

**PORTFOLIO ADDITIONAL ESTIMATES  
STATEMENTS 2014-15**

HEALTH PORTFOLIO

EXPLANATIONS OF ADDITIONAL ESTIMATES 2014-15

© Commonwealth of Australia 2015

ISBN: 978-1-76007-017-5

Online ISBN: 978-1-76007-018-2

Publications Number: 11006

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Senator the Hon Stephen Parry  
President of the Senate  
Australian Senate  
Parliament House  
CANBERRA ACT 2600

The Hon Bronwyn Bishop MP  
Speaker  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr President  
Dear Madam Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2014-15 Additional Estimates for the Health Portfolio.

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

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

**Sussan Ley**



# CONTENTS

<b>User Guide</b> .....	<b>xi</b>
<b>Styles and Conventions Used</b> .....	<b>xi</b>
<b>Structure of the Portfolio Additional Estimates Statements</b> .....	<b>xii</b>
<b>Portfolio Overview</b> .....	<b>3</b>
<b>Department of Health</b> .....	<b>13</b>
Section 1: Agency Overview and Resources .....	13
<b>1.1 Strategic Direction Statement</b> .....	<b>13</b>
<b>1.2 Agency Resource Statement</b> .....	<b>14</b>
<b>1.3 Agency Measures Table</b> .....	<b>18</b>
<b>1.4 Additional Estimates and Variations</b> .....	<b>24</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill</b> .....	<b>25</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	29
<b>2.1 Resources and Performance Information</b> .....	<b>29</b>
<b>Cross Outcome Variations</b> .....	<b>29</b>
Outcome 1 Population Health .....	31
Outcome 2 Access to Pharmaceutical Services .....	35
Outcome 3 Access to Medical and Dental Services .....	39
Outcome 4 Acute Care .....	47
Outcome 5 Primary Health Care .....	51
Outcome 6 Private Health .....	57
Outcome 7 Health Infrastructure, Regulation, Safety and Quality .....	59
Outcome 8 Health Workforce Capacity .....	67
Outcome 9 Biosecurity and Emergency Response .....	71
Outcome 10 Sport and Recreation .....	73
Section 3: Explanatory Tables and Budgeted Financial Statements .....	77
<b>3.1 Explanatory Tables</b> .....	<b>77</b>
<b>3.2 Budgeted Financial Statements</b> .....	<b>78</b>
<b>Australian Organ and Tissue Donation and Transplantation Authority</b> .....	<b>95</b>
Section 1: Agency Overview and Resources .....	95
<b>1.1 Strategic Direction Statement</b> .....	<b>95</b>
<b>1.2 Agency Resource Statement</b> .....	<b>96</b>
<b>1.3 Agency Measures Table</b> .....	<b>97</b>
<b>1.4 Additional Estimates and Variations</b> .....	<b>98</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill</b> .....	<b>99</b>

Section 2: Revisions to Agency Resources and Planned Performance .....	101
<b>2.1 Resources and Performance Information .....</b>	<b>101</b>
Section 3: Explanatory Tables and Budgeted Financial Statements.....	103
<b>3.1 Explanatory Tables .....</b>	<b>103</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>103</b>
<b>Australian Sports Commission .....</b>	<b>117</b>
Section 1: Agency Overview and Resources.....	117
<b>1.1 Strategic Direction Statement.....</b>	<b>117</b>
<b>1.2 Agency Resource Statement .....</b>	<b>118</b>
<b>1.3 Agency Measures Table .....</b>	<b>119</b>
<b>1.4 Additional Estimates and Variations.....</b>	<b>120</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill .....</b>	<b>121</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	123
<b>2.1 Resources and Performance Information .....</b>	<b>123</b>
Section 3: Explanatory Tables and Budgeted Financial Statements.....	125
<b>3.1 Explanatory Tables .....</b>	<b>125</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>125</b>
<b>National Blood Authority .....</b>	<b>135</b>
Section 1: Agency Overview and Resources.....	135
<b>1.1 Strategic Direction Statement.....</b>	<b>135</b>
<b>1.2 Agency Resource Statement .....</b>	<b>136</b>
<b>1.3 Agency Measures Table .....</b>	<b>138</b>
<b>1.4 Additional Estimates and Variations.....</b>	<b>138</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill .....</b>	<b>139</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	141
<b>2.1 Resources and Performance Information .....</b>	<b>141</b>
Section 3: Explanatory Tables and Budgeted Financial Statements.....	143
<b>3.1 Explanatory Tables .....</b>	<b>143</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>144</b>
<b>National Health and Medical Research Council .....</b>	<b>157</b>
Section 1: Agency Overview and Resources.....	157
<b>1.1 Strategic Direction Statement.....</b>	<b>157</b>
<b>1.2 Agency Resource Statement .....</b>	<b>157</b>
<b>1.3 Agency Measures Table .....</b>	<b>159</b>
<b>1.4 Additional Estimates and Variations.....</b>	<b>159</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill .....</b>	<b>161</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	163
<b>2.1 Resources and Performance Information .....</b>	<b>163</b>

Section 3: Explanatory Tables and Budgeted Financial Statements .....	165
<b>3.1 Explanatory Tables .....</b>	<b>165</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>166</b>
<b>Private Health Insurance Ombudsman .....</b>	<b>179</b>
Section 1: Agency Overview and Resources .....	179
<b>1.1 Strategic Direction Statement.....</b>	<b>179</b>
<b>1.2 Agency Resource Statement .....</b>	<b>180</b>
<b>1.3 Agency Measures Table .....</b>	<b>181</b>
<b>1.4 Additional Estimates and Variations.....</b>	<b>181</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill .....</b>	<b>183</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	185
<b>2.1 Resources and Performance Information .....</b>	<b>185</b>
Section 3: Explanatory Tables and Budgeted Financial Statements .....	187
<b>3.1 Explanatory Tables .....</b>	<b>187</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>187</b>
Glossary .....	195





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



## USER GUIDE

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

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) 2014-15. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook 2014-15* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for agencies within the Portfolio.

### STYLES AND CONVENTIONS USED

- (a) The following notations may be used:
- |         |   |
|---------|---|
| NEC/nec | not elsewhere classified                    |
| AEST    | Australian Eastern Standard Time            |
| -       | nil   |
| ..      | not zero, but rounded to zero               |
| na      | not applicable (unless otherwise specified) |
| nfp     | not for publication                         |
| \$m     | \$ million                                  |
| p       | split across outcomes                       |
- (b) Figures in tables and in the text may be rounded. Discrepancies in tables between totals and sums of components are due to rounding.

## STRUCTURE OF THE PORTFOLIO ADDITIONAL ESTIMATES STATEMENTS

The Portfolio Additional Estimates Statements are presented in three parts with subsections.

<b>User guide</b>	
Provides a brief introduction explaining the purpose of the PAES.	
<b>Portfolio overview</b>	
Provides an overview of the Portfolio, including a chart that outlines the outcomes for agencies in the Portfolio.	
<b>Agency additional estimates statements</b>	
A statement (under the name of the agency) for each agency affected by Additional Estimates.	
<b>Section 1: Agency overview and resources</b>	This section details the total resources available to an agency, the impact of any measures since Budget, and impact on Appropriation Bills No. 3 and No. 4.
<b>Section 2: Revisions to outcomes and planned performance</b>	This section details <b>changes</b> to Government outcomes and/or <b>changes</b> to the planned performance of agency programmes.
<b>Section 3: Explanatory tables and budgeted financial statements</b>	This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements.
<b>Glossary</b>	Explains key terms relevant to the Portfolio.

# **PORTFOLIO OVERVIEW**



## **PORTFOLIO OVERVIEW**

The Health Portfolio works towards achieving a health care system that meets the health care needs of all Australians. Since the 2014-15 Budget the Australian Government has continued to review key health financing mechanisms and streamline bureaucracy and administration with the goal of an improved health system that will deliver better health outcomes and access to care for all Australians.

Since the 2014-15 Budget the Portfolio has also seen change to the Ministerial structure.

### **Ministerial Changes**

On 21 December 2014, the Prime Minister announced changes to the Ministry which included the appointment of the Hon Sussan Ley MP as the Minister for Health, Minister for Sport. Senator the Hon Fiona Nash will continue as the Assistant Minister for Health.

### **Portfolio Structure**

In line with its commitment to delivering a smaller, more rational Government, the Government has continued to reduce the number of agencies within the Health Portfolio to reduce the cost of government administration and free up resources to fund frontline services.

#### ***General Practice Education and Training***

The Government transferred essential functions of the General Practice Education and Training (GPET) to the Department on 1 January 2015.

#### ***Health Workforce Australia***

The Government transferred essential functions of Health Workforce Australia (HWA) to the Department of Health following the closure of HWA on 6 August 2014.

#### ***Australian National Preventive Health Agency***

The Government has transferred the essential functions of the Australian National Preventive Health Agency (ANPHA) to the Department of Health.

Portfolio and Minister responsibilities and a list of the 18 agencies currently within the Health Portfolio can be found in Figure 1 below.

**Figure 1: Portfolio Structure and Outcomes**

<p><b>The Hon Sussan Ley MP</b> Minister for Health Minister for Sport</p> <p><b><u>Portfolio Responsibilities</u></b> <i>Department of Health:</i> Outcomes: 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 <i>Agencies:</i> ACSQHC, AIHW, ASADA, ASC, ASF, CA, IHPA, NHFB, NHMRC, NHPA, NMHC, PHIAC, PHIO and PSR</p>	<p><b>Senator the Hon Fiona Nash</b> Assistant Minister for Health</p> <p><b><u>Portfolio Responsibilities</u></b> <i>Department of Health:</i> Outcomes 1, 3, 5, 7 and 9 <i>Agencies:</i> AOTDTA, ARPANSA, FSANZ and NBA</p>
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**Department of Health** – Martin Bowles PSM Secretary

**Outcome 1. Population Health**

A reduction in the incidence of preventable mortality and morbidity, including through national public health initiatives, promotion of healthy lifestyles, and approaches covering disease prevention, health screening and immunisation.

**Outcome 2. Access to Pharmaceutical Services**

Access to cost-effective medicines, including through the Pharmaceutical Benefits Scheme and related subsidies, and assistance for medication management through industry partnerships.

**Outcome 3. Access to Medical and Dental Services**

Access to cost-effective medical, dental, allied health and hearing services, including through implementing targeted medical assistance strategies, and providing Medicare subsidies for clinically relevant services and hearing devices to eligible people.

**Outcome 4. Acute Care**

Improved access to, and efficiency of, public hospitals, acute and subacute care services, including through payments to state and territory governments.

**Outcome 5. Primary Health Care**

Access to comprehensive primary and mental health care services, and health care services for Aboriginal and Torres Strait Islander peoples and rural and remote populations, including through first point of call services for the prevention, diagnosis and treatment of ill-health and ongoing services for managing chronic disease.

**Outcome 6. Private Health**

Improved choice in health services by supporting affordable quality private health care, including through private health insurance rebates and a regulatory framework.

**Outcome 7. Health Infrastructure, Regulation, Safety and Quality**

Improved capacity, quality and safety of Australia's health care system to meet current and future health needs including through investment in health infrastructure, regulation, international health policy engagement, research into health care, and support for blood and organ donation services.

**Outcome 8. Health Workforce Capacity**

Improved capacity, quality and mix of the health workforce to meet the requirements of health services, including through training, registration, accreditation and distribution strategies.

**Outcome 9. Biosecurity and Emergency Response**

Preparedness to respond to national health emergencies and risks, including through surveillance, regulation, prevention, detection and leadership in national health coordination.

**Outcome 10. Sport and Recreation**

Improved opportunities for community participation in sport and recreation, and excellence in high-performance athletes, through initiatives to help protect the integrity of sport, investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues.



**Figure 1: Portfolio Structure and Outcomes (cont.) – Portfolio Agencies**

**Australian Commission on Safety and Quality in Health Care**

**Professor Debora Picone AM** Chief Executive Officer

**Outcome 1.** Improved safety and quality in health care across the health system, including through the development, support for implementation, and monitoring of national clinical safety and quality guidelines and standards.

**Australian Institute of Health and Welfare**

**Kerry Flanagan** Director

**Outcome 1.** A robust evidence-base for the health, housing and community sectors, including through developing and disseminating comparable health and welfare information and statistics.

**Australian Organ and Tissue Donation and Transplantation Authority**

**Yael Cass** Chief Executive Officer

**Outcome 1.** Improved access to organ and tissue transplants, including through a nationally coordinated and consistent approach and system.

**Australian Radiation Protection and Nuclear Safety Agency**

**Dr Carl-Magnus Larsson** Chief Executive Officer

**Outcome 1.** Protection of people and the environment through radiation protection and nuclear safety research, policy, advice, codes, standards, services and regulation.

**Australian Sports Anti-Doping Authority**

**Ben McDevitt AM APM** Chief Executive Officer

**Outcome 1.** Protection of the health of athletes and the integrity of Australian sport, including through deterrence, detection and enforcement to eliminate doping.

**Australian Sports Commission**

**Simon Hollingsworth** Chief Executive Officer

**Outcome 1.** Improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sports activity.

**Outcome 2.** Excellence in sports performance and continued international sporting success, by talented athletes and coaches, including through leadership in high performance athlete development, and targeted science and research.

**Australian Sports Foundation Limited**

**Patrick Walker** Acting General Manager

**Outcome 1.** Improved Australian sporting infrastructure through assisting eligible organisations to raise funds for registered sporting projects.

**Cancer Australia**

**Professor Helen Zorbas AO** Chief Executive Officer

**Outcome 1.** Minimised impacts of cancer, including through national leadership in cancer control with targeted research, cancer service development, education and consumer support.

**Food Standards Australia New Zealand**

**Stephen McCutcheon** Chief Executive Officer

**Outcome 1.** A safe food supply and well-informed consumers in Australia and New Zealand, including through the development of food regulatory measures and the promotion of their consistent implementation, coordination of food recall activities and the monitoring of consumer and industry food practices.

**Independent Hospital Pricing Authority**

**Dr Tony Sherbon** Chief Executive Officer

**Outcome 1.** Promote improved efficiency in, and access to, public hospital services primarily through setting efficient national prices and levels of block funding for hospital activities.

**National Blood Authority**

**Leigh McJames** General Manager

**Outcome 1.** Access to a secure supply of safe and affordable blood products, including through national supply arrangements and coordination of best practice standards within agreed funding policies under the national blood arrangements.

**National Health and Medical Research Council**

**Professor Warwick Anderson AM** Chief Executive Officer

**Outcome 1.** Improved health and medical knowledge, including through funding research, translating research findings into evidence-based clinical practice, administering legislation governing research, issuing guidelines and advice for ethics in health and the promotion of public health.

**Figure 1: Portfolio Structure and Outcomes (cont.) – Portfolio Agencies**

**National Health Funding Body**

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**Lynton Norris** Chief Executive Officer

**Outcome 1.** Provide transparent and efficient administration of Commonwealth, state and territory funding of the Australian public hospital system, and support the obligations and responsibilities of the Administrator of the National Health Funding Pool.

**National Health Performance Authority**

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**Dr Diane Watson** Chief Executive Officer

**Outcome 1.** Contribute to transparent and accountable health care services in Australia, including through the provision of independent performance monitoring and reporting; the formulation of performance indicators; and conducting and evaluating research.

**National Mental Health Commission**

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**David Butt** Acting Chief Executive Officer

**Outcome 1.** Provide expert advice to the Australian Government and cross-sectoral leadership on the policy, programmes, services and systems that support mental health in Australia, including through administering the Annual National Report Card on Mental Health and Suicide Prevention, undertaking performance monitoring and reporting, and engaging consumers and carers.

**Private Health Insurance Administration Council**

---

**Shaun Gath** Chief Executive Officer

**Outcome 1.** Prudential safety and competitiveness of the private health insurance industry in the interests of consumers, including through efficient industry regulation.

**Private Health Insurance Ombudsman**

---

**David McGregor** Acting Ombudsman

**Outcome 1.** Public confidence in private health insurance, including through consumer and provider complaint and enquiry investigations, and performance monitoring and reporting.

