australia & PNG Overseas graves (non world wars) Post War commemorations ¹	The Maintenance of war cemeteries, memorials and graves is undertaken in accordance with Commonwealth War Graves Commission (CWGC) published standards. Performance is measured through CWGC inspections and veteran and community feedback.
Provide new Post War Commemorations	Commemorations are provided within published timeframes to meet Australian standards of production/ construction.
Manage national memorials overseas	Memorial presentation meets veteran and community approval and local requirements. Access and equity standards are met and, where applicable, information provided is both accurate and presented in a variety of formats.
Implement War Graves related projects	Project implementation meets the budget and timing agreed and announced by Government.
Community awareness & education resources	High level of community and veteran satisfaction with quality and accessibility of resources.
Grants applications approved	Grant applications are processed within timelines. High level of community and veteran satisfaction with grant outcomes.
Domestic commemorative events	High level of community and veteran satisfaction with commemorative events.

1. Individual commemorations provided in cemeteries, crematoria and Gardens of Remembrance to eligible veterans whose death is determined to be related to their service in conflict or on peacekeeping.

Program 3.2: Gallipoli-related Activities

Program 3.2 objective

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

Program 3.2 expenses

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

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Annual administered expenses:					
Appropriation Bill 1					
Gallipoli-related activities ¹	3,261	3,381	6,590	3,068	3,145
Program support	1,288	1,281	1,272	1,179	1,162
Expenses not requiring appropriation in the Budget year	116	127	124	116	116
Total program expenses	4,665	4,789	7,986	4,363	4,423

1. Refer to the Movement of Funds table 3.1.1.

Program 3.2 deliverables

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

	2012-13 Revised budget	2013-14 Budget	2014-15 Forward year 1	2015-16 Forward year 2	2016-17 Forward year 3
Deliverables \$('000)					
Conduct annual Anzac Day services at Anzac Cove and Lone Pine, Gallipoli	2,993	3,113	6,590	3,068	3,145
Manage Gallipoli related works	268	268	-	-	-

Program 3.2 key performance targets

Deliver commemorative and associated activities at Gallipoli.

Key Performance Indicators	2012-13 Revised budget	Budget target	Forward year 1	Forward year 2	Forward year 3
Quality: Level of community engagement and satisfaction	High	High	High	High	High
Quality: Media interest	Positive	Positive	Positive	Positive	Positive