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	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
<b>Program 3.1: Sport and Recreation</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure - Reduce Drownings Initiative</b>	182	3,076	-	-
Price parameter adjustments <sup>(a)</sup>	-	10	-	-
	<b>182</b>	<b>3,086</b>	-	-

<sup>(a)</sup> See explanation in Portfolio Glossary.

**Table 2.3.3: Program Expenses Table – Outcome 3**

	2016-17 Actual \$'000	2017-18 Revised Budget \$'000	2018-19 Forward Year 1 \$'000	2019-20 Forward Year 2 \$'000	2020-21 Forward Year 3 \$'000
<b>Program 3.1: Sport and Recreation</b>					
Administered expenses					
Ordinary annual services	19,466	19,709	18,276	15,212	12,920
Special Accounts					
Sport and Recreation	298	407	407	407	407
Program support	9,108	6,947	7,000	6,974	6,961
<b>Total for Program 3.1</b>	<b>28,872</b>	<b>27,063</b>	<b>25,683</b>	<b>22,593</b>	<b>20,288</b>

### Planned Performance for Outcome 3

**Table 2.3.4: Performance Criteria for Outcome 3**

There have been no changes to performance information for Outcome 3 since the 2017-18 Budget which require new or modified performance criteria. Refer page 83 of the *2017-18 Health Portfolio Budget Statements* for current performance information.

## 2.4 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 4

### Outcome 4: Individual Health Benefits

Access to cost-effective medicines, medical, dental and hearing services, and improved choice in health services, including through the Pharmaceutical Benefits Scheme, Medicare, targeted assistance strategies and private health insurance

**Table 2.4.1: Resource Summary – Outcome 4**

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

	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Program 4.1: Medical Benefits</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	85,327	105,623	20,296	-
Special account				
Medicare Guarantee Fund				
- medical benefits <sup>(b)</sup>	22,897,861	22,993,524	95,663	-
accrual adjustment <sup>(c)</sup>	-	8,349	8,349	-
Departmental expenses				
Departmental appropriation <sup>(d)</sup>	33,868	34,022	154	-
Expenses not requiring appropriation in the Budget year <sup>(e)</sup>	473	473	-	-
<b>Total for Program 4.1</b>	<b>23,017,529</b>	<b>23,141,991</b>	<b>124,462</b>	<b>-</b>
<b>Program 4.2: Hearing Services</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	530,697	528,894	(1,803)	-
Departmental expenses				
Departmental appropriation <sup>(d)</sup>	6,955	6,955	-	-
Expenses not requiring appropriation in the Budget year <sup>(e)</sup>	1,185	1,185	-	-
<b>Total for Program 4.2</b>	<b>538,837</b>	<b>537,034</b>	<b>(1,803)</b>	<b>-</b>
<b>Program 4.3: Pharmaceutical Benefits <sup>(f)</sup></b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	797,213	813,240	16,027	-
Special account				
Medicare Guarantee Fund				
- pharmaceutical benefits <sup>(b)</sup>	10,950,710	11,420,031	469,321	-
accrual adjustment <sup>(c)</sup>	-	6,540	6,540	-
Departmental expenses				
Departmental appropriation <sup>(d)</sup>	50,932	50,932	-	-
Expenses not requiring appropriation in the Budget year <sup>(e)</sup>	2,010	2,010	-	-
<b>Total for Program 4.3</b>	<b>11,800,865</b>	<b>12,292,753</b>	<b>491,888</b>	<b>-</b>

**Table 2.4.1: Resource Summary – Outcome 4 (continued)**

	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Program 4.4: Private Health Insurance</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	3,114	4,492	1,378	-
Special appropriations				
<i>Private Health Insurance Act 2007</i> - incentive payments and rebate	6,175,728	6,114,917	-	60,811
Departmental expenses				
Departmental appropriation <sup>(d)</sup>	10,048	11,391	1,343	-
Expenses not requiring appropriation in the Budget year <sup>(e)</sup>	123	123	-	-
<b>Total for Program 4.4</b>	<b>6,189,013</b>	<b>6,130,923</b>	<b>2,721</b>	<b>60,811</b>
<b>Program 4.5: Medical Indemnity</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	142	142	-	-
Special appropriations				
<i>Medical Indemnity Act 2002</i>	96,900	96,900	-	-
<i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	4,061	4,061	-	-
Departmental expenses				
Departmental appropriation <sup>(d)</sup>	958	958	-	-
Expenses not requiring appropriation in the Budget year <sup>(e)</sup>	14	14	-	-
<b>Total for Program 4.5</b>	<b>102,075</b>	<b>102,075</b>	<b>-</b>	<b>-</b>
<b>Program 4.6: Dental Services <sup>(f)</sup></b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	-	-	-	-
Special appropriations				
<i>Dental Benefits Act 2008</i>	346,039	331,589	-	14,450
Departmental expenses				
Departmental appropriation <sup>(d)</sup>	2,411	2,411	-	-
Expenses not requiring appropriation in the Budget year <sup>(e)</sup>	40	40	-	-
<b>Total for Program 4.6</b>	<b>348,490</b>	<b>334,040</b>	<b>-</b>	<b>14,450</b>

**Table 2.4.1: Resource Summary – Outcome 4 (continued)**

	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Program 4.7: Health Benefit Compliance</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	12,000	15,500	3,500	-
Departmental expenses				
Departmental appropriation <sup>(d)</sup>	67,795	67,795	-	-
Expenses not requiring appropriation in the Budget year <sup>(e)</sup>	1,165	1,165	-	-
<b>Total for Program 4.7</b>	<b>80,960</b>	<b>84,460</b>	<b>3,500</b>	<b>-</b>
<b>Program 4.8: Targeted Assistance - Aids and Appliances</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	11,394	12,294	900	-
Special appropriations				
National Health Act 1953 - aids and appliances	353,784	353,784	-	-
Departmental expenses				
Departmental appropriation <sup>(d)</sup>	4,062	4,062	-	-
Expenses not requiring appropriation in the Budget year <sup>(e)</sup>	65	65	-	-
<b>Total for Program 4.8</b>	<b>369,305</b>	<b>370,205</b>	<b>900</b>	<b>-</b>
<b>Outcome 4 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	1,439,887	1,480,185	40,298	-
Special appropriations	6,976,512	6,901,251	-	75,261
Special account <sup>(b)</sup>	33,848,571	34,413,555	564,984	-
accrual adjustment <sup>(c)</sup>	-	14,889	14,889	-
Departmental expenses				
Departmental appropriation <sup>(d)</sup>	177,029	178,526	1,497	-
Expenses not requiring appropriation in the Budget year <sup>(e)</sup>	5,075	5,075	-	-
<b>Total expenses for Outcome 4</b>	<b>42,447,074</b>	<b>42,993,481</b>	<b>621,668</b>	<b>75,261</b>
	<b>2017-18 Budget</b>	<b>2017-18 Revised</b>		
<b>Average staffing level (number)</b>	934	924		

<sup>(a)</sup> Appropriation Bill (No. 1 & 3) 2017-18.