**Professional Services Review**

---

**Dr William Coote** Director

**Outcome 1.** A reduction of the risks to patients and costs to the Australian Government of inappropriate clinical practice, including through investigating health services claimed under the Medicare and Pharmaceutical benefits schemes.

### Portfolio Resources

Table 1 shows for those agencies reporting in the Portfolio Additional Estimates Statements the additional resources provided to the Portfolio in the 2014-15 budget year, by agency.

**Table 1: Portfolio resources 2014-15**

	Appropriation movements				Total \$'000
	Bill No. 3 <sup>1</sup> \$'000	Bill No. 4 \$'000	Special \$'000	Receipts <sup>2</sup> \$'000	
<b>Departmental</b>					
Department of Health	6,646	380	-	-	7,026
Australian Organ and Tissue Donation and Transplantation Authority	810	-	-	-	810
Australian Sports Commission	2,412	-	-	-	2,412
National Blood Authority	300	-	-	-	300
National Health and Medical Research Council	522	-	-	-	522
Private Health Insurance Ombudsman	97	-	-	-	97
<b>Total Departmental</b>	<b>10,787</b>	<b>380</b>	<b>-</b>	<b>-</b>	<b>11,167</b>
<b>Administered</b>					
Department of Health	(18,898)	-	23,277	(76,026)	(71,647)
<b>Total Administered</b>	<b>(18,898)</b>	<b>-</b>	<b>23,277</b>	<b>(76,026)</b>	<b>(71,647)</b>
<b>Total Portfolio</b>	<b>(8,111)</b>	<b>380</b>	<b>23,277</b>	<b>(76,026)</b>	<b>(60,480)</b>
Non operating administered assets and liabilities					-
<b>Total Portfolio appropriations and receipts</b>					<b>(60,480)</b>

<sup>1</sup>Administered and Departmental Bill No. 3 does not include notional reductions to the 2014-15 Budget Bill (No. 1). For notional reductions to the Budget Bill (No. 1) see Table 1.5 in the agency chapters.

<sup>2</sup>Excludes receipts from related entities within the Portfolio.



# **AGENCY ADDITIONAL ESTIMATES STATEMENTS**

<b>Department of Health .....</b>	<b>13</b>
<b>Australian Organ and Tissue Donation and Transplantation Authority .....</b>	<b>95</b>
<b>Australian Sports Commission .....</b>	<b>117</b>
<b>National Blood Authority .....</b>	<b>135</b>
<b>National Health and Medical Research Council .....</b>	<b>157</b>
<b>Private Health Insurance Ombudsman .....</b>	<b>179</b>



# Department of Health

<b>Department of Health .....</b>	<b>13</b>
Section 1: Agency Overview and Resources.....	13
<b>1.1 Strategic Direction Statement.....</b>	<b>13</b>
<b>1.2 Agency Resource Statement .....</b>	<b>14</b>
<b>1.3 Agency Measures Table .....</b>	<b>18</b>
<b>1.4 Additional Estimates and Variations.....</b>	<b>24</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill .....</b>	<b>25</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	29
<b>2.1 Resources and Performance Information .....</b>	<b>29</b>
<b>Cross Outcome Variations.....</b>	<b>29</b>
<b>Outcome 1 Population Health.....</b>	<b>31</b>
<b>Outcome 2 Access to Pharmaceutical Services.....</b>	<b>35</b>
<b>Outcome 3 Access to Medical and Dental Services.....</b>	<b>39</b>
<b>Outcome 4 Acute Care .....</b>	<b>47</b>
<b>Outcome 5 Primary Health Care .....</b>	<b>51</b>
<b>Outcome 6 Private Health .....</b>	<b>57</b>
<b>Outcome 7 Health Infrastructure, Regulation, Safety and Quality .....</b>	<b>59</b>
<b>Outcome 8 Health Workforce Capacity .....</b>	<b>67</b>
<b>Outcome 9 Biosecurity and Emergency Response .....</b>	<b>71</b>
<b>Outcome 10 Sport and Recreation .....</b>	<b>73</b>
Section 3: Explanatory Tables and Budgeted Financial Statements.....	77
<b>3.1 Explanatory Tables .....</b>	<b>77</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>78</b>





## **DEPARTMENT OF HEALTH**

### **Section 1: Agency Overview and Resources**

#### **1.1 STRATEGIC DIRECTION STATEMENT**

Since the 2014-15 Budget the Government has continued to work towards a sustainable health care system in which Australians will continue to have access to world-class health care into the future.

On 9 December 2014, the Government announced the \$7 Medicare co-payment measure in the 2014-15 Budget would no longer proceed and would be replaced with a package of measures to further strengthen Medicare. The measure in this package to change the time requirements for GP consultations will now not proceed.

The Minister for Health is consulting with doctors and the community on how best to deliver appropriate Medicare reforms.

## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Department of Health at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2014-15 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations and special accounts.

**Table 1.1: Department of Health Resource Statement — Additional Estimates for 2014-15**

	Estimate as at Budget	Proposed additional estimates	Total estimate at AEs	Total available appropriation
	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000	2013-14 \$'000
<b>Departmental resources</b>				
<b>Ordinary annual services</b>				
Estimates of prior year amounts available <sup>1,2</sup>	128,944	-	128,944	168,981
Departmental appropriation <sup>3,4</sup>	479,703	6,646	486,349	590,313
s74 retained revenue receipts	24,103	-	24,103	57,133
<b>Total ordinary annual services</b>	<b>632,750</b>	<b>6,646</b>	<b>639,396</b>	<b>816,427</b>
<b>Other Services<sup>5</sup></b>				
<b>Non-operating</b>				
Equity injections	8,440	380	8,820	15,130
<b>Total Other Services</b>	<b>8,440</b>	<b>380</b>	<b>8,820</b>	<b>15,130</b>
<b>Departmental special accounts</b>				
Opening balance <sup>2</sup>	81,441	-	81,441	75,488
Appropriation receipts	15,848	-	15,848	13,160
Non-appropriation receipts to Special accounts	145,134	-	145,134	143,974
<b>Total special accounts</b>	<b>242,423</b>	<b>-</b>	<b>242,423</b>	<b>232,622</b>
<b>Total departmental resourcing</b>	<b>883,613</b>	<b>7,026</b>	<b>890,639</b>	<b>1,064,179</b>
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts and/or payments to corporate entities through annual appropriations	(15,848)	-	(15,848)	(13,160)
<b>Total net departmental resourcing for Health</b>	<b>867,765</b>	<b>7,026</b>	<b>874,791</b>	<b>1,051,019</b>

Section 1 – Agency Overview and Resources

**Table 1.1: Department of Health Resource Statement — Additional Estimates for 2014-15 (cont.)**

	Estimate as at Budget	Proposed additional estimates	Total estimate at AEs	Total available appropriation
	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000	2013-14 \$'000
<b>Administered resources</b>				
<b>Ordinary annual services<sup>3</sup></b>				
Outcome 1: Population Health	327,461	151	327,612	-
Outcome 2: Access to Pharmaceutical Services	755,437	-	755,437	-
Outcome 3: Access to Medical and Dental Services	586,451	(5,000)	581,451	-
Outcome 4: Acute Care	108,048	(8,090)	99,958	-
Outcome 5: Primary Health Care	2,206,963	(12,570)	2,194,393	-
Outcome 6: Private Health	2,247	-	2,247	-
Outcome 7: Health Infrastructure, Regulation, Safety and Quality	348,479	(257)	348,222	-
Outcome 8: Health Workforce Capacity	1,396,752	(4)	1,396,748	-
Outcome 9: Biosecurity and Emergency Response	58,005	-	58,005	-
Outcome 10: Sport and Recreation	40,924	6,872	47,796	-
Payments to corporate entities	296,283	3,064	299,347	-
<b>Total ordinary annual services</b>	<b>6,127,050</b>	<b>(15,834)</b>	<b>6,111,216</b>	<b>5,539,941</b>
<b>Other services<sup>5</sup></b>				
<b>Payments to States, ACT, NT and local government</b>				
Outcome 1: Population Health	-	-	-	10,653
<b>Total payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,653</b>
<b>Administered non-operating</b>				
Administered assets and liabilities	5,682	-	5,682	16,579
<b>Total non-operating</b>	<b>5,682</b>	<b>-</b>	<b>5,682</b>	<b>16,579</b>
<b>Total other services</b>	<b>5,682</b>	<b>-</b>	<b>5,682</b>	<b>27,232</b>

Department of Health

**Table 1.1: Department of Health Resource Statement — Additional Estimates for 2014-15 (cont.)**

	Estimate as at Budget	Proposed additional estimates	Total estimate at AEs	Total available appropriation
	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000	2013-14 \$'000
<b>Administered resources (cont.)</b>				
<b>Special appropriations limited by criteria/entitlement</b>				
<i>National Health Act 1953 - essential vaccines</i>	134,309	1,125	135,434	135,374
<i>National Health Act 1953 - pharmaceutical benefits</i>	9,247,686	122,786	9,370,472	9,119,655
<i>National Health Act 1953 - aids and appliances</i>	324,988	141	325,129	288,128
<i>Health Insurance Act 1973 - medical benefits</i>	20,307,671	(47,251)	20,260,420	19,065,871
<i>Dental Benefits Act 2008</i>	594,607	-	594,607	161,319
<i>Private Health Insurance Act 2007</i>	5,788,508	130,037	5,918,545	5,608,642
<i>National Health Act 1953 - blood fractionation, products and blood related products to National Blood Authority</i>	718,906	(183,561)	535,345	714,411
<i>Medical Indemnity Act 2002</i>	100,148	-	100,148	48,543
<i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	1,450	-	1,450	-
<b>Payments to corporate entities</b>				
<i>Private Health Insurance Act 2007 - Risk Equalisation Trust Fund</i>	504,376	-	504,376	424,434
<i>Private Health Insurance Act 2007 - Council Administration Levy</i>	6,768	(549)	6,219	6,590
<b>Total special appropriations</b>	<b>37,729,417</b>	<b>22,728</b>	<b>37,752,145</b>	<b>35,572,967</b>

Section 1 – Agency Overview and Resources

**Table 1.1: Department of Health Resource Statement — Additional Estimates for 2014-15 (cont.)**

	Estimate as at Budget	Proposed additional estimates	Total estimate at AEs	Total available appropriation
	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000	2013-14 \$'000
<b>Administered resources (cont.)</b>				
<b>Administered special accounts<sup>6</sup></b>				
Opening balance <sup>2</sup>	11,966	-	11,966	8,778
Appropriation receipts	5,802	-	5,802	5,747
Non-appropriation receipts to special accounts	811,103	(76,026)	735,077	632,501
<b>Total special accounts</b>	<b>828,871</b>	<b>(76,026)</b>	<b>752,845</b>	<b>647,026</b>
<b>Total administered resourcing</b>	<b>44,691,020</b>	<b>(69,132)</b>	<b>44,621,888</b>	<b>41,787,166</b>
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts and/or payments to corporate entities through annual appropriations	(813,229)	(2,515)	(815,744)	(436,771)
<b>Total net administered resourcing for Health</b>	<b>43,877,791</b>	<b>(71,647)</b>	<b>43,806,144</b>	<b>41,350,395</b>
<b>Total net resourcing for Health (Administered and Departmental)</b>	<b>44,745,556</b>	<b>(64,621)</b>	<b>44,680,935</b>	<b>42,401,414</b>

All figures are GST exclusive.

<sup>1</sup>The estimate of prior year amounts available constitutes opening balance at bank and appropriation receivable for the core department (excluding special accounts).

<sup>2</sup>The estimate at budget has been revised to reflect the 2013-14 Annual Report.

<sup>3</sup>Appropriation Bill (No. 1 & 3) 2014-15.

<sup>4</sup>Includes an amount of \$6.028m in 2014-15 for the Departmental Capital Budget (refer to Table 3.2.5 for further details).

<sup>5</sup>Appropriation Bill (No. 2 & 4) 2014-15.

<sup>6</sup>Excludes Services for Other Entities and Trust Moneys Special Account as this account is not considered resourcing for the Department of Health. For further information on special accounts see Table 3.1.1.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2014-15 Budget.

**Table 1.2: Agency 2014-15 Measures since Budget**

Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Outcome 1: Population Health</b>				
<b>Australian National Advisory Council on Alcohol and Drugs - establishment<sup>1</sup></b>				
Department of Health				
Administered expenses	1.2	-	-	-
<b>Total expenses</b>		-	-	-
<b>National Immunisation Programme - listing of Trivalent Influenza Vaccine</b>				
Department of Health				
Administered expenses	1.3	1,369	830	834
Department of the Treasury				
Administered expenses		18	38	29
<b>Total expenses</b>		<b>1,387</b>	<b>868</b>	<b>863</b>
<b>National Partnership Agreement on Improving Health Services in Tasmania - additional elective surgery procedures</b>				
Department of Health				
Administered expenses	1.1	(93)	(60)	-
	4.1	(8,090)	(598)	-
	5.4	(4,000)	(4,000)	-
Department of the Treasury				
Administered expenses	4.1	12,183	4,658	-
<b>Total expenses</b>		-	-	-
<b>Outcome 2: Access to Pharmaceutical Services</b>				
<b>Pharmaceutical Benefits Scheme - new and amended listings</b>				
Department of Health				
Administered expenses	2.2	72,999	82,790	71,807
	3.1	873	1,731	1,703
Departmental capital		380	10	-
Department of Human Services				
Departmental expenses		7,651	533	(3,061)
Departmental capital		1,680	1,055	-
Department of Veterans' Affairs				
Administered expenses		82	(714)	(1,241)
<b>Total</b>		<b>83,665</b>	<b>85,405</b>	<b>69,208</b>
Department of Health				
Administered revenue		nfp	nfp	nfp
<b>Total revenue</b>		<b>nfp</b>	<b>nfp</b>	<b>nfp</b>

Section 1 – Agency Overview and Resources

**Table 1.2: Agency 2014-15 Measures since Budget (cont.)**

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Pharmaceutical Benefits Scheme - price amendments</b>					
Department of Health					
Administered expenses	2.2	(8,949)	(25,395)	(33,361)	(37,416)
Department of Veterans' Affairs					
Administered expenses		(2,634)	(4,903)	(5,499)	(6,396)
<b>Total expenses</b>		<b>(11,583)</b>	<b>(30,298)</b>	<b>(38,860)</b>	<b>(43,812)</b>
<b>Outcome 3: Access to Medical and Dental Services</b>					
<b>A strong and sustainable Medicare<sup>2</sup></b>					
Department of Health					
Administered expenses	3.1	-	740,570	435,410	157,396
Department of Human Services					
Departmental expenses		318	(16,117)	(16,046)	(14,899)
Department of Veterans' Affairs					
Administered expenses		-	(2,768)	(14,523)	(24,927)
<b>Total expenses</b>		<b>318</b>	<b>721,685</b>	<b>404,841</b>	<b>117,570</b>
<b>Medicare Benefits Schedule - new and amended listings</b>					
Department of Health					
Administered expenses	3.1	(48,506)	(73,313)	(79,981)	(86,061)
Department of Human Services					
Departmental expenses		202	(151)	(278)	(417)
Department of Veterans' Affairs					
Administered expenses		(1,108)	(1,718)	(1,806)	(1,943)
<b>Total expenses</b>		<b>(49,412)</b>	<b>(75,182)</b>	<b>(82,065)</b>	<b>(88,421)</b>
<b>Pharmaceutical Benefits Scheme - new and amended listings</b>					
Department of Health					
Administered expenses	2.2	72,999	82,790	71,807	65,770
	3.1	873	1,731	1,703	1,715
Departmental capital		380	10	-	-
Department of Human Services					
Departmental expenses		7,651	533	(3,061)	(3,768)
Departmental capital		1,680	1,055	-	-
Department of Veterans' Affairs					
Administered expenses		82	(714)	(1,241)	(1,546)
<b>Total</b>		<b>83,665</b>	<b>85,405</b>	<b>69,208</b>	<b>62,171</b>
Department of Health					
Administered revenue		nfp	nfp	nfp	nfp
<b>Total revenue</b>		<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>

**Table 1.2: Agency 2014-15 Measures since Budget (cont.)**

Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Outcome 4: Acute Care</b>				
<b>National Partnership Agreement on Improving Health Services in Tasmania - additional elective surgery procedures</b>				
Department of Health				
Administered expenses	1.1 (93)	(60)	-	-
	4.1 (8,090)	(598)	-	-
	5.4 (4,000)	(4,000)	-	-
Department of the Treasury				
Administered expenses	4.1 12,183	4,658	-	-
<b>Total expenses</b>	-	-	-	-
<b>Outcome 5: Primary Health Care</b>				
<b>National Partnership Agreement on Improving Health Services in Tasmania - additional elective surgery procedures</b>				
Department of Health				
Administered expenses	1.1 (93)	(60)	-	-
	4.1 (8,090)	(598)	-	-
	5.4 (4,000)	(4,000)	-	-
Department of the Treasury				
Administered expenses	4.1 12,183	4,658	-	-
<b>Total expenses</b>	-	-	-	-
<b>Outcome 7: Health Infrastructure, Regulation, Safety and Quality</b>				
<b>Gene Technology Act - amendments</b>				
Office of the Gene Technology Regulator				
Departmental expenses	7.7 -	-	(9)	(10)
<b>Total expenses</b>	-	-	(9)	(10)
<b>Streamlining of Medical Device Certification<sup>1</sup></b>				
Department of Health				
Administered expenses	7.7 -	-	-	-
<b>Total expenses</b>	-	-	-	-



Section 1 – Agency Overview and Resources

Table 1.2: Agency 2014-15 Measures since Budget (cont.)

Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	
<b>Outcome 10: Sport and Recreation</b>					
<b>Gold Coast Suns AFL Club - upgrade of Metricon Stadium facilities</b>					
Department of Health					
Administered expenses	10.1	7,500	7,500	-	-
<b>Total expenses</b>		<b>7,500</b>	<b>7,500</b>	-	-
<b>South Sydney Rabbitohs Community and High Performance Centre of Excellence - contribution</b>					
Department of Health					
Administered expenses	10.1	5,000	5,000	-	-
<b>Total expenses</b>		<b>5,000</b>	<b>5,000</b>	-	-
<b>Cross Health Portfolio Measure</b>					
<b>Smaller Government - Health Portfolio</b>					
Department of Health		(9)	1,855	(64)	(64)
Australian Sports Anti-Doping Authority		-	129	(708)	(715)
Cancer Australia		-	138	(444)	(448)
National Health and Medical Research Council		-	438	(1,724)	(1,740)
Professional Services Review		-	42	(320)	(323)
<b>Total expenses</b>		<b>(9)</b>	<b>2,602</b>	<b>(3,260)</b>	<b>(3,290)</b>
<b>Whole of Government Measures<sup>3</sup></b>					
<b>Administered Programme Indexation Pause<sup>4</sup></b>					
Department of Health					
Administered expenses	1.2	-	(762)	(1,583)	(2,417)
	1.3	-	(255)	(530)	(809)
	2.1	-	(20)	(41)	(63)
	3.1	-	(10)	(20)	(29)
	3.2	-	(34)	(71)	(109)
	3.3	-	(39)	(82)	(125)
	4.1	-	(61)	(127)	(194)
	5.1	-	(360)	-	-
	5.4	-	(3,300)	(6,816)	(10,354)
	7.4	-	(16)	(33)	(50)
	7.7	-	(4)	(7)	(11)
	8.1	-	(146)	(303)	(464)
	9.1	-	(27)	(57)	(86)
	10.1	-	(113)	(312)	(477)
<b>Total expenses</b>		<b>-</b>	<b>(5,147)</b>	<b>(9,982)</b>	<b>(15,188)</b>

Department of Health

**Table 1.2: Agency 2014-15 Measures since Budget (cont.)**

	<b>Programme</b>	<b>2014-15 \$'000</b>	<b>2015-16 \$'000</b>	<b>2016-17 \$'000</b>	<b>2017-18 \$'000</b>
<b>Strengthening the Constitutional Basis for Commonwealth Spending</b>					
<i>Department of Health</i>					
Administered expenses	3.2	-	(2,013)	(2,011)	(2,010)
	3.6	(5,000)	-	-	-
<b>Total expenses</b>		<b>(5,000)</b>	<b>(2,013)</b>	<b>(2,011)</b>	<b>(2,010)</b>
<b>Other Portfolio Measures<sup>3</sup></b>					
<b>Communications and Public Affairs Functions - targeted savings<sup>5</sup></b>					
<i>Department of Finance</i>					
Department of Health		(173)	(343)	(339)	(345)
Australian Commission on Safety and Quality in Health Care		(7)	(13)	(13)	(13)
Australian Radiation Protection and Nuclear Safety Agency		(5)	(10)	(10)	(10)
Australian Sports Anti-Doping Authority		(18)	(35)	(35)	(35)
Australian Sports Commission		(66)	(131)	(131)	(131)
Cancer Australia		(19)	(38)	(38)	(38)
Food Standards Australian and New Zealand		(16)	(32)	(32)	(32)
Independent Hospital Pricing Authority		(8)	(17)	(17)	(17)
National Health Performance Authority		(41)	(80)	(80)	(80)
National Health and Medical Research Council		(18)	(35)	(35)	(35)
National Mental Health Commission		-	-	-	-
Australian Organ and Tissue Donation and Transplantation Authority		(19)	(38)	(38)	(38)
Private Health Insurance Ombudsman		(5)	(10)	(10)	(10)
<b>Total expenses</b>		<b>(395)</b>	<b>(782)</b>	<b>(778)</b>	<b>(784)</b>
<b>Duke of Edinburgh's International Award - contribution</b>					
<i>Department of Education</i>					
Department of Health					
Administered expenses	7.2	(400)	-	-	-
<b>Total expenses</b>		<b>(400)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Funding for pre-existing measures affecting the public sector<sup>6</sup></b>					
<i>Department of Finance</i>					
Department of Health		4,127	-	-	-
Australian Sports Commission		2,478	-	-	-
National Health and Medical Research Council		540	-	-	-
<b>Total expenses</b>		<b>7,145</b>	<b>-</b>	<b>-</b>	<b>-</b>

Section 1 – Agency Overview and Resources

**Table 1.2: Agency 2014-15 Measures since Budget (cont.)**

Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Introduction of Temporary Protection Visas and Safe Haven Enterprise Visas</b>				
<i>Department of Immigration and Border Protection</i>				
Department of Health				
Administered expenses	2.2	(1,719)	(1,096)	(3,875)
	3.1	44	(531)	(1,500)
	5.4	-	(752)	488
<b>Total expenses</b>	<b>(1,675)</b>	<b>(2,379)</b>	<b>(4,887)</b>	<b>(8,764)</b>
<b>Family Payment Reform - maintain Family Tax Benefit payment rates - one year extension</b>				
<i>Department of Social Services</i>				
Department of Health				
Administered expenses	3.1	-	(170)	(176)
	3.6	-	-	(1,888)
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>(170)</b>	<b>(2,064)</b>
<b>National Security - additional counter-terrorism funding</b>				
<i>Attorney-General's Department</i>				
Department of Health				
Administered expenses	10.1	200	-	-
<b>Total expenses</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup>The cost of the measure will be met from within the existing resources of the Department.

<sup>2</sup>The measure was included in the 2014-15 MYEFO and has subsequently been revised. The above figures reflect the current net fiscal impact of the measure.

<sup>3</sup>Health is not the lead agency for these measures. Health impacts only are shown in this table.

<sup>4</sup>This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>5</sup>This measure was announced as part of the 2014-15 Budget (refer to page 113 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>6</sup>This measure was announced as part of the 2013-14 MYEFO (refer to page 147). The measure also provided for funding in 2013-14 for: Health (\$8.3m); Australian Sports Anti-Doping Agency (\$0.7m); Australian Radiation Protection and Nuclear Safety Agency (\$0.5m); and Food Standards Australia New Zealand (\$0.8m).

## **1.4 ADDITIONAL ESTIMATES AND VARIATIONS**

The following tables detail the changes to the resourcing for the Department of Health at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2014-15 Budget in Appropriation Bills No. 3 and No. 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

### **Additional Estimates and Variations to Outcomes from Measures since the 2014-15 Budget**

There is no Table 1.3. For details on changes to the resourcing for the Department of Health at Additional Estimates from measures please refer to each outcome chapter in Section 2.

### **Additional Estimates and Variations to Outcomes from other Variations**

There is no Table 1.4. For details on changes to the resourcing for the Department of Health at Additional Estimates from other variations please refer to each outcome chapter in Section 2.

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the Department of Health through Appropriation Bills No. 3 and No. 4.

**Table 1.5: Appropriation Bill (No. 3) 2014-15**

	2013-14 Available <sup>1</sup> \$'000	2014-15 Budget \$'000	2014-15 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Administered Items</b>					
<b>Outcome 1</b>					
Population Health	-	327,461	327,612	151	-
<b>Outcome 2</b>					
Access to Pharmaceutical Services	-	755,437	755,437	-	-
<b>Outcome 3</b>					
Access to Medical and Dental Services	-	586,451	581,451	-	5,000
<b>Outcome 4</b>					
Acute Care	-	108,048	99,958	-	8,090
<b>Outcome 5</b>					
Primary Health Care	-	2,206,963	2,194,393	-	12,570
<b>Outcome 6</b>					
Private Health	-	2,247	2,247	-	-
<b>Outcome 7</b>					
Health Infrastructure, Regulation, Safety and Quality	-	348,479	348,222	-	257
<b>Outcome 8</b>					
Health Workforce Capacity	-	1,396,752	1,396,748	-	4
<b>Outcome 9</b>					
Biosecurity and Emergency Response	-	58,005	58,005	-	-
<b>Outcome 10</b>					
Sport and Recreation	-	40,924	47,796	6,872	-
<b>Total administered items</b>	<b>5,341,763</b>	<b>5,830,767</b>	<b>5,811,869</b>	<b>7,023</b>	<b>25,921</b>

Department of Health

**Table 1.5: Appropriation Bill (No. 3) 2014-15 (cont.)**

	2013-14 Available <sup>1</sup> \$'000	2014-15 Budget \$'000	2014-15 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Departmental Programmes</b>					
<b>Outcome 1</b>					
Population Health	-	64,498	64,498	-	-
<b>Outcome 2</b>					
Access to Pharmaceutical Services	-	54,363	54,363	-	-
<b>Outcome 3</b>					
Access to Medical and Dental Services	-	49,017	49,017	-	-
<b>Outcome 4</b>					
Acute Care	-	46,707	46,707	-	-
<b>Outcome 5</b>					
Primary Health Care	-	95,780	98,477	2,697	-
<b>Outcome 6</b>					
Private Health	-	9,287	9,287	-	-
<b>Outcome 7</b>					
Health Infrastructure, Regulation, Safety and Quality	-	74,059	74,059	-	-
<b>Outcome 8</b>					
Health Workforce Capacity	-	49,284	49,284	-	-
<b>Outcome 9</b>					
Biosecurity and Emergency Response	-	22,067	22,067	-	-
<b>Outcome 10</b>					
Sport and Recreation	-	14,641	14,641	-	-
<b>Cross Outcome<sup>2</sup></b>					
Cross Outcome variations	-	-	3,949	3,949	-
<b>Total departmental appropriation</b>	<b>590,313</b>	<b>479,703</b>	<b>486,349</b>	<b>6,646</b>	<b>-</b>
<b>Total Appropriation Administered and Departmental Bill No. 3</b>	<b>5,932,076</b>	<b>6,310,470</b>	<b>6,298,218</b>	<b>13,669</b>	<b>25,921</b>

<sup>1</sup>2013-14 available appropriation has been provided at the total level only due to the change in outcome structure between 2013-14 and 2014-15. Further details of the revised structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.

<sup>2</sup>The increased estimates of \$3.949m comprises of cross outcome variations detailed in Table 2 on page 29 and not in Section 2.

Section 1 – Agency Overview and Resources

**Table 1.6: Appropriation Bill (No. 4) 2014-15**

	2013-14 Available <sup>1</sup> \$'000	2014-15 Budget \$'000	2014-15 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Payments to States, ACT, NT and Local Government</b>					
<b>Outcome 1</b>					
Population Health	10,653	-	-	-	-
<b>Total</b>	<b>10,653</b>	-	-	-	-
<b>Non-operating</b>					
Equity injections	15,130	8,440	8,820	380	-
Administered assets and liabilities	16,579	5,682	5,682	-	-
<b>Total non-operating</b>	<b>31,709</b>	<b>14,122</b>	<b>14,502</b>	<b>380</b>	-
<b>Total Appropriation Bill No. 4</b>	<b>42,362</b>	<b>14,122</b>	<b>14,502</b>	<b>380</b>	-

<sup>1</sup>2013-14 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: budget Appropriation + Additional Estimates Appropriation + AFM – Savings - Rephasings - Other Reductions +/- Section 74.





## Section 2: Revisions to Agency Resources and Planned Performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

The Department's activities, resourcing and performance reporting are organised under a structure of 10 outcomes. These outcomes represent the results or impacts on the community that the Government wishes to achieve.

Revisions to performance information since the 2014-15 Budget are detailed in the Outcome chapters in this section. Changes have been made to the performance information for Outcomes 4, 5 and 7.

### CROSS OUTCOME VARIATIONS

The table below shows variations to the departmental estimates not allocated to a specific outcome.

**Table 2: Cross Outcome Variations**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Cross outcome departmental variations</b>				
<b>Changes in departmental appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Smaller Government - Health Portfolio <sup>1</sup>	(5)	(20)	(20)	(20)
<b>Measure</b> - Communication and Public Affairs Functions - targeted savings <sup>2</sup>	(173)	(343)	(339)	(345)
<b>Measure</b> - Funding for pre-existing measure affecting the public sector	4,127	-	-	-
Price parameter adjustments <sup>3</sup> - operational	-	(827)	(811)	(1,231)
Price parameter adjustments <sup>3</sup> - DCB <sup>4</sup>	-	(12)	(12)	(32)
	<b>3,949</b>	<b>(1,202)</b>	<b>(1,182)</b>	<b>(1,628)</b>

<sup>1</sup>The funding represented in the above table reflects the Departmental cross outcome component. The full measure is reflected in Table 1.2 Agency Measures Table.

<sup>2</sup>This measure was announced as part of the 2014-15 Budget (refer to page 113 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>3</sup>See explanation in glossary.

<sup>4</sup>Departmental Capital Budget (DCB).



## Outcome 1

### POPULATION HEALTH

**A reduction in the incidence of preventable mortality and morbidity, including through national public health initiatives, promotion of healthy lifestyles, and approaches covering disease prevention, health screening and immunisation**

**Table 2.1.1: Resource Summary - Outcome 1**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 1.1: Public Health, Chronic Disease and Palliative Care<sup>1</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	168,909	168,816	(93)	-
Departmental expenses				
Departmental appropriation <sup>2</sup>	35,048	35,048	-	-
Expenses not requiring appropriation in the budget year <sup>3</sup>	2,376	2,376	-	-
<b>Total for Programme 1.1</b>	<b>206,333</b>	<b>206,240</b>	<b>(93)</b>	<b>-</b>
<b>Programme 1.2: Drug Strategy<sup>1</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	138,415	138,415	-	-
Departmental expenses				
Departmental appropriation <sup>2</sup>	21,012	21,012	-	-
Expenses not requiring appropriation in the budget year <sup>3</sup>	1,552	1,552	-	-
<b>Total for Programme 1.2</b>	<b>160,979</b>	<b>160,979</b>	<b>-</b>	<b>-</b>
<b>Programme 1.3: Immunisation<sup>1</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3) to Australian Childhood Immunisation Register Special Account	20,137 (5,802)	20,381 (5,802)	244 -	- -
Special appropriations <i>National Health Act 1953</i> - essential vaccines	134,309	135,434	1,125	-
Special accounts Australian Childhood Immunisation Register	9,475	9,475	-	-
Departmental expenses				
Departmental appropriation <sup>2</sup>	7,258	7,258	-	-
Expenses not requiring appropriation in the budget year <sup>3</sup>	559	559	-	-
<b>Total for Programme 1.3</b>	<b>165,936</b>	<b>167,305</b>	<b>1,369</b>	<b>-</b>

Department of Health

**Table 2.1.1: Resource Summary – Outcome 1 (cont.)**

	<b>Budget 2014-15 \$'000</b>	<b>Revised 2014-15 \$'000</b>	<b>Additional estimates \$'000</b>	<b>Reduced estimates \$'000</b>
<b>Outcome 1 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	327,461	327,612	151	-
to Special Accounts	(5,802)	(5,802)	-	-
Other services (Bill 2/4)	-	-	-	-
Special appropriations	134,309	135,434	1,125	-
Special accounts	9,475	9,475	-	-
Departmental expenses				
Departmental appropriation <sup>2</sup>	63,318	63,318	-	-
Expenses not requiring appropriation in the budget year <sup>3</sup>	4,487	4,487	-	-
<b>Total for Outcome 1</b>	<b>533,248</b>	<b>534,524</b>	<b>1,276</b>	<b>-</b>

<sup>1</sup>Budget estimates for this programme exclude National Partnership funding paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. National partnerships are listed in Section 2 of the 2014-15 Health PB Statements under each programme. For updated estimates relating to National Partnerships refer to the 2014-15 Mid-Year Economic Fiscal Outlook.

<sup>2</sup>Departmental appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources".

<sup>3</sup>"Expenses not requiring appropriation in the budget year" is made up of depreciation expense, amortisation expense, makegood expense, and audit fees.

	<b>Budget 2014-15</b>	<b>Revised 2014-15</b>
<b>Average staffing level (number)</b>	388	388

Table 2.1.2: Variations Table - Outcome 1

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: Public Health, Chronic Disease and Palliative Care</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - National Partnership Agreement on Improving Health Services in Tasmania - additional elective surgery procedures	(93)	(60)	-	-
<b>Measure</b> - Smaller Government - Health Portfolio	-	(15)	(15)	(15)
Price parameter adjustments <sup>1</sup>	-	(153)	(334)	(373)
	<b>(93)</b>	<b>(228)</b>	<b>(349)</b>	<b>(388)</b>
<b>Programme 1.2: Drug Strategy</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Administered Programme Indexation Pause <sup>2</sup>	-	(762)	(1,583)	(2,417)
<b>Measure</b> - Smaller Government - Health Portfolio	-	(10)	(10)	(10)
Price parameter adjustments <sup>1</sup>	-	(112)	(175)	(215)
	-	<b>(122)</b>	<b>(185)</b>	<b>(225)</b>
<b>Programme 1.3: Immunisation</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - National Immunisation Programme - listing of Trivalent influenza Vaccine	244	116	100	20
<b>Measure</b> - Administered Programme Indexation Pause <sup>2</sup>	-	(255)	(530)	(809)
Price parameter adjustments <sup>1</sup>	-	(20)	(40)	(41)
	<b>244</b>	<b>(159)</b>	<b>(470)</b>	<b>(830)</b>

<sup>1</sup>See explanation in glossary.<sup>2</sup>This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

**Table 2.1.3: Programme Expenses Table - Outcome 1<sup>1</sup>**

	<b>2014-15 Revised budget \$'000</b>	<b>2015-16 Forward year 1 \$'000</b>	<b>2016-17 Forward year 2 \$'000</b>	<b>2017-18 Forward year 3 \$'000</b>
<b>Programme expenses 1.1: Public Health, Chronic Disease and Palliative Care</b>				
Annual administered expenses				
Ordinary annual services	168,816	167,984	182,178	196,292
Programme support	37,424	34,688	33,185	33,573
<b>Total programme expenses</b>	<b>206,240</b>	<b>202,672</b>	<b>215,363</b>	<b>229,865</b>
<b>Programme expenses 1.2: Drug Strategy</b>				
Annual administered expenses				
Ordinary annual services	138,415	113,931	108,050	108,049
Programme support	22,564	19,597	19,352	19,901
<b>Total programme expenses</b>	<b>160,979</b>	<b>133,528</b>	<b>127,402</b>	<b>127,950</b>
<b>Programme expenses 1.3: Immunisation</b>				
Annual administered expenses				
Ordinary annual services	20,381	20,099	20,136	20,132
to Australian Childhood Immunisation Register Special Account	(5,802)	(5,858)	(5,913)	(5,966)
Special appropriations				
<i>National Health Act 1953</i>				
- essential vaccines	135,434	139,079	140,467	144,483
Special Account				
Australian Childhood Immunisation Register Special Account	9,475	9,563	9,650	9,820
Programme support	7,817	7,631	7,541	7,737
<b>Total programme expenses</b>	<b>167,305</b>	<b>170,514</b>	<b>171,881</b>	<b>176,206</b>

<sup>1</sup>2013-14 available appropriation is not supplied due to a change in the Outcome and Programme structure for 2014-15. Details of the revised outcome structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.

### Programme key performance indicators

There have been no changes to the performance information for Outcome 1 since the 2014-15 Health PB Statements. Refer to Page 49 of the 2014-15 Health PB Statements for current performance information.

## Outcome 2

### ACCESS TO PHARMACEUTICAL SERVICES

**Access to cost-effective medicines, including through the Pharmaceutical Benefits Scheme and related subsidies, and assistance for medication management through industry partnerships**

**Table 2.2.1: Resource Summary - Outcome 2**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 2.1: Community Pharmacy and Pharmaceutical Awareness</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	405,929	405,929	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	7,533	7,533	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	542	542	-	-
<b>Total for Programme 2.1</b>	<b>414,004</b>	<b>414,004</b>	<b>-</b>	<b>-</b>
<b>Programme 2.2: Pharmaceuticals and Pharmaceutical Services</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	197,488	197,488	-	-
Special appropriations				
<i>National Health Act 1953 -</i> pharmaceutical benefits	9,247,686	9,370,472	122,786	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	42,317	42,317	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	4,263	4,263	-	-
<b>Total for Programme 2.2</b>	<b>9,491,754</b>	<b>9,614,540</b>	<b>122,786</b>	<b>-</b>
<b>Programme 2.3: Targeted Assistance - Pharmaceuticals</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	151,424	151,424	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	2,251	2,251	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	163	163	-	-
<b>Total for Programme 2.3</b>	<b>153,838</b>	<b>153,838</b>	<b>-</b>	<b>-</b>

Department of Health

**Table 2.2.1: Resource Summary – Outcome 2 (cont.)**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 2.4: Targeted Assistance - Aids and Appliances</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	596	596	-	-
Special Appropriations				
<i>National Health Act 1953 -</i>				
aids and appliances	324,988	325,129	141	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	1,928	1,928	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	153	153	-	-
<b>Total for Programme 2.4</b>	<b>327,665</b>	<b>327,806</b>	<b>141</b>	<b>-</b>
<b>Outcome 2 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	755,437	755,437	-	-
Special appropriations	9,572,674	9,695,601	122,927	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	54,029	54,029	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	5,121	5,121	-	-
<b>Total for Outcome 2</b>	<b>10,387,261</b>	<b>10,510,188</b>	<b>122,927</b>	<b>-</b>

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

<sup>2</sup>"Expenses not requiring appropriation in the Budget year" is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	253	253



Table 2.2.2: Variations Table - Outcome 2

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 2.1: Community Pharmacy and Pharmaceutical Awareness</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(20)	(41)	(63)
Community Pharmacy Agreement - variation to reflect updated parameters	-	10,102	17,046	24,071
Price parameter adjustments <sup>2</sup>	-	(1)	(2)	(2)
	-	<b>10,081</b>	<b>17,003</b>	<b>24,006</b>
<b>Programme 2.2: Pharmaceuticals and Pharmaceutical Services</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Community Service Obligations - variation to reflect updated parameters	-	-	3,671	3,829
Price parameter adjustments <sup>2</sup>	-	(195)	(390)	(397)
	-	<b>(195)</b>	<b>3,281</b>	<b>3,432</b>
<b>Programme 2.3: Targeted Assistance - Pharmaceuticals</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Price parameter adjustments <sup>2</sup>	-	(98)	(205)	(216)
	-	<b>(98)</b>	<b>(205)</b>	<b>(216)</b>

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>2</sup>See explanation in glossary.

**Table 2.2.3: Programme Expenses Table - Outcome 2**

	2013-14 Actual \$'000	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme expenses 2.1: Community Pharmacy and Pharmaceutical Awareness</b>					
Annual administered expenses					
Ordinary annual services	374,606	405,929	411,803	417,943	424,967
Programme support	8,333	8,075	7,907	7,634	7,828
<b>Total programme expenses</b>	<b>382,939</b>	<b>414,004</b>	<b>419,710</b>	<b>425,577</b>	<b>432,795</b>
<b>Programme expenses 2.2: Pharmaceuticals and Pharmaceutical Services</b>					
Annual administered expenses					
Ordinary annual services	194,942	197,488	200,209	203,338	205,809
Special appropriations					
<i>National Health Act 1953</i>					
- pharmaceutical benefits	9,119,655	9,370,472	9,453,524	9,941,978	10,283,185
Programme support	51,982	46,580	44,393	43,833	44,606
<b>Total programme expenses</b>	<b>9,366,579</b>	<b>9,614,540</b>	<b>9,698,126</b>	<b>10,189,149</b>	<b>10,533,600</b>
<b>Programme expenses 2.3: Targeted Assistance - Pharmaceuticals</b>					
Annual administered expenses					
Ordinary annual services	134,121	151,424	158,080	161,474	166,903
Programme support	2,361	2,414	2,358	2,332	2,389
<b>Total programme expenses</b>	<b>136,482</b>	<b>153,838</b>	<b>160,438</b>	<b>163,806</b>	<b>169,292</b>
<b>Programme expenses 2.4: Targeted Assistance - Aids and Appliances</b>					
Annual administered expenses					
Ordinary annual services	1,500	596	596	596	596
Special appropriations					
<i>National Health Act 1953</i>					
- aids and appliances	288,128	325,129	349,607	353,426	357,792
Programme support	2,299	2,081	2,029	2,004	2,057
<b>Total programme expenses</b>	<b>291,927</b>	<b>327,806</b>	<b>352,232</b>	<b>356,026</b>	<b>360,445</b>

**Programme key performance indicators**

There have been no changes to the performance information for Outcome 2 since the 2014-15 Health PB Statements. Refer to Page 63 of the 2014-15 Health PB Statements for current performance information.

## Outcome 3

### ACCESS TO MEDICAL AND DENTAL SERVICES

Access to cost-effective medical, dental, allied health and hearing services, including through implementing targeted medical assistance strategies, and providing Medicare subsidies for clinically relevant services and hearing devices to eligible people

**Table 2.3.1: Resource Summary - Outcome 3**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 3.1: Medicare Services</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	9,187	9,187	-	-
Special appropriations				
Health Insurance Act 1973 - medical benefits	20,307,671	20,260,420	-	47,251
Departmental expenses				
Departmental appropriation <sup>1</sup>	26,562	26,562	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	1,790	1,790	-	-
<b>Total for Programme 3.1</b>	<b>20,345,210</b>	<b>20,297,959</b>	<b>-</b>	<b>47,251</b>
<b>Programme 3.2: Targeted Assistance - Medical</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	12,689	12,689	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	2,332	2,332	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	170	170	-	-
<b>Total for Programme 3.2</b>	<b>15,191</b>	<b>15,191</b>	<b>-</b>	<b>-</b>
<b>Programme 3.3: Pathology and Diagnostic Imaging Services and Radiation Oncology</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	80,051	80,051	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	7,442	7,442	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	531	531	-	-
<b>Total for Programme 3.3</b>	<b>88,024</b>	<b>88,024</b>	<b>-</b>	<b>-</b>

**Table 2.3.1: Resource Summary – Outcome 3 (cont.)**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 3.4: Medical Indemnity</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	150	150	-	-
Special appropriations				
<i>Medical Indemnity Act 2002</i>	100,148	100,148	-	-
<i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	1,450	1,450	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	337	337	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	23	23	-	-
<b>Total for Programme 3.4</b>	<b>102,108</b>	<b>102,108</b>	-	-
<b>Programme 3.5: Hearing Services</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	479,224	479,224	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	10,748	10,748	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	804	804	-	-
<b>Total for Programme 3.5</b>	<b>490,776</b>	<b>490,776</b>	-	-
<b>Programme 3.6: Dental Services<sup>3</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	5,150	150	-	5,000
Special appropriations				
<i>Dental Benefits Act 2008</i>	594,607	594,607	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	1,004	1,004	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	153	153	-	-
<b>Total for Programme 3.6</b>	<b>600,914</b>	<b>595,914</b>	-	<b>5,000</b>

**Table 2.3.1: Resource Summary – Outcome 3 (cont.)**

	<b>Budget 2014-15 \$'000</b>	<b>Revised 2014-15 \$'000</b>	<b>Additional estimates \$'000</b>	<b>Reduced estimates \$'000</b>
<b>Outcome 3 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	586,451	581,451	-	5,000
Special appropriations	21,003,876	20,956,625	-	47,251
Departmental expenses				
Departmental appropriation <sup>1</sup>	48,425	48,425	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	3,471	3,471	-	-
<b>Total for Outcome 3</b>	<b>21,642,223</b>	<b>21,589,972</b>	<b>-</b>	<b>52,251</b>

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

<sup>2</sup>'Expenses not requiring appropriation in the Budget year' is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

<sup>3</sup> Budget estimates for this programme exclude National Partnership funding paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) framework. National partnerships are listed in Section 2 of the 2014-15 Health PB Statements under each programme. For budget estimates relating to the National Partnership component of the programme, please refer to the 2014-15 Mid-Year Economic and Fiscal Outlook.