<sup>(b)</sup> The Medicare Benefits Schedule and the Pharmaceutical Benefits Scheme became part of the Medicare Guarantee Fund (special account) from 1 July 2017. Actuals and estimates are reported under the special account for comparability.

<sup>(c)</sup> The difference between cash payments from the Medicare Guarantee Fund special account and accrual expenses.

<sup>(d)</sup> Departmental appropriation combines 'Ordinary annual services' (Appropriation Bill No. 1 & 3) and 'Revenue from independent sources' (s74).

<sup>(e)</sup> Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

<sup>(f)</sup> Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations Framework. National Partnerships are listed in Section 2 of the 2017-18 Health Portfolio Budget Statements under each program. For updated estimates refer to the 2017-18 Mid-Year Economic Fiscal Outlook.

**Table 2.4.2: Variations Table – Outcome 4**

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
<b>Program 4.1: Medical Benefits</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Fighting Cancer - Radiation Oncology Health Program Grants Scheme - additional funding for linear accelerators	75	1,050	1,275	2,100
<b>Measure</b> - Guaranteeing Medicare - Medicare Benefits Schedule Review - response to Taskforce recommendations	366	-	-	-
Medical Treatment Overseas - variation to reflect demand	4,433	-	-	-
Radiation Oncology Health Program Grants Scheme - variation to reflect demand	15,422	-	-	-
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Guaranteeing Medicare - Medicare Benefits Schedule Review - response to Taskforce recommendations	154	147	82	82
	<b>20,450</b>	<b>1,197</b>	<b>1,357</b>	<b>2,182</b>
<b>Program 4.2: Hearing Services</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Community Service Obligations - variation to reflect demand	-	(2,409)	(1,969)	(1,530)
Hearing Services Voucher Program - variation to reflect demand	(1,803)	(16,376)	(11,478)	(3,974)
Price parameter adjustments <sup>(a)</sup>	-	-	(560)	(585)
	<b>(1,803)</b>	<b>(18,785)</b>	<b>(14,007)</b>	<b>(6,089)</b>



**Table 2.4.2: Variations Table – Outcome 4 (continued)**

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
<b>Program 4.3: Pharmaceutical Benefits</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Improving Access to Medicines - Life Saving Drugs Program - new listing	5,295	7,201	9,345	10,869
<b>Measure</b> - National Approach to Prescription Drug Misuse	10,878	629	379	282
Community Pharmacy Programs - movement of funds	-	4,096	-	-
Pharmaceutical Benefits Scheme Litigation - movement of funds	nfp	nfp	nfp	nfp
Reallocation from Program 4.7	(3,500)	-	-	-
Price parameter adjustments <sup>(a)</sup>	-	1	(139)	(141)
	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>
<b>Program 4.4: Private Health Insurance</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Making Private Health Insurance Simpler and More Affordable	1,378	1,033	181	183
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Making Private Health Insurance Simpler and More Affordable	1,343	2,080	836	121
	<b>2,721</b>	<b>3,113</b>	<b>1,017</b>	<b>304</b>
<b>Program 4.7: Health Benefit Compliance</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Reallocation to Program 4.3	3,500	-	-	-
	<b>3,500</b>	-	-	-
<b>Program 4.8: Targeted Assistance - Aids and Appliances</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Continuous glucose monitoring (CGM) - movement of funds	900	-	-	-
	<b>900</b>	-	-	-

<sup>(a)</sup> See explanation in Portfolio Glossary.

**Table 2.4.3: Program Expenses Table – Outcome 4**

	<b>2016-17 Actual</b>	<b>2017-18 Revised Budget</b>	<b>2018-19 Forward Year 1</b>	<b>2019-20 Forward Year 2</b>	<b>2020-21 Forward Year 3</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Program 4.1: Medical Benefits</b>					
Administered expenses					
Ordinary annual services	106,250	105,623	107,712	105,923	103,220
Special account					
Medicare Guarantee Fund - medical benefits <sup>(a)</sup>	22,098,281	22,993,524	24,099,663	25,699,418	27,085,158
accrual adjustment <sup>(b)</sup>	-	8,349	4,150	3,614	867
Program support	35,717	34,495	34,497	32,963	25,886
<b>Total for Program 4.1</b>	<b>22,240,248</b>	<b>23,141,991</b>	<b>24,246,022</b>	<b>25,841,918</b>	<b>27,215,131</b>
<b>Program 4.2: Hearing Services</b>					
Administered expenses					
Ordinary annual services	498,327	528,894	538,662	569,634	594,806
Program support	8,403	8,140	8,429	8,135	8,122
<b>Total for Program 4.2</b>	<b>506,730</b>	<b>537,034</b>	<b>547,091</b>	<b>577,769</b>	<b>602,928</b>
<b>Program 4.3: Pharmaceutical Benefits</b>					
Administered expenses					
Ordinary annual services	686,315	813,240	812,864	824,154	615,366
Special account					
Medicare Guarantee Fund - pharmaceutical benefits <sup>(a)</sup>	12,057,625	11,420,031	11,420,766	11,436,204	11,321,404
accrual adjustment <sup>(b)</sup>	-	6,540	22,711	11,593	7,652
Program support	64,789	52,942	45,345	40,471	40,390
<b>Total for Program 4.3</b>	<b>12,808,729</b>	<b>12,292,753</b>	<b>12,301,686</b>	<b>12,312,422</b>	<b>11,984,812</b>