	<b>Budget 2014-15</b>	<b>Revised 2014-15</b>
<b>Average staffing level (number)</b>	304	304

Department of Health

**Table 2.1.3: Variations Table - Outcome 3**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 3.1: Medicare Services</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(10)	(20)	(29)
Price parameter adjustments <sup>2</sup>	-	(1)	(1)	(2)
	<b>-</b>	<b>(11)</b>	<b>(21)</b>	<b>(31)</b>
<b>Programme 3.2: Targeted Assistance - Medical</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Strengthening the Constitutional Basis for Commonwealth Spending	-	(2,013)	(2,011)	(2,010)
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(34)	(71)	(109)
Price parameter adjustments <sup>2</sup>	-	(2)	(4)	(4)
	<b>-</b>	<b>(2,049)</b>	<b>(2,086)</b>	<b>(2,123)</b>
<b>Programme 3.3: Pathology and Diagnostic Imaging Services and Radiation Oncology</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(39)	(82)	(125)
Price parameter adjustments <sup>2</sup>	-	(10)	(13)	(21)
	<b>-</b>	<b>(49)</b>	<b>(95)</b>	<b>(146)</b>
<b>Programme 3.5: Hearing Services</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Hearing Services - variation in Programme growth	-	(1,295)	(1,533)	(852)
Price parameter adjustments <sup>2</sup>	-	(515)	(1,080)	(1,106)
	<b>-</b>	<b>(1,810)</b>	<b>(2,613)</b>	<b>(1,958)</b>

**Table 2.3.2: Variations Table - Outcome 3 (cont.)**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 3.6: Dental Services</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Strengthening the Constitutional Basis for Commonwealth Spending	(5,000)	-	-	-
	<b>(5,000)</b>	-	-	-

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>2</sup>See explanation in glossary

**Table 2.3.3: Programme Expenses Table - Outcome 3<sup>1</sup>**

	<b>2014-15 Revised budget \$'000</b>	<b>2015-16 Forward year 1 \$'000</b>	<b>2016-17 Forward year 2 \$'000</b>	<b>2017-18 Forward year 3 \$'000</b>
<b>Programme expenses 3.1: Medicare Services</b>				
Annual administered expenses				
Ordinary annual services	9,187	538	539	541
Special appropriations				
<i>Health Insurance Act 1973</i>				
- medical benefits	20,260,420	20,837,546	21,828,144	22,693,840
Programme support	28,352	24,986	22,767	22,074
<b>Total programme expenses</b>	<b>20,297,959</b>	<b>20,863,070</b>	<b>21,851,450</b>	<b>22,716,455</b>
<b>Programme expenses 3.2: Targeted Assistance - Medical</b>				
Annual administered expenses				
Ordinary annual services	12,689	10,675	10,675	10,675
Programme support	2,502	2,444	2,416	2,476
<b>Total programme expenses</b>	<b>15,191</b>	<b>13,119</b>	<b>13,091</b>	<b>13,151</b>
<b>Programme expenses 3.3: Pathology and Diagnostic Imaging Services and Radiation Oncology</b>				
Annual administered expenses				
Ordinary annual services	80,051	119,210	119,314	119,463
Programme support	7,973	7,791	7,705	7,892
<b>Total programme expenses</b>	<b>88,024</b>	<b>127,001</b>	<b>127,019</b>	<b>127,355</b>
<b>Programme expenses 3.4: Medical Indemnity</b>				
Annual administered expenses				
Ordinary annual services	150	150	150	150
Special appropriations				
<i>Medical Indemnity Act 2002</i>	100,148	106,495	113,442	121,089
<i>Midwife Professional Indemnity</i> <i>(Run-off Cover Support Payment)</i> <i>Act 2010</i>	1,450	4,564	8,132	10,090
Programme support	360	352	348	356
<b>Total programme expenses</b>	<b>102,108</b>	<b>111,561</b>	<b>122,072</b>	<b>131,685</b>
<b>Programme expenses 3.5: Hearing Services</b>				
Annual administered expenses				
Ordinary annual services	479,224	533,258	558,220	572,746
Programme support	11,552	11,277	11,147	11,429
<b>Total programme expenses</b>	<b>490,776</b>	<b>544,535</b>	<b>569,367</b>	<b>584,175</b>



**Table 2.3.3: Programme Expenses Table - Outcome 3<sup>1</sup> (cont.)**

	<b>2014-15 Revised budget \$'000</b>	<b>2015-16 Forward year 1 \$'000</b>	<b>2016-17 Forward year 2 \$'000</b>	<b>2017-18 Forward year 3 \$'000</b>
<b>Programme expenses 3.6: Dental Services</b>				
Annual administered expenses				
Ordinary annual services	150	-	-	-
Special appropriations				
<i>Dental Benefits Act 2008</i>	594,607	620,336	641,341	667,374
Programme support	1,157	948	840	803
<b>Total programme expenses</b>	<b>595,914</b>	<b>621,284</b>	<b>642,181</b>	<b>668,177</b>

<sup>1</sup>2013-14 available appropriation is not supplied due to a change in the Outcome and Programme structure for 2014-15. Details of the revised outcome structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.

#### **Programme key performance indicators**

There have been no changes to the performance information for Outcome 3 since the 2014-15 Health PB Statements. Refer to Page 79 of the 2014-15 Health PB Statements for current performance information.



## Outcome 4

### ACUTE CARE

Improved access to, and efficiency of, public hospitals, acute and subacute care services, including through payments to state and territory governments

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

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 4.1: Public Hospitals and Information<sup>1</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	108,048	99,958	-	8,090
Non cash expenses - depreciation	-	963	963	-
Departmental expenses				
Departmental appropriation <sup>2</sup>	47,027	47,027	-	-
Expenses not requiring appropriation in the budget year <sup>3</sup>	2,127	2,127	-	-
<b>Total for Programme 4.1</b>	<b>157,202</b>	<b>150,075</b>	<b>963</b>	<b>8,090</b>
<b>Outcome 4 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	108,048	99,958	-	8,090
Non cash expenses - depreciation	-	963	963	-
Departmental expenses				
Departmental appropriation <sup>2</sup>	47,027	47,027	-	-
Expenses not requiring appropriation in the budget year <sup>3</sup>	2,127	2,127	-	-
<b>Total for Outcome 4</b>	<b>157,202</b>	<b>150,075</b>	<b>963</b>	<b>8,090</b>

<sup>1</sup>Budget estimates for this programme exclude National Partnership funding paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) framework. National Partnerships are listed in Section 2 of the 2014-15 Health PB Statements under each programme. For budget estimates relating to National Partnerships, please refer to the 2014-15 Mid-Year Economic and Fiscal Outlook.

<sup>2</sup>Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources'.

<sup>3</sup>"Expenses not requiring appropriation in the Budget year" is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	160	160

**Table 2.4.2: Variations Table - Outcome 4**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 4.1: Public Hospitals and Information</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - National Partnership Agreement on Improving Health Services in Tasmania - additional elective surgery procedures	(8,090)	(598)	-	-
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(61)	(127)	(194)
<b>Measure</b> - Smaller Government - Health Portfolio	-	(15)	(15)	(15)
Price parameter adjustments <sup>2</sup>	-	(4)	(7)	(7)
	<b>(8,090)</b>	<b>(678)</b>	<b>(149)</b>	<b>(216)</b>

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>2</sup>See explanation in glossary.

**Table 2.4.3: Programme Expenses Table - Outcome 4<sup>1</sup>**

	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme expenses 4.1: Public Hospitals and Information</b>				
Annual administered expenses				
Ordinary annual services	99,958	87,811	69,724	69,724
Non cash expenses - depreciation	963	963	963	963
Programme support	49,154	47,668	46,721	46,828
<b>Total programme expenses</b>	<b>150,075</b>	<b>136,442</b>	<b>117,408</b>	<b>117,515</b>

<sup>1</sup>2013-14 available appropriation is not supplied due to a change in the Outcome and Programme structure for 2014-15. Details of the revised outcome structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.

**Programme key performance indicators**

The table below outlines changes to performance information within Outcome 4 since the 2014-15 Health PB Statements. Further performance information for Outcome 4 can be found at Page 97 of the 2014-15 Health PB Statements.

**Programme 4.1: Public Hospitals and Information**

**Quantitative Deliverables for Programme 4.1**

**Improving health services in Tasmania**

Quantitative Deliverable	2013-14 Actual	2014-15 Target	2015-16 Forward Year 1	2016-17 Forward Year 2	2017-18 Forward Year 3
Additional elective surgery procedures for Tasmania <sup>1</sup>	633	2,500	N/A <sup>2</sup>	N/A <sup>3</sup>	N/A

<sup>1</sup> The target has been revised to reflect a funding increase from \$30.5m to \$53.9m over the term of the agreement to 30 June 2016. Accordingly, on 30 June 2014 the targets in *Schedule A – Reforming Elective Surgery in Tasmania of the National Partnership Agreement on Improving Health Services in Tasmania* were also revised.

<sup>2</sup> The target for 2015-16 is yet to be finalised.

<sup>3</sup> Funding for this measure is not agreed beyond 2015-16.



## Outcome 5

### PRIMARY HEALTH CARE

**Access to comprehensive primary and mental health care services, and health care services for Aboriginal and Torres Strait Islander peoples and rural and remote populations, including through first point of call services for the prevention, diagnosis and treatment of ill-health and ongoing services for managing chronic disease**

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

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 5.1: Primary Care Financing Quality and Access</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	542,134	539,437	-	2,697
Departmental expenses				
Departmental appropriation <sup>1</sup>	26,758	29,455	2,697	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	2,096	2,096	-	-
<b>Total for Programme 5.1</b>	<b>570,988</b>	<b>570,988</b>	<b>2,697</b>	<b>2,697</b>
<b>Programme 5.2: Primary Care Practice Incentives</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	243,460	243,460	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	4,036	4,036	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	364	364	-	-
<b>Total for Programme 5.2</b>	<b>247,860</b>	<b>247,860</b>	<b>-</b>	<b>-</b>
<b>Programme 5.3: Aboriginal and Torres Strait Islander Health<sup>3</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	681,052	681,052	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	46,675	46,675	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	3,683	3,683	-	-
<b>Total for Programme 5.3</b>	<b>731,410</b>	<b>731,410</b>	<b>-</b>	<b>-</b>

Department of Health

**Table 2.5.1: Resource Summary - Outcome 5 (cont.)**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 5.4: Mental Health<sup>3</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	643,120	633,247	-	9,873
Departmental expenses				
Departmental appropriation <sup>1</sup>	16,637	16,637	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	1,383	1,383	-	-
<b>Total for Programme 5.4</b>	<b>661,140</b>	<b>651,267</b>	<b>-</b>	<b>9,873</b>
<b>Programme 5.5: Rural Health Services</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	97,197	97,197	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	4,910	4,910	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	392	392	-	-
<b>Total for Programme 5.5</b>	<b>102,499</b>	<b>102,499</b>	<b>-</b>	<b>-</b>
<b>Outcome 5 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	2,206,963	2,194,393	-	12,570
Departmental expenses				
Departmental appropriation <sup>1</sup>	99,016	101,713	2,697	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	7,918	7,918	-	-
<b>Total for Outcome 5</b>	<b>2,313,897</b>	<b>2,304,024</b>	<b>2,697</b>	<b>12,570</b>
<sup>1</sup> Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources'.				
<sup>2</sup> "Expenses not requiring appropriation in the Budget year" is made up of depreciation expense, amortisation expense, makegood expense and audit fees.				
<sup>3</sup> Budget estimates for this programme exclude National Partnership funding paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) framework. National Partnerships are listed in Section 2 of the 2014-15 Health PB Statements under each programme. For budget estimates relating to the National Partnership component of the programme, please refer to the 2014-15 Mid-Year Economic and Fiscal Outlook.				
	<b>Budget 2014-15</b>	<b>Revised 2014-15</b>		
<b>Average staffing level (number)</b>	593	612		



Table 2.5.2: Variations Table - Outcome 5

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 5.1: Primary Care Financing Quality and Access</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(360)	-	-
Primary Health Networks - transfer to departmental	(2,697)	(3,180)	(3,094)	(2,992)
Price parameter adjustments <sup>2</sup>	-	(539)	(1,051)	(1,067)
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Primary Health Networks - transfer from administered	2,697	3,180	3,094	2,992
	-	<b>(899)</b>	<b>(1,051)</b>	<b>(1,067)</b>
<b>Programme 5.2: Primary Care Practice Incentives</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Price parameter adjustments <sup>2</sup>	-	(268)	(284)	(581)
	-	<b>(268)</b>	<b>(284)</b>	<b>(581)</b>
<b>Programme 5.3: Aboriginal and Torres Strait Islander Health</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Indigenous Australian Health Programme - renal accommodation - movement of funds from 2013-14	10,000	-	-	-
Indigenous Australian Health Programme - renal accommodation - transfer to Treasury	(10,000)	-	-	-
Price parameter adjustments <sup>2</sup>	-	(719)	(786)	(1,751)
	-	<b>(719)</b>	<b>(786)</b>	<b>(1,751)</b>

**Table 2.5.2: Variations Table - Outcome 5 (cont.)**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 5.4: Mental Health</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - National Partnership Agreement on Improving Health Services in Tasmania - additional elective surgery and reform	(4,000)	(4,000)	-	-
<b>Measure</b> - Introduction of Temporary Protection Visas and Safe Haven Enterprise Visas	-	(752)	488	(143)
Youth Mental Health - movement of funds between years	(5,873)	-	7,553	-
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(3,300)	(6,816)	(10,354)
Price parameter adjustments <sup>2</sup>	-	(694)	(1,318)	(1,392)
	<b>(9,873)</b>	<b>(8,746)</b>	<b>(93)</b>	<b>(11,889)</b>
<b>Programme 5.5: Rural Health Services</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Price parameter adjustments <sup>2</sup>	-	(91)	(119)	(120)
	<b>-</b>	<b>(91)</b>	<b>(119)</b>	<b>(120)</b>

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>2</sup>See explanation in glossary.

**Table 2.5.3: Programme Expenses Table - Outcome 5<sup>1</sup>**

	<b>2014-15 Revised budget \$'000</b>	<b>2015-16 Forward year 1 \$'000</b>	<b>2016-17 Forward year 2 \$'000</b>	<b>2017-18 Forward year 3 \$'000</b>
<b>Programme expenses 5.1: Primary Care Financing, Quality and Access</b>				
Annual administered expenses				
Ordinary annual services	539,437	543,674	530,490	539,282
Programme support	31,551	31,322	30,448	30,631
<b>Total programme expenses</b>	<b>570,988</b>	<b>574,996</b>	<b>560,938</b>	<b>569,913</b>
<b>Programme expenses 5.2: Primary Care Practice Incentives</b>				
Annual administered expenses				
Ordinary annual services	243,460	272,148	288,693	295,632
Programme support	4,400	4,278	4,023	3,954
<b>Total programme expenses</b>	<b>247,860</b>	<b>276,426</b>	<b>292,716</b>	<b>299,586</b>
<b>Programme expenses 5.3: Aboriginal and Torres Strait Islander Health</b>				
Annual administered expenses				
Ordinary annual services	681,052	731,121	799,634	890,995
Programme support	50,358	49,327	48,762	50,082
<b>Total programme expenses</b>	<b>731,410</b>	<b>780,448</b>	<b>848,396</b>	<b>941,077</b>
<b>Programme expenses 5.4: Mental Health</b>				
Annual administered expenses				
Ordinary annual services	633,247	699,584	707,205	713,540
Programme support	18,020	17,070	16,734	17,137
<b>Total programme expenses</b>	<b>651,267</b>	<b>716,654</b>	<b>723,939</b>	<b>730,677</b>
<b>Programme expenses 5.5: Rural Health Services</b>				
Annual administered expenses				
Ordinary annual services	97,197	92,958	90,225	91,449
Programme support	5,302	5,148	5,015	5,082
<b>Total programme expenses</b>	<b>102,499</b>	<b>98,106</b>	<b>95,240</b>	<b>96,531</b>

<sup>1</sup>2013-14 available appropriation is not supplied due to a change in the Outcome and Programme structure for 2014-15. Details of the revised outcome structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.

### Programme key performance indicators

The table below outlines changes to performance information within Outcome 5 since the 2014-15 Health PB Statements. Further performance information for Outcome 5 can be found at Page 103 of the 2014-15 Health PB Statements.

### Programme 5.3: Aboriginal and Torres Strait Islander Health

#### Quantitative Key Performance Indicators for Programme 5.3

##### Reduce chronic disease

Quantitative Indicators	2012 Actual	2013 Target	2014	2015	2016 <sup>4</sup>
Chronic disease related mortality rate per 100,000 <sup>5</sup>					
• Aboriginal and Torres Strait Islander	661	622-662	602-641	583-621	564-601
• Non-Aboriginal and Torres Strait Islander	456	443-449	434-441	425-432	417-423
• Rate difference	205	175-216	165-204	154-193	144-182

##### Improve child and maternal health

Quantitative Indicators	2012 Actual	2013 Target	2014	2015	2016 <sup>6</sup>
Child 0-4 mortality rate per 100,000 <sup>7</sup>					
• Aboriginal and Torres Strait Islander	163	118-173	112-166	107-158	101-151
• Non-Aboriginal and Torres Strait Islander	79	82-93	80-91	78-89	76-86
• Rate difference	63	30-87	27-81	23-76	19-70

<sup>4</sup> Note that this data is reported on a calendar year basis. The targets are amended each year as new mortality data becomes available. The 2013 target and forward years are based on a trajectory required to close the gap between Indigenous and non-Indigenous Australians by 2031. Source: AIHW National Mortality Database, calendar years 1998-2012 (which is the most up-to-date data available) and includes jurisdictions for which data are available and of sufficient quality to publish (NSW, Qld, WA, SA and NT combined).

<sup>5</sup> This data has been revised following the ABS release on 30 April 2014 of new Indigenous backcast population estimates and projections based on the 2011 Census. Due to this revision the 2012 Actual figures will differ from those published in the Department's 2013-14 Annual Report.