**Table 2.4.3: Program Expenses Table – Outcome 4 (continued)**

	2016-17 Actual \$'000	2017-18 Revised Budget \$'000	2018-19 Forward Year 1 \$'000	2019-20 Forward Year 2 \$'000	2020-21 Forward Year 3 \$'000
<b>Program 4.4: Private Health Insurance</b>					
Administered expenses					
Ordinary annual services	5,169	4,492	3,594	2,642	2,644
Special appropriations					
<i>Private Health Insurance Act 2007</i> - incentive payments and rebate	5,994,087	6,114,917	6,251,516	6,389,058	6,553,613
Program support	12,679	11,514	12,273	10,934	10,206
<b>Total for Program 4.4</b>	<b>6,011,935</b>	<b>6,130,923</b>	<b>6,267,383</b>	<b>6,402,634</b>	<b>6,566,463</b>
<b>Program 4.5: Medical Indemnity</b>					
Administered expenses					
Ordinary annual services	222	142	142	142	142
Special appropriations					
<i>Medical Indemnity Act 2002</i>	91,302	96,900	82,300	86,200	90,500
<i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	-	4,061	4,704	5,446	6,281
Program support	1,739	972	975	963	962
<b>Total for Program 4.5</b>	<b>93,263</b>	<b>102,075</b>	<b>88,121</b>	<b>92,751</b>	<b>97,885</b>
<b>Program 4.6: Dental Services</b>					
Administered expenses					
Ordinary annual services	-	-	-	-	-
Special appropriations					
<i>Dental Benefits Act 2008</i>	319,384	331,589	331,600	335,161	341,149
Program support	2,451	2,451	3,191	3,164	3,159
<b>Total for Program 4.6</b>	<b>321,835</b>	<b>334,040</b>	<b>334,791</b>	<b>338,325</b>	<b>344,308</b>

**Table 2.4.3: Program Expenses Table – Outcome 4 (continued)**

	2016-17 Actual \$'000	2017-18 Revised Budget \$'000	2018-19 Forward Year 1 \$'000	2019-20 Forward Year 2 \$'000	2020-21 Forward Year 3 \$'000
<b>Program 4.7: Health Benefit Compliance</b>					
Administered expenses					
Ordinary annual services	6,211	15,500	12,000	12,000	12,000
Program support	63,923	68,960	65,247	64,397	64,290
<b>Total for Program 4.7</b>	<b>70,134</b>	<b>84,460</b>	<b>77,247</b>	<b>76,397</b>	<b>76,290</b>
<b>Program 4.8: Targeted Assistance - Aids and Appliances</b>					
Administered expenses					
Ordinary annual services	3,506	12,294	12,480	13,646	14,862
Special appropriations					
<i>National Health Act 1953</i>					
- aids and appliances	338,991	353,784	356,263	371,567	377,145
Program support	4,524	4,127	4,138	4,088	4,081
<b>Total for Program 4.8</b>	<b>347,021</b>	<b>370,205</b>	<b>372,881</b>	<b>389,301</b>	<b>396,088</b>

(a) The Medicare Benefits Schedule and the Pharmaceutical Benefits Scheme became part of the Medicare Guarantee Fund (special account) from 1 July 2017. Actuals and estimates are reported under the special account for comparability.

(b) The difference between cash payments from the Medicare Guarantee Fund special account and accrued expenses.

## Planned Performance for Outcome 4

**Table 2.4.4: Performance Criteria for Outcome 4**

There have been no changes to performance information for Outcome 4 since the 2017-18 Budget which require new or modified performance criteria. Refer page 92 of the *2017-18 Health Portfolio Budget Statements* for current performance information.

## 2.5 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 5

### Outcome 5: Regulation, Safety and Protection

Protection of the health and safety of the Australian community and preparedness to respond to national health emergencies and risks, including through immunisation, initiatives, and regulation of therapeutic goods, chemicals, gene technology, and blood and organ products

**Table 2.5.1: Resource Summary – Outcome 5**

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

	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Program 5.1: Protect the Health and Safety of the Community Through Regulation</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	-	109	109	-
Departmental expenses				
Departmental appropriation <sup>(b)</sup>	15,821	15,821	-	-
to special accounts	(10,254)	(10,254)	-	-
Expenses not requiring appropriation in the Budget year <sup>(c)</sup>	85	85	-	-
Special accounts				
OGTR Special Account <sup>(d)</sup>	7,878	7,878	-	-
NICNAS Special Account <sup>(e)</sup>	19,710	20,296	586	-
TGA Special Account <sup>(f)</sup>	153,474	153,474	-	-
Expense adjustment <sup>(g)</sup>	(7,029)	(7,615)	-	586
<b>Total for Program 5.1</b>	<b>179,685</b>	<b>179,794</b>	<b>695</b>	<b>586</b>
<b>Program 5.2: Health Protection and Emergency Response <sup>(h)</sup></b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	89,269	89,277	8	-
Non cash expenses <sup>(i)</sup>	29,926	24,408	-	5,518
Special accounts				
Human Pituitary Hormones - s78 PGPA Act	170	170	-	-
Departmental expenses				
Departmental appropriation <sup>(b)</sup>	15,036	15,036	-	-
Expenses not requiring appropriation in the Budget year <sup>(c)</sup>	379	379	-	-
<b>Total for Program 5.2</b>	<b>134,780</b>	<b>129,270</b>	<b>8</b>	<b>5,518</b>

**Table 2.5.1: Resources Summary – Outcome 5 (continued)**

	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Program 5.3: Immunisation <sup>(h)</sup></b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	30,714	33,868	3,154	-
to Australian Childhood Immunisation Special Account	(5,966)	(7,055)	-	1,089
Special accounts				
Australian Childhood Immunisation Register - S78 PGPA Act	9,820	9,820	-	-
Special appropriations				
National Health Act 1943 - essential vaccines	284,930	372,164	87,234	-
Departmental expenses				
Departmental appropriation <sup>(b)</sup>	7,300	7,300	-	-
Expenses not requiring appropriation in the Budget year <sup>(c)</sup>	137	137	-	-
<b>Total for Program 5.3</b>	<b>326,935</b>	<b>416,234</b>	<b>90,388</b>	<b>1,089</b>
<b>Outcome 5 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	119,983	123,254	3,271	-
to Special accounts	(5,966)	(7,055)	-	1,089
Non cash expenses <sup>(i)</sup>	29,926	24,408	-	5,518
Special accounts	9,990	9,990	-	-
Special appropriations	284,930	372,164	87,234	-
Departmental expenses				
Departmental appropriation <sup>(b)</sup>	38,157	38,157	-	-
to special accounts	(10,254)	(10,254)	-	-
Expenses not requiring appropriation in the Budget year <sup>(c)</sup>	601	601	-	-
Special accounts	174,033	174,033	-	-
<b>Total expenses for Outcome 5</b>	<b>641,400</b>	<b>725,298</b>	<b>90,505</b>	<b>6,607</b>
	<b>2017-18 Budget</b>	<b>2017-18 Revised</b>		
<b>Average staffing level (number)</b>	882	881		

<sup>(a)</sup> Appropriation (Bill No. 1 & 3) 2017-18.

<sup>(b)</sup> Departmental appropriation combines 'Ordinary annual services' (Appropriation Bill No. 1 & 3) and 'Revenue from independent sources' (s74).

<sup>(c)</sup> Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation, expense, makegood expense and audit fees.

<sup>(d)</sup> Office of the Gene Technology Regulator (OGTR) Special Account.

<sup>(e)</sup> National Industrial Chemicals Notification and Assessment Scheme (NICNAS) Special Account.

<sup>(f)</sup> Therapeutic Goods Administration (TGA) Special Account.

<sup>(g)</sup> Special accounts are reported on a cash basis. This adjustment reflects the differences between expense and cash.

<sup>(h)</sup> Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations Framework. National Partnerships are listed in Section 2 of the 2017-18 Health Portfolio Budget Statements under each program. For updated estimates refer to the 2017-18 Mid-Year Economic Fiscal Outlook.

<sup>(i)</sup> 'Non cash expenses' relate to the write down of drug stockpile inventory due to expiration, consumption and distribution.

**Table 2.5.2: Variations Table – Outcome 5**

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
<b>Program 5.1: Protect the Health and Safety of the Community Through Regulation</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Reallocation from Program 1.5	109	-	-	-
	<b>109</b>	-	-	-
<b>Program 5.2: Health Protection and Emergency Response</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Management of Per- and Poly-Fluorinated Alkyl Substances - community support package for RAAF Base Tindal	1,408	1,486	921	544
Per-and Poly-Fluoroalkyl Substances (PFAS) Blood Testing and Epidemiological - movement of funds	(1,400)	2,150	870	-
Price parameter adjustments <sup>(a)</sup>	-	-	(89)	(86)
	<b>8</b>	<b>3,636</b>	<b>1,702</b>	<b>458</b>
<b>Program 5.3: Immunisation</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Improving Access to Medicines - National Immunisation Program - new and amended listings	825	659	639	164
Improving Immunisation Coverage Rates - movement of funds	1,393	-	-	-
Supporting No Jab No Pay improving awareness of Immunisation - movement of funds	936	-	-	-
Price parameter adjustments <sup>(a)</sup>	-	-	(27)	(25)
	<b>3,154</b>	<b>659</b>	<b>612</b>	<b>139</b>

<sup>(a)</sup> See explanation in Portfolio Glossary.

**Table 2.5.3: Program Expenses Table – Outcome 5**

	2016-17 Actual \$'000	2017-18 Revised Budget \$'000	2018-19 Forward Year 1 \$'000	2019-20 Forward Year 2 \$'000	2020-21 Forward Year 3 \$'000
<b>Program 5.1: Protect the Health and Safety of the Community through Regulation</b>					
Administered expenses					
Ordinary annual services	-	109	-	-	-
Program support	16,060	15,906	13,905	13,815	14,221
to Special Accounts	(10,522)	(10,254)	(8,310)	(8,320)	(8,374)
Special Accounts					
OGTR Special Account	7,453	7,878	7,642	7,650	7,697
NICNAS Special Account	18,192	20,296	14,680	14,580	14,330
TGA Special Account	149,656	153,474	146,169	147,628	150,234
Expense adjustment	(5,517)	(7,615)	3,796	4,606	4,489
<b>Total for Program 5.1</b>	<b>175,322</b>	<b>179,794</b>	<b>177,882</b>	<b>179,959</b>	<b>182,597</b>
<b>Program 5.2: Health Protection and Emergency Response</b>					
Administered expenses					
Ordinary annual services	79,724	89,277	94,803	92,473	88,426
Non cash expenses	21,539	24,408	23,616	13,007	4,320
Special Accounts					
Human Pituitary Hormones Special Account - s78 PGPA Act	199	170	170	170	170
Program support	17,617	15,415	15,490	15,259	15,230
<b>Total for Program 5.2</b>	<b>119,079</b>	<b>129,270</b>	<b>134,079</b>	<b>120,909</b>	<b>108,146</b>
<b>Program 5.3: Immunisation</b>					
Administered expenses					
Ordinary annual services	34,023	33,868	26,853	26,769	25,105
to Australian Childhood Immunisation Special Account	(6,971)	(7,055)	(7,133)	(7,133)	(7,133)
Special Accounts					
Australian Childhood Immunisation Register Special Account s78 PGPA Act	9,955	9,820	9,820	9,820	9,820
Special appropriations					
<i>National Health Act 1953</i> - essential vaccines	294,505	372,164	372,845	375,201	369,178
Program support	8,725	7,437	7,403	7,298	7,283
<b>Total for Program 5.3</b>	<b>340,237</b>	<b>416,234</b>	<b>409,788</b>	<b>411,955</b>	<b>404,253</b>



## Planned Performance for Outcome 5

Table 2.5.4 below details changes to the performance criteria for Program 5.1. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2017-18 Budget. Refer to page 114 of the *2017-18 Health Portfolio Budget Statements* for all remaining unchanged performance criteria.

**Table 2.5.4: Performance Criteria for Program 5.1**

<b>Purpose</b>			
Lead and shape Australia's health and aged care system and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.			
<b>Program 5.1: Protect the Health and Safety of the Community Through Regulation</b>			
<b>Delivery</b>			
<b>A. Regulating therapeutic goods for safety, effectiveness/performance and quality while promoting best practice</b>			
<ul style="list-style-type: none"> <li>• Publish performance statistics reports and a key performance indicator report in compliance with the Regulator Performance Framework.</li> <li>• Participate in international engagement and work sharing activities with comparable international regulators.</li> <li>• Monitor regulatory compliance and take appropriate action.</li> <li>• Improve access to therapeutic goods for consumers and streamline regulatory processes for industry by implementing the Australian Government's reforms arising from the Review of Medicines and Medical Devices Regulation.</li> </ul>			
<b>Changes to performance criteria</b>			
<b>A. Regulating therapeutic goods for safety, effectiveness/performance and quality while promoting best practice</b>			
<b>Regulate therapeutic goods for safety, effectiveness/performance and quality.<sup>1</sup></b>			
<b>a. Percentage of applications lodged under prescription medicines registration (Category 1 applications) processed within the legislated timeframes.</b>			
<b>b. Percentage of quality related evaluations of prescription medicines (Category 3 applications) processed within 45 working days.</b>			
<b>c. Percentage of conformity assessments for medical devices processed within 255 working days.</b>			
<b>d. Percentage of licensing and surveillance inspections completed within target timeframes.</b>			
<b>2017-18 Target</b>	<b>2018-19 Target</b>	<b>2019-20 Target</b>	<b>2020-21 Target</b>
a. 100%	100%	100%	100%
b. 100%	100%	100%	100%
c. 100%	100%	100%	100%
d. 85%	85%	85%	85%