<sup>6</sup> Note that this data is reported on a calendar year basis. The targets are amended each year as new mortality data becomes available. The 2013 target and forward years are based on a trajectory required to halve the gap between Indigenous and non-Indigenous Australians by 2018. Source: AIHW National Mortality Database, calendar years 1998-2012 (which is the most up-to-date data available) and includes jurisdictions for which data are available and of sufficient quality to publish (NSW, Qld, WA, SA and NT combined).

<sup>7</sup> This data has been revised following the ABS release on 30 April 2014 of new Indigenous backcast population estimates and projections based on the 2011 Census. Due to this revision the 2012 Actual figures will differ from those published in the Department's 2013-14 Annual Report.

## Outcome 6

### PRIVATE HEALTH

**Improved choice in health services by supporting affordable quality private health care, including through private health insurance rebates and a regulatory framework**

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

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 6.1: Private Health Insurance</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	2,247	2,247	-	-
Special appropriations				
<i>Private Health Insurance Act 2007</i>				
- private health insurance rebate	5,788,508	5,918,545	130,037	-
- risk equalisation trust fund	504,376	504,376	-	-
- council administration levy	6,768	6,219	-	549
Departmental expenses				
Departmental appropriation <sup>1</sup>	13,683	13,683	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	870	870	-	-
<b>Total for Programme 6.1</b>	<b>6,316,452</b>	<b>6,445,940</b>	<b>130,037</b>	<b>549</b>
<b>Outcome 6 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	2,247	2,247	-	-
Special appropriations	6,299,652	6,429,140	129,488	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	13,683	13,683	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	870	870	-	-
<b>Total for Outcome 6</b>	<b>6,316,452</b>	<b>6,445,940</b>	<b>129,488</b>	<b>-</b>

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

<sup>2</sup>"Expenses not requiring appropriation in the Budget year" is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	77	77

**Table 2.6.2: Variations Table - Outcome 6**

There are no variations for Outcome 6.

**Table 2.6.3: Programme Expenses Table - Outcome 6<sup>1</sup>**

	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme expenses 6.1: Private Health Insurance</b>				
Annual administered expenses				
Ordinary annual services	2,247	2,247	2,247	2,247
Special appropriations				
<i>Private Health Insurance Act 2007</i>				
- private health insurance rebate	5,918,545	6,148,889	6,410,828	6,671,040
- risk equalisation trust fund	504,376	557,080	613,372	673,240
- council administration levy	6,219	6,974	7,186	7,404
Programme support	14,553	13,846	13,624	13,881
<b>Total programme expenses</b>	<b>6,445,940</b>	<b>6,729,036</b>	<b>7,047,257</b>	<b>7,367,812</b>

<sup>1</sup>2013-14 available appropriation is not supplied due to a change in the Outcome and Programme structure for 2014-15. Details of the revised outcome structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.

**Programme key performance indicators**

There have been no changes to the performance information for Outcome 6 since the 2014-15 Health PB Statements. Refer to Page 119 of the 2014-15 Health PB Statements for current performance information.

## Outcome 7

### HEALTH INFRASTRUCTURE, REGULATION, SAFETY AND QUALITY

**Improved capacity, quality and safety of Australia’s health care system to meet current and future health needs including through investment in health infrastructure, regulation, international health policy engagement, research into health care, and support for blood and organ donation services**

**Table 2.7.1: Resource Summary - Outcome 7**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 7.1: e-Health<sup>1</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	135,221	135,221	-	-
Non cash expenses <sup>2</sup>	18,309	18,309	-	-
Departmental expenses				
Departmental appropriation <sup>3</sup>	22,420	22,420	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	1,405	1,405	-	-
<b>Total for Programme 7.1</b>	<b>177,355</b>	<b>177,355</b>	-	-
<b>Programme 7.2: Health Information</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	28,314	27,914	-	400
Departmental expenses				
Departmental appropriation <sup>3</sup>	1,353	1,353	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	129	129	-	-
<b>Total for Programme 7.2</b>	<b>29,796</b>	<b>29,396</b>	-	<b>400</b>
<b>Programme 7.3: International Policy Engagement</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	14,912	14,912	-	-
Departmental expenses				
Departmental appropriation <sup>3</sup>	11	11	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	1	1	-	-
<b>Total for Programme 7.3</b>	<b>14,924</b>	<b>14,924</b>	-	-

Department of Health

**Table 2.7.1: Resource Summary - Outcome 7 (cont.)**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 7.4: Research Capacity and Quality<sup>1</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	82,159	82,152	-	7
Medical Research Future Fund	-	-	-	-
Departmental expenses				
Departmental appropriation <sup>3</sup>	6,213	6,213	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	532	532	-	-
<b>Total for Programme 7.4</b>	<b>88,904</b>	<b>88,897</b>	<b>-</b>	<b>7</b>
<b>Programme 7.5: Health Infrastructure<sup>1</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	69,710	69,860	-	(150)
Special accounts				
Health and Hospitals Fund Health Portfolio <sup>5</sup>	795,233	719,207	-	76,026
Departmental expenses				
Departmental appropriation <sup>3</sup>	9,895	9,895	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	756	756	-	-
<b>Total for Programme 7.5</b>	<b>875,594</b>	<b>799,718</b>	<b>-</b>	<b>75,876</b>
<b>Programme 7.6: Blood and Organ Donation<sup>1</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	18,058	18,058	-	-
Special appropriations				
National Health Act 1953 - Blood Fractionation Products and Blood Related Products to National Blood Authority	718,906	535,345	-	183,561
Departmental expenses				
Departmental appropriation <sup>3</sup>	4,035	4,035	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	354	354	-	-
<b>Total for Programme 7.6</b>	<b>741,353</b>	<b>557,792</b>	<b>-</b>	<b>183,561</b>



**Table 2.7.1: Resource Summary - Outcome 7 (cont.)**

	<b>Budget 2014-15 \$'000</b>	<b>Revised 2014-15 \$'000</b>	<b>Additional estimates \$'000</b>	<b>Reduced estimates \$'000</b>
<b>Programme 7.7: Regulatory Policy</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	105	105	-	-
Departmental expenses				
Departmental appropriation <sup>3</sup>	29,548	29,548	-	-
to special accounts	(15,848)	(15,848)	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	905	905	-	-
Special accounts				
OGTR Special Account <sup>6</sup>	8,001	8,001	-	-
NICNAS Special Account <sup>7</sup>	13,267	13,267	-	-
TGA Special Account <sup>8</sup>	147,736	147,736	-	-
Expense adjustment <sup>9</sup>	(8,521)	(8,521)	-	-
<b>Total for Programme 7.7</b>	<b>175,193</b>	<b>175,193</b>	<b>-</b>	<b>-</b>
<b>Outcome 7 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	348,479	348,222	-	257
Non cash expenses <sup>2</sup>	18,309	18,309	-	-
Special appropriations	718,906	535,345	-	183,561
Special accounts	795,233	719,207	-	76,026
Departmental expenses				
Departmental appropriation <sup>3</sup>	73,475	73,475	-	-
to special accounts	(15,848)	(15,848)	-	-
Special accounts	160,483	160,483	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	4,082	4,082	-	-
<b>Total for Outcome 7</b>	<b>2,103,119</b>	<b>1,843,275</b>	<b>-</b>	<b>259,844</b>
<sup>1</sup> Budget estimates for this programme exclude National Partnership funding paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) framework. National partnerships are listed in Section 2 of the 2014-15 Health PB Statements under each programme. For budget estimates relating to the National Partnership component of the programme, please refer to the 2014-15 Mid-Year Economic and Fiscal Outlook.				
<sup>2</sup> Non cash expenses" relates to the depreciation of computer software.				
<sup>3</sup> Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources'.				
<sup>4</sup> "Expenses not requiring appropriation in the Budget year" is made up of depreciation expense, amortisation expense, makegood expense and audit fees.				
<sup>5</sup> Health and Hospitals Fund payments to the states and territories, included in this programme, are paid by the Treasury. For more detailed estimates relating to state and territory payments under this programme refer to the 2014-15 Mid-Year Economic and Fiscal Outlook.				
<sup>6</sup> Office of the Gene Technology Regulator Special Account.				
<sup>7</sup> National Industrial Chemical Notification and Assessment Scheme Special Account.				
<sup>8</sup> Therapeutic Goods Administration Special Account.				
<sup>9</sup> Special Accounts are reported on a cash basis.				
	<b>Budget 2014-15</b>	<b>Revised 2014-15</b>		
<b>Average staffing level (number)</b>	1,149	1,149		

**Table 2.7.2: Variations Table - Outcome 7**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 7.1: e-Health</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Personally Controlled Electronic Health Record System - continuation <sup>1</sup>	-	28,660	-	-
	<b>-</b>	<b>28,660</b>	<b>-</b>	<b>-</b>
<b>Programme 7.2: Health Information</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Duke of Edinburgh International Award - contribution	(400)	-	-	-
Price parameter adjustments <sup>2</sup>	-	(22)	(42)	(42)
	<b>(400)</b>	<b>(22)</b>	<b>(42)</b>	<b>(42)</b>
<b>Programme 7.4: Research Capacity and Quality</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Administered Programme Indexation Pause <sup>3</sup>	-	(16)	(33)	(50)
<b>Measure</b> - Communications and Public Affairs Functions - targeted savings <sup>4</sup>	(7)	(13)	(13)	(13)
Price parameter adjustments <sup>2</sup>	-	(19)	(34)	(35)
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Smaller Government - Health Portfolio	-	1,560	-	-
	<b>(7)</b>	<b>1,512</b>	<b>(80)</b>	<b>(98)</b>
<b>Programme 7.5: Health Infrastructure</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Pine Rivers Hospital Feasibility Study - transfer from the Department of Infrastructure and Regional Development	150	100	-	-
Price parameter adjustments <sup>2</sup>	-	-	-	(12)
	<b>150</b>	<b>100</b>	<b>-</b>	<b>(12)</b>

**Table 2.7.2: Variations Table - Outcome 7 (cont.)**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 7.6: Blood and Organ Donation</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Price parameter adjustments <sup>2</sup>	-	(8)	(12)	203
	-	<b>(8)</b>	<b>(12)</b>	<b>203</b>
<b>Programme 7.7: Regulatory Policy</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Gene Technology Act - amendments	-	-	(9)	(10)
Price parameter adjustments <sup>2</sup>	-	(15)	(15)	(23)
	-	<b>(15)</b>	<b>(24)</b>	<b>(33)</b>

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer to page 140 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>2</sup>See explanation in glossary

<sup>3</sup> This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>4</sup>This measure was announced as part of the 2014-15 Budget (refer to page 113 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

**Table 2.7.3: Programme Expenses Table - Outcome 7<sup>1</sup>**

	<b>2014-15 Revised budget \$'000</b>	<b>2015-16 Forward year 1 \$'000</b>	<b>2016-17 Forward year 2 \$'000</b>	<b>2017-18 Forward year 3 \$'000</b>
<b>Programme expenses 7.1: eHealth Implementation</b>				
Annual administered expenses				
Ordinary annual services	135,221	41,519	-	-
Non cash expenses <sup>2</sup>	18,309	18,309	18,308	-
Programme support	23,825	12,785	11,708	11,351
<b>Total programme expenses</b>	<b>177,355</b>	<b>72,613</b>	<b>30,016</b>	<b>11,351</b>
<b>Programme expenses 7.2: Health Information</b>				
Annual administered expenses				
Ordinary annual services	27,914	24,409	23,692	23,726
Programme support	1,482	1,438	1,417	1,462
<b>Total programme expenses</b>	<b>29,396</b>	<b>25,847</b>	<b>25,109</b>	<b>25,188</b>
<b>Programme expenses 7.3: International Policy Engagement</b>				
Annual administered expenses				
Ordinary annual services	14,912	14,912	14,912	14,912
Programme support	12	12	12	12
<b>Total programme expenses</b>	<b>14,924</b>	<b>14,924</b>	<b>14,924</b>	<b>14,924</b>
<b>Programme expenses 7.4: Research Capacity and Quality</b>				
Annual administered expenses				
Ordinary annual services	82,152	81,771	83,484	83,478
Medical Research Future Fund	-	19,909	76,982	179,327
Programme support	6,745	8,123	6,477	6,664
<b>Total programme expenses</b>	<b>88,897</b>	<b>109,803</b>	<b>166,943</b>	<b>269,469</b>
<b>Programme expenses 7.5: Health Infrastructure</b>				
Annual administered expenses				
Ordinary annual services	69,860	34,059	11,459	7,047
Special account expenses				
Health and Hospitals Fund				
Health Portfolio				
Special Account <sup>3</sup>	719,207	409,831	58,587	15,318
Programme support	10,651	10,393	10,279	10,496
<b>Total programme expenses</b>	<b>799,718</b>	<b>454,283</b>	<b>80,325</b>	<b>32,861</b>

Table 2.7.3: Programme Expenses Table - Outcome 7'(cont.)

	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme expenses 7.6: Blood and Organ Donation Services</b>				
Annual administered expenses				
Ordinary annual services	18,058	18,772	20,712	21,083
Special appropriations				
<i>National Health Act 1953</i>				
- Blood Fractionation, Products and Blood Related Products to National Blood Authority	535,345	764,536	811,816	863,258
Programme support	4,389	3,900	3,706	3,694
<b>Total programme expenses</b>	<b>557,792</b>	<b>787,208</b>	<b>836,234</b>	<b>888,035</b>
<b>Programme expenses 7.7: Regulatory Policy</b>				
Annual administered expenses				
Ordinary annual services	105	270	272	273
Programme support	14,605	11,876	11,721	12,037
Departmental Special Accounts				
OGTR Special Account <sup>4</sup>	8,001	7,914	9,858	7,936
NICNAS Special Account <sup>5</sup>	13,267	13,583	13,533	13,533
TGA Special Account <sup>6</sup>	147,736	139,265	137,237	135,452
Expense adjustment <sup>7</sup>	(8,521)	(3,385)	(1,979)	2,831
<b>Total programme expenses</b>	<b>175,193</b>	<b>169,523</b>	<b>170,642</b>	<b>172,062</b>

<sup>1</sup>2013-14 available appropriation is not supplied due to a change in the Outcome and Programme structure for 2014-15. Details of the revised outcome structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.

<sup>2</sup>"Non cash expenses" relates to the depreciation of computer software.

<sup>3</sup>Health and Hospitals Fund payments to the states and territories, included in this programme, are paid by the Treasury. For more detailed estimates relating to state and territory payments under this programme refer to the 2014-15 Mid-Year Economic and Fiscal Outlook.

<sup>4</sup>Office of the Gene Technology Regulator Special Account.

<sup>5</sup>National Industrial Chemical Notification and Assessment Scheme Special Account.

<sup>6</sup>Therapeutic Goods Administration Special Account.

<sup>7</sup>Special Accounts are reported on a cash basis.

*Department of Health*

**Programme key performance indicators**

The table below outlines changes to performance information within Outcome 7 since the 2014-15 Health PB Statements. Further performance information for Outcome 7 can be found at Page 97 of the 2014-15 Health PB Statements.

**Programme 7.7: Regulatory Policy**

**Quantitative Deliverables for Programme 7.7**

**Continue therapeutic goods reform process**

<b>Quantitative Deliverable</b>	<b>2013-14 Actual</b>	<b>2014-15 Target</b>	<b>2015-16 Forward Year 1</b>	<b>2016-17 Forward Year 2</b>	<b>2017-18 Forward Year 3</b>
Number of reforms implemented to enhance TGA's regulatory processes <sup>8</sup>	9	2	9	N/A	N/A

<sup>8</sup> The TGA Reform Blueprint included 48 recommendations for implementation over the financial years 2011-12 to 2015-16. All of the recommendations are expected to be implemented by 2015-16. The reference targets have changed as implementation of a small number of recommendations are on hold pending the consideration of the Expert Panel Review of Medicines and Medical Device Regulation.