<sup>1</sup> Further information available at: [www.tga.gov.au/half-yearly-performance-reports](http://www.tga.gov.au/half-yearly-performance-reports); [www.tga.gov.au/tga-key-performance-indicators-july-2015-june-2016](http://www.tga.gov.au/tga-key-performance-indicators-july-2015-june-2016); [www.tga.gov.au/performance-statistics-reports](http://www.tga.gov.au/performance-statistics-reports)



## 2.6 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 6

### Outcome 6: Ageing and Aged Care

Improved wellbeing for older Australians through targeted support, access to quality care and related information services

**Table 2.6.1: Resource Summary – Outcome 6**

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

	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Program 6.1: Access and Information</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	209,190	209,190	-	-
Departmental expenses				
Departmental appropriation <sup>(b)</sup>	42,077	42,077	-	-
Expenses not requiring appropriation in the Budget year <sup>(c)</sup>	734	734	-	-
<b>Total for Program 6.1</b>	<b>252,001</b>	<b>252,001</b>	<b>-</b>	<b>-</b>
<b>Program 6.2: Home Support and Care <sup>(d)</sup></b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	2,549,718	2,560,449	10,731	-
Special appropriations				
<i>Aged Care Act 1997</i> - Home Care Packages	1,967,122	1,968,204	1,082	-
<i>National Health Act 1953</i> - continence aids payments	86,792	86,889	97	-
Departmental expenses				
Departmental appropriation <sup>(b)</sup>	45,459	45,459	-	-
Expenses not requiring appropriation in the Budget year <sup>(c)</sup>	722	722	-	-
<b>Total for Program 6.2</b>	<b>4,649,813</b>	<b>4,661,723</b>	<b>11,910</b>	<b>-</b>

**Table 2.6.1: Resource Summary – Outcome 6 (continued)**

	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Program 6.3: Residential and Flexible Care</b>				
Administered expenses				
Ordinary annual services <sup>(a) (e)</sup>	100,929	110,929	10,000	-
Zero Real Interest Loans				
- appropriation	34,200	44,200	10,000	-
- expense adjustment <sup>(f)</sup>	(22,866)	(28,448)	-	5,582
Special appropriations				
<i>Aged Care Act 1997 - residential care</i>	11,429,323	11,410,405	-	18,918
<i>Aged Care Act 1997 - flexible care</i>	472,175	470,072	-	2,103
<i>Aged Care (Accommodation Payment Security) Act 2006</i>	-	85	85	-
Departmental expenses				
Departmental appropriation <sup>(b)</sup>	44,184	44,184	-	-
Expenses not requiring appropriation in the Budget year <sup>(c)</sup>	802	802	-	-
<b>Total for Program 6.3</b>	<b>12,058,747</b>	<b>12,052,229</b>	<b>20,085</b>	<b>26,603</b>
<b>Program 6.4: Aged Care Quality</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	114,210	114,210	-	-
Departmental expenses				
Departmental appropriation <sup>(b)</sup>	45,681	45,681	-	-
Expenses not requiring appropriation in the Budget year <sup>(c)</sup>	799	799	-	-
<b>Total for Program 6.4</b>	<b>160,690</b>	<b>160,690</b>	<b>-</b>	<b>-</b>

**Table 2.6.1: Resource Summary – Outcome 6 (continued)**

	2017-18 Budget \$'000	2017-18 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Outcome 6 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services <sup>(a)</sup>	3,008,247	3,038,978	30,731	-
- expense adjustment <sup>(f)</sup>	(22,866)	(28,448)	-	5,582
Special appropriations	13,955,412	13,935,655	-	19,757
Departmental expenses				
Departmental appropriation <sup>(b)</sup>	177,401	177,401	-	-
Expenses not requiring appropriation in the Budget year <sup>(c)</sup>	3,057	3,057	-	-
<b>Total expenses for Outcome 6</b>	<b>17,121,251</b>	<b>17,126,643</b>	<b>30,731</b>	<b>25,339</b>

	2017-18 Budget	2017-18 Revised
<b>Average staffing level (number)</b>	1,095	1,082

<sup>(a)</sup> Appropriation (Bill No. 1 & 3) 2017-18.

<sup>(b)</sup> Departmental appropriation combines 'Ordinary annual services' (Appropriation Bill No. 1 & 3) and 'Revenue from independent sources' (s74).

<sup>(c)</sup> Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

<sup>(d)</sup> Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations Framework. National Partnerships are listed in Section 2 of the *2017-18 Health Portfolio Budget Statements* under each program. For updated estimates refer to the *2017-18 Mid-Year Economic and Fiscal Outlook*.

<sup>(e)</sup> Ordinary annual services (Bill 1) against Program 6.3 excludes amounts appropriated in Bill 1 for Zero Real Interest Loans as this funding is not accounted for as an expense.

<sup>(f)</sup> Payments under the Zero Real Interest Loans program are a loan to aged care providers and not accounted for as an expense. The concessional loan discount is the expense and represents the difference between an estimate of the market rate of interest, and that recovered under the loan agreement, over the life of the loan. This adjustment recognises the difference between the appropriation and the concessional loan discount expense.