## Outcome 8

### HEALTH WORKFORCE CAPACITY

Improved capacity, quality and mix of the health workforce to meet the requirements of health services, including through training, registration, accreditation and distribution strategies

**Table 2.8.1: Resource Summary – Outcome 8**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 8.1: Workforce and Rural Distribution</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	1,181,972	1,181,968	-	4
Departmental expenses				
Departmental appropriation <sup>1</sup>	26,222	26,222	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	1,449	1,449	-	-
<b>Total for Programme 8.1</b>	<b>1,209,643</b>	<b>1,209,639</b>	<b>-</b>	<b>4</b>
<b>Programme 8.2: Workforce Development and Innovation</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	214,780	214,780	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	23,288	23,288	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	441	441	-	-
<b>Total for Programme 8.2</b>	<b>238,509</b>	<b>238,509</b>	<b>-</b>	<b>-</b>
<b>Outcome 8 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	1,396,752	1,396,748	-	4
Departmental expenses				
Departmental appropriation <sup>1</sup>	49,510	49,510	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	1,890	1,890	-	-
<b>Total for Outcome 8</b>	<b>1,448,152</b>	<b>1,448,148</b>	<b>-</b>	<b>4</b>

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

<sup>2</sup>"Expenses not requiring appropriation in the Budget year" is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	255	255

Department of Health

**Table 2.8.2: Variations Table – Outcome 8**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 8.1: Workforce and Rural Distribution</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(146)	(303)	(464)
<b>Measure</b> - Smaller Government - Health Portfolio	(4)	(4)	(4)	(4)
Price parameter adjustments <sup>2</sup>	-	(1,028)	(2,105)	(2,206)
	<b>(4)</b>	<b>(1,178)</b>	<b>(2,412)</b>	<b>(2,674)</b>
<b>Programme 8.2: Workforce Development and Innovation</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
Price parameter adjustments <sup>3</sup>	-	(195)	(389)	(392)
	-	<b>(195)</b>	<b>(389)</b>	<b>(392)</b>

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>2</sup>See explanation in glossary.

**Table 2.8.3: Programme Expenses Table – Outcome 8<sup>1</sup>**

	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme expenses 8.1: Workforce and Rural Distribution</b>				
Annual administered expenses				
Ordinary annual services	1,181,968	1,137,574	1,163,684	1,214,105
Programme support	27,671	26,669	24,635	24,477
<b>Total programme expenses</b>	<b>1,209,639</b>	<b>1,164,243</b>	<b>1,188,319</b>	<b>1,238,582</b>
<b>Programme expenses 8.2: Workforce Development and Innovation</b>				
Annual administered expenses				
Ordinary annual services	214,780	226,869	230,433	229,657
Programme support	23,729	19,795	17,757	18,027
<b>Total programme expenses</b>	<b>238,509</b>	<b>246,664</b>	<b>248,190</b>	<b>247,684</b>

<sup>1</sup>2013-14 available appropriation is not supplied due to a change in the Outcome and Programme structure for 2014-15. Details of the revised outcome structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.



**Programme key performance indicators**

There have been no changes to the performance information for Outcome 8 since the 2014-15 Health PB Statements. Refer to Page 153 of the 2014-15 Health PB Statements for current performance information.



## Outcome 9

### BIOSECURITY AND EMERGENCY RESPONSE

**Preparedness to respond to national health emergencies and risks, including through surveillance, regulation, prevention, detection and leadership in national health coordination**

**Table 2.9.1: Resource Summary - Outcome 9**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 9.1: Health Emergency Planning and Response<sup>1</sup></b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	nfp	nfp	-	-
Special accounts				
Human Pituitary Hormones	160	160	-	-
Non cash expenses - write-down of assets <sup>2</sup>	25,978	3,228	-	22,750
Departmental expenses				
Departmental appropriation <sup>3</sup>	25,299	25,299	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	2,046	2,046	-	-
<b>Total for Programme 9.1</b>	<b>nfp</b>	<b>nfp</b>	<b>-</b>	<b>22,750</b>
<b>Outcome 9 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	nfp	nfp	-	-
Special accounts	160	160	-	-
Non cash expenses - write-down of assets <sup>2</sup>	25,978	3,228	-	22,750
Departmental expenses				
Departmental appropriation <sup>3</sup>	25,299	25,299	-	-
Expenses not requiring appropriation in the budget year <sup>4</sup>	2,046	2,046	-	-
<b>Total for Outcome 9</b>	<b>nfp</b>	<b>nfp</b>	<b>-</b>	<b>22,750</b>

<sup>1</sup>Budget estimates for this programme exclude National Partnership funding paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) framework. National partnerships are listed in Section 2 of the 2014-15 Health PB Statements under each programme. For budget estimates relating to the National Partnership component of the programme, please refer to the 2014-15 Mid-Year Economic and Fiscal Outlook.

<sup>2</sup>Non cash expenses relate to the write-downs of the drug stockpile due to the expiration, consumption and distribution.

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

<sup>4</sup>"Expenses not requiring appropriation in the Budget year" is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	148	148

**Table 2.9.2: Variations Table - Outcome 9**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 9.1: Health Emergency Planning and Response</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(27)	(57)	(86)
Price parameter and other adjustments <sup>2</sup>	-	(58)	(117)	(117)
	-	<b>(85)</b>	<b>(174)</b>	<b>(203)</b>

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>2</sup>See explanation in glossary.

**Table 2.9.3: Programme Expenses Table - Outcome 9<sup>1</sup>**

	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme expenses 9.1: Health Emergency Planning and Response</b>				
Annual administered expenses				
Ordinary annual services	nfp	nfp	nfp	nfp
Special accounts				
Human Pituitary Hormones	160	160	160	170
Non cash expenses <sup>2</sup>	3,228	101,656	17,577	28,276
Programme support	27,345	26,687	26,377	27,051
<b>Total programme expenses</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>	<b>nfp</b>

<sup>1</sup>2013-14 available appropriation is not supplied due to a change in the Outcome and Programme structure for 2014-15. Details of the revised outcome structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.

<sup>2</sup>Non cash expenses relate to the write down of drug stockpile inventory due to expiration, consumption and distribution.

**Programme key performance indicators**

There have been no changes to the performance information for Outcome 9 since the 2014-15 Health PB Statements. Refer to Page 161 of the 2014-15 Health PB Statements for current performance information.

## Outcome 10

### SPORT AND RECREATION

**Improved opportunities for community participation in sport and recreation, and excellence in high-performance athletes, through initiatives to help protect the integrity of sport, investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues**

**Table 2.10.1: Resource Summary - Outcome 10**

	Budget 2014-15 \$'000	Revised 2014-15 \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Programme 10.1: Sport and Recreation</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	40,924	47,796	6,872	-
Special accounts				
Sport and Recreation Special Account	12,168	12,168	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	14,629	14,629	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	737	737	-	-
<b>Total for Programme 10.1</b>	<b>68,458</b>	<b>75,330</b>	<b>6,872</b>	<b>-</b>
<b>Outcome 10 totals by appropriation type</b>				
Administered expenses				
Ordinary annual services (Bill 1/3)	40,924	47,796	6,872	-
Special accounts	12,168	12,168	-	-
Departmental expenses				
Departmental appropriation <sup>1</sup>	14,629	14,629	-	-
Expenses not requiring appropriation in the budget year <sup>2</sup>	737	737	-	-
<b>Total for Outcome 10</b>	<b>68,458</b>	<b>75,330</b>	<b>6,872</b>	<b>-</b>

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

<sup>2</sup>"Expenses not requiring appropriation in the Budget year" is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	75	75

**Table 2.10.2: Variations Table - Outcome 10**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 10.1: Sport and Recreation</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Gold Coast Suns AFL Club				
- upgrade of Metricon Stadium facilities	7,500	7,500	-	-
<b>Measure</b> - South Sydney Rabbitohs Community				
High Performance Centre of Excellence - contribution	5,000	5,000	-	-
<b>Measure</b> - Administered Programme Indexation Pause <sup>1</sup>	-	(113)	(312)	(477)
<b>Measure</b> - National Security - additional counter-terrorism funding	200	-	-	-
Brookvale Park and Brisbane Norths Complex upgrades - transfer to Department of Infrastructure and Regional Development	(5,075)	-	-	-
Price parameter and other adjustments <sup>2</sup>	(753)	(641)	(647)	(654)
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No. 3</i>				
<b>Measure</b> - Smaller Government - Health Portfolio	-	359	-	-
	<b>6,872</b>	<b>12,105</b>	<b>(959)</b>	<b>(1,131)</b>

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer to page 69 of the 2014-15 Budget Paper 2) but not included in the 2014-15 Health PB Statements.

<sup>2</sup>See explanation in glossary.

**Table 2.10.3: Programme Expenses Table - Outcome 10<sup>1</sup>**

	<b>2014-15 Revised budget \$'000</b>	<b>2015-16 Forward year 1 \$'000</b>	<b>2016-17 Forward year 2 \$'000</b>	<b>2017-18 Forward year 3 \$'000</b>
<b>Programme expenses 10.1: Sport and Recreation</b>				
Annual administered expenses				
Ordinary annual services	47,796	26,966	16,048	18,048
Special Account				
Sport and Recreation Special Account	12,168	378	407	407
Programme support	15,366	9,322	8,845	9,104
<b>Total programme expenses</b>	<b>75,330</b>	<b>36,666</b>	<b>25,300</b>	<b>27,559</b>

<sup>1</sup>2013-14 available appropriation is not supplied due to a change in the Outcome and Programme structure for 2014-15. Details of the revised outcome structure can be found in Table 1.4.2 on page 44 of the 2014-15 Health PB Statements.

#### **Programme key performance indicators**

There have been no changes to the performance information for Outcome 10 since the 2014-15 Health PB Statements. Refer to Page 167 of the 2014-15 Health PB Statements for current performance information.





## Section 3: Explanatory Tables and Budgeted Financial Statements

### 3.1 EXPLANATORY TABLES

#### Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Department. The corresponding table in the 2014-15 Health PB Statements is Table 3.1.2.

**Table 3.1.1: Estimates of Special Account Flow**

		Opening balance <b>2014-15</b> 2013-14 \$'000	Appropriation receipts <b>2014-15</b> 2013-14 \$'000	Other receipts <b>2014-15</b> 2013-14 \$'000	Payments <b>2014-15</b> 2013-14 \$'000	Closing balance <b>2014-15</b> 2013-14 \$'000
	Outcome					
Australian Childhood Immunisation Register (A)	1	2,442	5,802	3,673	9,475	2,442
		2,517	5,747	3,469	9,291	2,442
Health and Hospitals Fund Health Portfolio (A)	7	-	-	719,207	719,207	-
		-	-	625,015	625,015	-
Local Hospital Network (A) <sup>1</sup>	4	1,261	-	-	1,261	-
		1,261	-	-	-	1,261
Human Pituitary Hormones (A)	9	2,857	-	-	160	2,697
		2,987	-	-	130	2,857
National Industrial Chemicals Notification and Assessment Scheme (D)	7	11,069	354	12,969	13,267	11,125
		10,319	436	13,201	12,887	11,069
Office of Gene Technology Regulator (D)	7	7,042	7,810	171	7,981	7,042
		6,828	7,976	199	7,961	7,042
Services for Other Entities and Trust Moneys (S)	various	16,246	5,976	9,164	17,546	13,840
		26,581	14,151	9,438	33,924	16,246
Sport and Recreation (A)	10	5,406	-	12,197	12,168	5,435
		2,013	-	4,017	624	5,406
Therapeutic Goods Administration (D)	7	63,330	9,320	131,994	149,392	55,252
		58,342	4,748	130,574	130,334	63,330
<b>Total Special Accounts</b>						
<b>2014-15 Estimate</b>		<b>109,653</b>	<b>29,262</b>	<b>889,375</b>	<b>930,457</b>	<b>97,833</b>
<i>Total Special Accounts</i>						
<i>2013-14 Actual</i>		<i>110,848</i>	<i>33,058</i>	<i>785,913</i>	<i>820,166</i>	<i>109,653</i>

(A) = Administered; (D) = Departmental; (S) = Special Public Money.

<sup>1</sup>The Local Hospitals Network Special Account ceased on 1 July 2014.

## **3.2 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 Assessments Scheme (NICNAS).

### **Comprehensive Income Statement**

The Department is anticipating a break-even position net of unfunded depreciation in the current and forward years.

Measures affecting the departmental appropriation are provided in Table 1.2, and other variations since the 2014-15 Budget are provided in the variation tables for each outcome and the cross outcome variations in Table 2.

#### *2013 Administrative Arrangements Order (AAO) changes*

The revenues and expenses in 2013-14 reflect a part year effect of the aged care function transferred to the Department of Social Services as part of the AAO changes.

To a lesser extent, the 2013-14 actuals also include the part-year effect of the sports function transferred from the former Department of Regional Australia, Local Government, Arts and Sport and some Indigenous functions transferred to the Department of the Prime Minister and Cabinet also due to the AAO changes.

### **Balance Sheet**

The 30 June 2014 balance sheet reflects assets and liabilities post the AAO changes referred to above. The Department anticipates that this level of assets and liabilities will remain constant over the forward years.

Accumulated deficits steadily increase 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. The Department is no longer funded for depreciation.

### **Cash Flow**

Cash flows are consistent with projected income and expense, capital injections from Government and investments in property, plant and equipment.

Section 3 – Budgeted Financial Statements

**Table 3.2.1: Budgeted Departmental Comprehensive Income Statement (showing net cost of services)**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>EXPENSES</b>					
Employee benefits	481,260	441,867	415,364	403,396	402,558
Supplier	200,459	202,431	184,322	186,819	193,471
Depreciation and amortisation	43,093	38,456	33,081	27,387	28,209
Write-down and impairment of assets	6,842	-	-	-	-
Other expenses	43,435	2,811	2,856	2,910	2,965
<b>Total expenses</b>	<b>775,089</b>	<b>685,565</b>	<b>635,623</b>	<b>620,512</b>	<b>627,203</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	156,322	156,444	158,367	159,923	161,496
Interest	-	-	2,300	2,300	2,300
Other revenue	2,458	14,766	15,004	15,291	15,578
<b>Total revenue</b>	<b>158,780</b>	<b>171,210</b>	<b>175,671</b>	<b>177,514</b>	<b>179,374</b>
<b>Gains</b>					
Sale of assets	-	-	-	-	-
Other gains	397	964	964	964	964
<b>Total gains</b>	<b>397</b>	<b>964</b>	<b>964</b>	<b>964</b>	<b>964</b>
<b>Total own-source income</b>	<b>159,177</b>	<b>172,174</b>	<b>176,635</b>	<b>178,478</b>	<b>180,338</b>
<b>Net cost of (contribution by) services</b>	<b>615,912</b>	<b>513,391</b>	<b>458,988</b>	<b>442,034</b>	<b>446,865</b>
Revenue from Government	575,445	480,321	432,364	422,237	427,377
<b>Surplus (Deficit)</b>	<b>(40,467)</b>	<b>(33,070)</b>	<b>(26,624)</b>	<b>(19,797)</b>	<b>(19,488)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(40,467)</b>	<b>(33,070)</b>	<b>(26,624)</b>	<b>(19,797)</b>	<b>(19,488)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(40,467)</b>	<b>(33,070)</b>	<b>(26,624)</b>	<b>(19,797)</b>	<b>(19,488)</b>

**Table 3.2.1: Budgeted Departmental Comprehensive Income Statement (showing net cost of services) (cont.)**

<b>Note: Reconciliation of comprehensive income attributable to the agency</b>					
	<b>Actual</b>	<b>Revised budget</b>	<b>Forward estimate</b>	<b>Forward estimate</b>	<b>Forward estimate</b>
	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(40,467)</b>	<b>(33,070)</b>	<b>(26,624)</b>	<b>(19,797)</b>	<b>(19,488)</b>
plus non-appropriated expenses					
depreciation and amortisation expenses	38,041	33,070	26,624	19,797	19,488
<b>Total comprehensive income (loss) attributable to the agency</b>	<b>(2,426)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Section 3 – Budgeted Financial Statements