**Table 2.6.2: Variations Table – Outcome 6**

	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
<b>Program 6.1: Access and Information</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Price parameter adjustments <sup>(a)</sup>	-	-	(216)	(218)
	-	-	<b>(216)</b>	<b>(218)</b>
<b>Program 6.2: Home Support and Care</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Rollout of National Disability Insurance Scheme in Western Australia - revised implementation arrangements				
	-	(15,249)	(15,782)	(16,335)
Commonwealth Continuity of Support Program - movement of funds	11,586	-	6,624	-
National Disability Insurance Scheme (NDIS) Home Support Program - revised arrangements	(855)	-	-	-
Price parameter adjustments <sup>(a)</sup>	-	2,645	2,774	5,829
	<b>10,731</b>	<b>(12,604)</b>	<b>(6,384)</b>	<b>(10,506)</b>
<b>Program 6.3: Residential and Flexible Care</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Zero Real Interest Loans - movement of funds and model updates	4,418	3,280	2,588	-
Rural, Regional and Other Special Needs Buildings Fund - movement of funds	10,000	20,000	(15,000)	(15,000)
Price parameter adjustments <sup>(a)</sup>	-	(1)	(302)	(326)
	<b>14,418</b>	<b>23,279</b>	<b>(12,714)</b>	<b>(15,326)</b>
<b>Program 6.4: Aged Care Quality</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Price parameter adjustments <sup>(a)</sup>	-	-	(117)	(120)
	-	-	<b>(117)</b>	<b>(120)</b>

<sup>(a)</sup> See explanation in Portfolio Glossary.

**Table 2.6.3: Program Expenses Table – Outcome 6**

	2016-17 Actual \$'000	2017-18 Revised Budget \$'000	2018-19 Forward Year 1 \$'000	2019-20 Forward Year 2 \$'000	2020-21 Forward Year 3 \$'000
<b>Program 6.1: Access and Information</b>					
Administered expenses					
Ordinary annual services	193,806	209,190	210,132	218,385	220,660
Program support	48,068	42,811	43,563	43,052	42,973
<b>Total for Program 6.1</b>	<b>241,874</b>	<b>252,001</b>	<b>253,695</b>	<b>261,437</b>	<b>263,633</b>
<b>Program 6.2: Home Support and Care</b>					
Administered expenses					
Ordinary annual services	2,228,706	2,560,449	3,073,507	3,231,022	3,333,022
Special appropriations					
<i>Aged Care Act 1997</i> - home care packages	1,586,164	1,968,204	2,293,112	2,656,004	2,974,086
<i>National Health Act 1953</i> - continence aids payments	84,614	86,889	84,657	75,043	77,344
Program support	46,586	46,181	50,981	48,396	47,822
<b>Total for Program 6.2</b>	<b>3,946,070</b>	<b>4,661,723</b>	<b>5,502,257</b>	<b>6,010,465</b>	<b>6,432,274</b>
<b>Program 6.3: Residential and Flexible Care</b>					
Administered expenses					
Ordinary annual services	106,934	110,929	122,900	98,899	117,151
Zero Real Interest Loans					
- appropriation	39,180	44,200	27,960	7,837	-
- expense adjustment	(14,990)	(28,448)	(18,656)	(5,249)	-
Special appropriations					
<i>Aged Care Act 1997</i> - residential care	10,806,366	11,410,405	12,069,752	12,894,503	13,579,349
<i>Aged Care Act 1997</i> - flexible care	419,208	470,072	493,226	536,952	580,395
<i>Aged Care (Accommodation         Payment Security) Act 2006</i>	128	85	-	-	-
Program support	53,679	44,986	45,758	45,180	44,897
<b>Total for Program 6.3</b>	<b>11,410,505</b>	<b>12,052,229</b>	<b>12,740,940</b>	<b>13,578,122</b>	<b>14,321,792</b>
<b>Program 6.4: Aged Care Quality</b>					
Administered expenses					
Ordinary annual services	121,975	114,210	117,225	118,974	120,857
Program support	53,739	46,480	45,615	45,035	44,855
<b>Total for Program 6.4</b>	<b>175,714</b>	<b>160,690</b>	<b>162,840</b>	<b>164,009</b>	<b>165,712</b>

## Planned Performance for Outcome 6

Table 2.6.4 below details changes to the performance criteria for Program 6.3. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2017-18 Budget. Refer to page 134 of the *2017-18 Health Portfolio Budget Statements* for all remaining unchanged performance criteria.

**Table 2.6.4: Performance Criteria for Program 6.3**

<b>Purpose</b>	
Lead and shape Australia's health and aged care system and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.	
<b>Program 6.3: Residential and Flexible Care</b>	
<b>Delivery</b>	
<b>D. Protecting the financial security of people in Commonwealth-subsidised residential aged care through the Accommodation Payment Guarantee Scheme</b>	
<ul style="list-style-type: none"> <li>Administer the Accommodation Payment Guarantee Scheme, when Commonwealth-subsidised residential aged care service providers are deemed insolvent following the Secretary's insolvency event declaration under the <i>Aged Care (Accommodation Payment Security) Act 2006</i>.</li> </ul>	
<b>Changes to performance criteria</b>	
<b>D. Protecting the financial security of people in Commonwealth-subsidised residential aged care through the Accommodation Payment Guarantee Scheme</b>	
<b>Accommodation payment refunds made to eligible aged care recipients within 14 days following the Secretary's refund declaration under the <i>Aged Care (Accommodation Payment Security) Act 2006</i>.<sup>1</sup></b>	
<b>2017-18 Target</b>	<b>2018-19 (&amp; beyond) Target</b>
100% of accommodation payment refunds are made within 14 days.	As per 2017-18.

<sup>1</sup> The administering of the Accommodation Payment Guarantee Scheme is a demand driven process. In accordance with the *Aged Care (Accommodation Payment Security) Act 2006*, where the scheme is triggered the Department will make 100% of payments under the scheme for residents who are owed an accommodation payment. The Commonwealth has discretion to levy all approved residential aged care providers to recover the cost of each trigger of the scheme. Further information available at: [www.myagedcare.gov.au/financial-and-legal/protecting-consumer-rights](http://www.myagedcare.gov.au/financial-and-legal/protecting-consumer-rights)





## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Analysis of Budgeted Financial Statements**

#### **Departmental**

The departmental budgeted financial statements include the Department of Health, the Therapeutic Goods Administration (TGA), the Office of Gene Technology Regulator (OGTR), and the National Industrial Chemicals Notification and Assessment Scheme (NICNAS).

#### **Comprehensive Income Statement**

Measures affecting the departmental appropriation are provided in Table 1.2 and other variations since the 2017-18 Budget are provided in the variation tables for each outcome and the cross outcome variations in Table 2.

#### **Balance Sheet**

Accumulated deficits steadily increase over the forward estimates due to the Net Cash Resourcing framework which provides for capital funding on a just-in-time basis but no longer funds agencies for non-cash depreciation expenses.

#### **Cash Flow**

Cash flows are consistent with projected income and expense, appropriations from Government, and expenditure on property, plant and equipment, and intangibles.

## **Administered**

### **Schedule of Budgeted Income and Expenses**

Revenue estimates include levies for the medical indemnity and recoveries for pharmaceutical, aged care and Medicare recoveries.

Personal benefits include pharmaceutical and medical benefits and the Private Health Insurance rebate.

Subsidies mainly include payments for the ageing and aged care functions.

Write down and impairment of assets provides for the obsolescence and expiry of the drug stockpile inventory and the concessional loan discount relates to the recognition of the expenses up-front when making concessional interest loans to aged care providers.

### **Schedule of Budgeted Assets and Liabilities**

The administered Schedule of Budgeted Assets and Liabilities primarily reports movements in liabilities, including estimates for accrued liabilities for unpaid amounts relating to medical benefits, pharmaceutical benefits, and the private health insurance rebate.

The administered Schedule of Budgeted Assets and Liabilities also includes estimates for the value of the National Medical Stockpile inventories, provisions for medical indemnity and investments for the Biomedical Translation Fund.

### **Schedule of Administered Capital Budget**

Capital funding of \$25 million has been provided in 2017-18 to provide for replenishment of the National Medical Stockpile.

### **Cash Flows**

Cash flows are consistent with projected income and expenses, capital injections from Government and investments in inventory and the Biomedical Translation Fund.

**Table 3.2.1: Budget Departmental Comprehensive Income Statement (showing net cost of services for the period ended 30 June)**

	2016-17 Actual	2017-18 Revised Budget	2018-19 Forward estimate	2019-20 Forward estimate	2020-21 Forward estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>EXPENSES</b>					
Employee benefits	557,695	521,853	522,388	532,611	534,357
Supplier expenses	324,286	295,194	285,097	256,801	246,786
Depreciation and amortisation	26,549	28,302	30,934	28,364	28,654
Other expenses	2,978	4,000	4,000	4,000	4,000
<b>Total expenses</b>	<b>911,508</b>	<b>849,349</b>	<b>842,419</b>	<b>821,776</b>	<b>813,797</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	170,717	176,292	181,564	184,099	186,331
Interest	-	-	1,893	1,893	1,893
Other revenue	680	1,380	1,403	1,428	1,428
<b>Total revenue</b>	<b>171,397</b>	<b>177,672</b>	<b>184,860</b>	<b>187,420</b>	<b>189,652</b>
<b>Gains</b>					
Sale of assets	1,975	-	-	-	-
Other	850	870	870	870	870
<b>Total gains</b>	<b>2,825</b>	<b>870</b>	<b>870</b>	<b>870</b>	<b>870</b>
<b>Total own-source income</b>	<b>174,222</b>	<b>178,542</b>	<b>185,730</b>	<b>188,290</b>	<b>190,522</b>
<b>Net cost of (contribution by) services</b>	<b>737,286</b>	<b>670,807</b>	<b>656,689</b>	<b>633,486</b>	<b>623,275</b>
Revenue from Government	655,162	646,636	634,678	614,478	604,410
<b>Surplus (Deficit)</b>	<b>(82,124)</b>	<b>(24,171)</b>	<b>(22,011)</b>	<b>(19,008)</b>	<b>(18,865)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(82,124)</b>	<b>(24,171)</b>	<b>(22,011)</b>	<b>(19,008)</b>	<b>(18,865)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	4,770	-	-	-	-
<b>Total other comprehensive income (loss)</b>	<b>4,770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(77,354)</b>	<b>(24,171)</b>	<b>(22,011)</b>	<b>(19,008)</b>	<b>(18,865)</b>

**Note: Reconciliation of comprehensive income attributable to the entity**

	2016-17 Actual	2017-18 Revised Budget	2018-19 Forward estimate	2019-20 Forward estimate	2020-21 Forward estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(77,354)</b>	<b>(24,171)</b>	<b>(22,011)</b>	<b>(19,008)</b>	<b>(18,865)</b>
plus non-appropriated expenses including depreciation and amortisation expenses	21,829	20,567	22,011	19,008	18,865
<b>Total comprehensive income (loss) attributable to the entity</b>	<b>(55,525)</b>	<b>(3,604)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)**

	<b>2016-17 Actual</b>	<b>2017-18 Revised Budget</b>	<b>2018-19 Forward estimate</b>	<b>2019-20 Forward estimate</b>	<b>2020-21 Forward estimate</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	95,722	81,503	85,299	89,905	94,394
Receivables	49,495	46,204	44,523	42,059	40,933
Other	2,160	2,160	2,160	2,160	2,160
<b>Total financial assets</b>	<b>147,377</b>	<b>129,867</b>	<b>131,982</b>	<b>134,124</b>	<b>137,487</b>
<b>Non-financial assets</b>					
Land and buildings	54,923	51,715	46,180	40,579	37,168
Property, plant and equipment	5,378	5,593	5,789	5,942	6,867
Intangibles	119,147	133,420	127,417	125,192	117,171
Other	26,972	26,972	26,972	26,972	26,972
<b>Total non-financial assets</b>	<b>206,420</b>	<b>217,700</b>	<b>206,358</b>	<b>198,685</b>	<b>188,178</b>
<b>Total assets</b>	<b>353,797</b>	<b>347,567</b>	<b>338,340</b>	<b>332,809</b>	<b>325,665</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	59,416	60,395	61,403	62,442	63,512
Other payables	55,781	52,315	48,850	45,447	43,461
<b>Total payables</b>	<b>115,197</b>	<b>112,710</b>	<b>110,253</b>	<b>107,889</b>	<b>106,973</b>
<b>Provisions</b>					
Employees	153,521	156,196	158,925	161,708	164,546
Other provisions	30,398	30,130	28,477	25,594	22,546
<b>Total provisions</b>	<b>183,919</b>	<b>186,326</b>	<b>187,402</b>	<b>187,302</b>	<b>187,092</b>
<b>Total liabilities</b>	<b>299,116</b>	<b>299,036</b>	<b>297,655</b>	<b>295,191</b>	<b>294,065</b>
<b>Net Assets</b>	<b>54,681</b>	<b>48,531</b>	<b>40,685</b>	<b>37,618</b>	<b>31,600</b>
<b>EQUITY</b>					
Contributed equity	252,569	270,590	284,755	300,696	313,543
Reserves	35,206	35,206	35,206	35,206	35,206
Accumulated deficits	(233,094)	(257,265)	(279,276)	(298,284)	(317,149)
<b>Total equity</b>	<b>54,681</b>	<b>48,531</b>	<b>40,685</b>	<b>37,618</b>	<b>31,600</b>

**Table 3.2.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2017-18)**

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2017</b>				
Balance carried forward from previous period	(233,094)	35,206	252,569	<b>54,681</b>
Surplus (deficit) for the period	(24,171)	-	-	<b>(24,171)</b>
Equity injection - appropriations	-	-	6,926	<b>6,926</b>
Departmental capital budget	-	-	11,095	<b>11,095</b>
<b>Estimated closing balance as at 30 June 2018</b>	<b>(257,265)</b>	<b>35,206</b>	<b>270,590</b>	<b>48,531</b>

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)**

	2016-17 Actual	2017-18 Revised Budget	2018-19 Forward estimate	2019-20 Forward estimate	2020-21 Forward estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	181,537	240,996	245,474	245,812	248,038
Appropriations	844,086	650,203	636,564	617,229	605,829
Interest	-	-	1,893	1,893	1,893
Net GST received	28,858	24,010	20,570	20,000	20,000
Other cash received	-	1,380	1,403	1,428	1,428
<b>Total cash received</b>	<b>1,054,481</b>	<b>916,589</b>	<b>905,904</b>	<b>886,362</b>	<b>877,188</b>
<b>Cash used</b>					
Employees	553,374	519,107	519,587	529,753	531,443
Suppliers	360,130	317,355	303,789	274,892	264,846
Cash to the Official Public Account	114,459	64,980	64,192	62,000	62,000
Other	526	7,805	9,113	10,361	9,110
<b>Total cash used</b>	<b>1,028,489</b>	<b>909,247</b>	<b>896,681</b>	<b>877,006</b>	<b>867,399</b>
<b>Net cash from (or used by) operating activities</b>	<b>25,992</b>	<b>7,342</b>	<b>9,223</b>	<b>9,356</b>	<b>9,789</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	81	-	-	-	-
<b>Total cash received</b>	<b>81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	36,488	39,582	19,592	20,691	18,147
<b>Total cash used</b>	<b>36,488</b>	<b>39,582</b>	<b>19,592</b>	<b>20,691</b>	<b>18,147</b>
<b>Net cash from (or used by) investing activities</b>	<b>(36,407)</b>	<b>(39,582)</b>	<b>(19,592)</b>	<b>(20,691)</b>	<b>(18,147)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	5,321	6,926	5,258	2,432	2,016
Appropriations - Departmental Capital Budget	10,144	11,095	8,907	13,509	10,831
<b>Total cash received</b>	<b>15,465</b>	<b>18,021</b>	<b>14,165</b>	<b>15,941</b>	<b>12,847</b>
<b>Net cash from (or used by) financing activities</b>	<b>15,465</b>	<b>18,021</b>	<b>14,165</b>	<b>15,941</b>	<b>12,847</b>
<b>Net increase (or decrease) in cash held</b>	<b>5,050</b>	<b>(14,219)</b>	<b>3,796</b>	<b>4,606</b>	<b>4,489</b>
Cash and cash equivalents at the beginning of the reporting period	90,672	95,722	81,503	85,299	89,905
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>95,722</b>	<b>81,503</b>	<b>85,299</b>	<b>89,905</b>	<b>94,394</b>

**Table 3.2.5: Departmental Capital Budget Statement (for the period ended 30 June)**

	<b>2016-17 Actual</b>	<b>2017-18 Revised Budget</b>	<b>2018-19 Forward estimate</b>	<b>2019-20 Forward estimate</b>	<b>2020-21 Forward estimate</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CAPITAL APPROPRIATIONS</b>					
Equity injections - Bill 2	6,651	6,926	5,258	2,432	2,016
Capital budget - Bill 1 (DCB)	9,828	11,095	8,907	13,509	10,831
<b>Total capital appropriations</b>	<b>16,479</b>	<b>18,021</b>	<b>14,165</b>	<b>15,941</b>	<b>12,847</b>
<b>Total new capital appropriations represented by:</b>					
Purchase of non-financial assets	16,479	18,021	14,165	15,941	12,847
<b>Total items</b>	<b>16,479</b>	<b>18,021</b>	<b>14,165</b>	<b>15,941</b>	<b>12,847</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations - equity injection <sup>(a)</sup>	4,664	12,175	5,558	2,432	2,016
Funded by capital appropriation - DCB <sup>(b)</sup>	9,828	11,095	8,907	13,509	10,831
Funded internally from departmental resources	22,444	16,312	5,127	4,750	5,300
Funded by finance leases	-	-	-	-	-
<b>Total acquisitions of non-financial assets</b>	<b>36,936</b>	<b>39,582</b>	<b>19,592</b>	<b>20,691</b>	<b>18,147</b>

<sup>(a)</sup> Includes both current Appropriation Bill No. 2 and prior Act 2/4/6 appropriations.

<sup>(b)</sup> Includes purchases from current and previous years' Departmental Capital Budgets (DCB).



**Table 3.2.6: Statement of Asset Movements (Budget year 2017-18)**

	<b>Buildings</b>	<b>Other property, plant and equipment</b>	<b>Intangibles</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>As at 1 July 2017</b>				
Gross book value	55,097	9,221	237,715	<b>302,033</b>
Accumulated depreciation/ amortisation and impairment	(174)	(3,843)	(118,568)	<b>(122,585)</b>
<b>Opening net book balance</b>	<b>54,923</b>	<b>5,378</b>	<b>119,147</b>	<b>179,448</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation equity	-	-	12,175	<b>12,175</b>
By purchase - appropriation ordinary annual services	-	-	11,095	<b>11,095</b>
By purchase - other	3,540	2,259	10,513	<b>16,312</b>
<b>Total additions</b>	<b>3,540</b>	<b>2,259</b>	<b>33,783</b>	<b>39,582</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(6,748)	(2,044)	(19,510)	<b>(28,302)</b>
Revaluation to Gross book value	(6,922)	(5,887)	-	<b>(12,809)</b>
Revaluation to Accumulated depreciation	6,922	5,887	-	<b>12,809</b>
<b>Total other movements</b>	<b>(6,748)</b>	<b>(2,044)</b>	<b>(19,510)</b>	<b>(28,302)</b>
<b>As at 30 June 2018</b>				
Gross book value	51,715	5,593	271,498	<b>328,806</b>
Accumulated depreciation/ amortisation and impairment	-	-	(138,078)	<b>(138,078)</b>
<b>Closing net book balance</b>	<b>51,715</b>	<b>5,593</b>	<b>133,420</b>	<b>190,728</b>































































