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	82,992	74,970	71,089	70,619	73,280
Receivables	146,226	136,203	130,580	120,095	128,288
Other financial assets	173	173	173	173	173
<b>Total financial assets</b>	<b>229,391</b>	<b>211,346</b>	<b>201,842</b>	<b>190,887</b>	<b>201,741</b>
<b>Non-financial assets</b>					
Land and buildings	46,425	42,039	37,555	38,362	35,617
Property, plant and equipment	14,802	10,315	9,258	9,504	9,141
Intangibles	98,501	103,607	102,878	92,209	85,983
Other	7,796	7,796	7,796	7,796	7,796
<b>Total non-financial assets</b>	<b>167,524</b>	<b>163,757</b>	<b>157,487</b>	<b>147,871</b>	<b>138,537</b>
<b>Total assets</b>	<b>396,915</b>	<b>375,103</b>	<b>359,329</b>	<b>338,758</b>	<b>340,278</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	89,200	89,200	89,200	89,200	89,200
Other payables	71,356	71,761	71,714	64,857	71,742
<b>Total payables</b>	<b>160,556</b>	<b>160,961</b>	<b>160,914</b>	<b>154,057</b>	<b>160,942</b>
<b>Provisions</b>					
Employees	111,814	111,107	110,913	109,774	111,082
Other provisions	24,396	21,108	21,108	20,608	20,608
<b>Total provisions</b>	<b>136,210</b>	<b>132,215</b>	<b>132,021</b>	<b>130,382</b>	<b>131,690</b>
<b>Total liabilities</b>	<b>296,766</b>	<b>293,176</b>	<b>292,935</b>	<b>284,439</b>	<b>292,632</b>
<b>Net Assets</b>	<b>100,149</b>	<b>81,927</b>	<b>66,394</b>	<b>54,319</b>	<b>47,646</b>
<b>EQUITY</b>					
Contributed equity	202,477	217,325	228,416	236,138	248,953
Reserves	14,112	14,112	14,112	14,112	14,112
Retained surpluses or accumulated deficits	(116,440)	(149,510)	(176,134)	(195,931)	(215,419)
<b>Total equity</b>	<b>100,149</b>	<b>81,927</b>	<b>66,394</b>	<b>54,319</b>	<b>47,646</b>

Department of Health

**Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement (2014-15)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2014</b>					
Balance carried forward from previous period	(116,440)	14,112	-	202,477	<b>100,149</b>
Net operating result	(33,070)	-	-	-	<b>(33,070)</b>
Appropriation (equity injection)	-	-	-	8,820	<b>8,820</b>
Capital budget - Bill 1 (DCB)	-	-	-	6,028	<b>6,028</b>
<b>Estimated closing balance as at 30 June 2015</b>	<b>(149,510)</b>	<b>14,112</b>	<b>-</b>	<b>217,325</b>	<b>81,927</b>

DCB = Departmental Capital Budget.

Section 3 – Budgeted Financial Statements

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	158,267	155,748	158,367	159,923	161,496
Appropriations	637,898	566,629	514,494	508,869	499,164
Interest	-	-	2,300	2,300	2,300
Net GST received	24,789	19,780	20,113	20,310	20,510
Other cash received	2,458	18,298	17,790	15,291	15,578
<b>Total cash received</b>	<b>823,412</b>	<b>760,455</b>	<b>713,064</b>	<b>706,693</b>	<b>699,048</b>
<b>Cash used</b>					
Employees	490,192	445,702	415,605	411,392	394,365
Suppliers	186,002	201,519	186,093	186,355	192,507
Net GST paid	23,060	19,780	20,113	20,310	20,510
Other	43,435	6,046	2,856	2,910	2,965
Cash to the Official Public Account	71,185	75,589	76,558	76,147	79,980
<b>Total cash used</b>	<b>813,874</b>	<b>748,636</b>	<b>701,225</b>	<b>697,114</b>	<b>690,327</b>
<b>Net cash from (or used by) operating activities</b>	<b>9,538</b>	<b>11,819</b>	<b>11,839</b>	<b>9,579</b>	<b>8,721</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Sale of property, plant and equipment	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	36,720	34,689	26,811	17,771	18,875
<b>Total cash used</b>	<b>36,720</b>	<b>34,689</b>	<b>26,811</b>	<b>17,771</b>	<b>18,875</b>
<b>Net cash from (or used by) investing activities</b>	<b>(36,720)</b>	<b>(34,689)</b>	<b>(26,811)</b>	<b>(17,771)</b>	<b>(18,875)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	33,690	14,848	11,091	7,722	12,815
<b>Total cash received</b>	<b>33,690</b>	<b>14,848</b>	<b>11,091</b>	<b>7,722</b>	<b>12,815</b>
<b>Net cash from (or used by) financing activities</b>	<b>33,690</b>	<b>14,848</b>	<b>11,091</b>	<b>7,722</b>	<b>12,815</b>
<b>Net increase (or decrease) in cash held</b>	<b>6,508</b>	<b>(8,022)</b>	<b>(3,881)</b>	<b>(470)</b>	<b>2,661</b>
Cash and cash equivalents at the beginning of the reporting period	76,484	82,992	74,970	71,089	70,619
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>82,992</b>	<b>74,970</b>	<b>71,089</b>	<b>70,619</b>	<b>73,280</b>

**Table 3.2.5: Departmental Capital Budget Statement**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Equity injections - Bill 2	7,756	8,820	4,876	1,866	1,866
Capital budget - Bill 1 (DCB) <sup>1</sup>	6,564	6,028	6,215	5,856	10,949
<b>Total capital appropriations</b>	<b>14,320</b>	<b>14,848</b>	<b>11,091</b>	<b>7,722</b>	<b>12,815</b>
<b>Total new capital appropriations represented by:</b>					
Purchase of non-financial assets	11,878	14,848	11,091	7,722	12,815
Other	2,442	-	-	-	-
<b>Total items</b>	<b>14,320</b>	<b>14,848</b>	<b>11,091</b>	<b>7,722</b>	<b>12,815</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	20,515	14,020	9,575	1,866	1,866
Funded by capital appropriation - DCB <sup>1</sup>	6,195	14,641	11,021	8,060	6,060
Funded internally from Departmental resources <sup>2</sup>	4,018	6,028	6,215	7,845	10,949
<b>Total acquisitions of non-financial assets</b>	<b>30,728</b>	<b>34,689</b>	<b>26,811</b>	<b>17,771</b>	<b>18,875</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
<b>Total purchases</b>	<b>30,728</b>	<b>34,689</b>	<b>26,811</b>	<b>17,771</b>	<b>18,875</b>
<b>Total cash used to acquire assets</b>	<b>30,728</b>	<b>34,689</b>	<b>26,811</b>	<b>17,771</b>	<b>18,875</b>

<sup>1</sup>Does not include annual finance lease costs. Include purchase from current and previous years Departmental Capital Budgets (DCB).

<sup>2</sup>Includes the following sources of funding:  
 -annual and prior year appropriations;  
 -donations and contributions;  
 -gifts;  
 -finance leases;  
 -internally developed assets;  
 -section 74 PGPA Act relevant agency receipts; and  
 -proceeds from the sale of assets.



**Table 3.2.6: Statement of Asset Movements (2014-15)**

	Land & buildings \$'000	Other Property plant & equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2014</b>				
Gross book value	67,771	27,442	186,215	<b>281,428</b>
Accumulated depreciation/amortisation and impairment	(21,346)	(12,640)	(87,714)	<b>(121,700)</b>
<b>Opening net book balance</b>	<b>46,425</b>	<b>14,802</b>	<b>98,501</b>	<b>159,728</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase	5,436	2,576	26,677	<b>34,689</b>
<b>Sub-total</b>	<b>5,436</b>	<b>2,576</b>	<b>26,677</b>	<b>34,689</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(9,822)	(7,063)	(21,571)	<b>(38,456)</b>
<b>Sub-total</b>	<b>(9,822)</b>	<b>(7,063)</b>	<b>(21,571)</b>	<b>(38,456)</b>
<b>As at 30 June 2015</b>				
Gross book value	73,207	30,018	212,892	<b>316,117</b>
Accumulated depreciation/amortisation, impairment and equity restructure	(31,168)	(19,703)	(109,285)	<b>(160,156)</b>
<b>Closing net book balance</b>	<b>42,039</b>	<b>10,315</b>	<b>103,607</b>	<b>155,961</b>

## **Administered**

### **Schedule of Budgeted Income and Expense**

Revenue estimates include levies for the run-off cover scheme and pharmaceutical and Medicare recoveries.

Revenues also include the private health insurance risk equalisation scheme and administration levy. These revenues will be transferred to the Treasury Portfolio when the Private Health Insurance Administration Council merges with the Australian Prudential Regulation Authority in 2015-16.

Personal Benefits include the Pharmaceutical Benefits Scheme, Medicare, Dental Benefits and the Private Health Insurance Rebate.

#### *2013 Administrative Arrangements Order (AAO) changes*

The revenues and expenses in 2013-14 reflect a part year effect of the aged care function transferred to the Department of Social Services as part of the AAO changes.

To a lesser extent, the 2013-14 actuals also include the part-year effect of the sports function transferred from the former Department of Regional Australia, Local Government, Arts and Sport and some Indigenous functions transferred to the Department of the Prime Minister and Cabinet also due to the AAO changes.

### **Schedule of budgeted assets and liabilities**

The 30 June 2014 balance sheet reflects assets and liabilities post the AAO changes referred to above.

Investments include investments in Portfolio bodies which reduces from 2014-15 due to the cessation of Health Workforce Australia and General Practice Education and Training Ltd.

Personal Benefit liabilities are expected to grow consistent with growth in expenditure.

### **Cash Flow**

Cash flows are consistent with projected income and expense, capital injections from Government and investments in inventory.

**Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Taxation</b>					
Other taxes, fees and fines	16,817	26,036	26,036	26,036	26,036
<b>Total taxation</b>	<b>16,817</b>	<b>26,036</b>	<b>26,036</b>	<b>26,036</b>	<b>26,036</b>
<b>Non-taxation</b>					
Interest	1,107	-	-	-	-
Other sources of non-taxation revenues	1,696,973	1,955,828	1,336,663	1,487,684	1,659,892
<b>Total non-taxation</b>	<b>1,698,080</b>	<b>1,955,828</b>	<b>1,336,663</b>	<b>1,487,684</b>	<b>1,659,892</b>
<b>Total revenues administered on behalf of Government</b>	<b>1,714,897</b>	<b>1,981,864</b>	<b>1,362,699</b>	<b>1,513,720</b>	<b>1,685,928</b>
<b>Total income administered on behalf of Government</b>	<b>1,714,897</b>	<b>1,981,864</b>	<b>1,362,699</b>	<b>1,513,720</b>	<b>1,685,928</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Suppliers	401,851	420,379	377,789	363,990	397,447
Grants	6,178,930	5,744,772	5,636,580	5,420,750	5,678,036
Subsidies	2,508,880	141,926	126,579	133,909	141,944
Personal benefits	35,174,664	37,476,217	38,546,023	40,361,171	41,890,355
Depreciation and amortisation	19,142	19,272	19,272	19,271	963
Write down and impairment of assets	13,714	3,228	101,656	17,577	28,276
Corporate entity payment item	199,178	300,847	287,259	285,630	248,262
Other expenses	442,506	510,595	564,054	620,558	680,644
<b>Total expenses administered on behalf of Government</b>	<b>44,938,865</b>	<b>44,617,236</b>	<b>45,659,212</b>	<b>47,222,856</b>	<b>49,065,927</b>

**Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	13,254	13,283	13,312	13,312	13,312
Receivables	354,923	434,131	451,820	480,319	509,029
Investments	524,830	342,124	342,124	342,124	342,124
<b>Total financial assets</b>	<b>893,007</b>	<b>789,538</b>	<b>807,256</b>	<b>835,755</b>	<b>864,465</b>
<b>Non-financial assets</b>					
Land and buildings	25,431	24,468	23,505	22,542	21,579
Inventories	207,866	211,880	110,224	92,647	64,371
Intangibles	54,926	36,617	18,308	-	-
<b>Total non-financial assets</b>	<b>288,223</b>	<b>272,965</b>	<b>152,037</b>	<b>115,189</b>	<b>85,950</b>
<b>Total assets administered on behalf of Government</b>	<b>1,181,230</b>	<b>1,062,503</b>	<b>959,293</b>	<b>950,944</b>	<b>950,415</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Suppliers	10,189	12,071	12,071	12,071	12,071
Subsidies	2,634	28,497	59,472	96,385	138,290
Personal benefits	850,728	973,442	1,097,678	1,211,429	1,347,134
Grants	276,937	236,863	232,613	231,613	231,613
<b>Total payables</b>	<b>1,140,488</b>	<b>1,250,873</b>	<b>1,401,834</b>	<b>1,551,498</b>	<b>1,729,108</b>
<b>Provisions</b>					
Personal benefits	1,027,297	1,027,297	1,027,297	1,027,297	1,027,297
Subsidies	395,000	395,000	395,000	395,000	395,000
<b>Total provisions</b>	<b>1,422,297</b>	<b>1,422,297</b>	<b>1,422,297</b>	<b>1,422,297</b>	<b>1,422,297</b>
<b>Total liabilities administered on behalf of Government</b>	<b>2,562,785</b>	<b>2,673,170</b>	<b>2,824,131</b>	<b>2,973,795</b>	<b>3,151,405</b>

Section 3 – Budgeted Financial Statements

Table 3.2.9: Schedule of Budgeted Administered Cash Flows

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Interest	1,107	-	-	-	-
Taxes	16,817	26,036	26,036	26,036	26,036
Net GST received	465,907	423,789	418,981	419,578	443,575
Nation Building Fund receipts	625,015	721,811	-	-	-
Medical Research Future Fund receipts	-	-	19,909	76,982	179,327
PHIAC receipts	431,024	510,595	564,054	620,558	680,644
Other	659,067	644,214	735,011	761,645	772,811
<b>Total cash received</b>	<b>2,198,937</b>	<b>2,326,445</b>	<b>1,763,991</b>	<b>1,904,799</b>	<b>2,102,393</b>
<b>Cash used</b>					
Grant payments	6,255,480	5,749,308	5,636,855	5,414,637	5,669,231
Subsidies paid	2,512,466	117,326	99,579	104,109	108,844
Personal benefits	35,151,227	37,383,211	38,466,266	40,249,131	41,747,243
Suppliers	455,795	428,891	377,789	363,990	397,447
Appropriation transfers	199,178	299,347	287,259	285,630	248,262
Net GST paid	442,054	423,789	418,981	419,578	443,575
Other	431,024	510,595	564,054	620,558	680,644
<b>Total cash used</b>	<b>45,447,224</b>	<b>44,912,467</b>	<b>45,850,783</b>	<b>47,457,633</b>	<b>49,295,246</b>
<b>Net cash from (or used by) operating activities</b>	<b>(43,248,287)</b>	<b>(42,586,022)</b>	<b>(44,086,792)</b>	<b>(45,552,834)</b>	<b>(47,192,853)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Repayment of advances	2,740	-	-	-	-
<b>Total cash received</b>	<b>2,740</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Advances made	23,431	-	-	-	-
Transfer to other entities	57,298	1,500	-	-	-
<b>Total cash used</b>	<b>80,729</b>	<b>1,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (or used by) investing activities</b>	<b>(77,989)</b>	<b>(1,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.2.9: Schedule of Budgeted Administered Cash Flows (cont.)**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Restructuring:					
special accounts	2,013	-	-	-	-
<b>Total cash received</b>	<b>2,013</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (or used by) financing activities</b>	<b>2,013</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (or decrease) in cash held</b>	<b>(43,324,263)</b>	<b>(42,587,522)</b>	<b>(44,086,792)</b>	<b>(45,552,834)</b>	<b>(47,192,853)</b>
Cash at beginning of the reporting period	(98,663)	13,254	13,283	13,312	13,312
Cash from Official Public Account for:					
- appropriations	44,538,481	43,751,561	45,411,515	46,960,666	48,670,337
- special accounts	11,480	-	-	-	-
- capital injections	28,345	7,242	-	-	-
- GST appropriations	442,054	423,789	418,981	419,578	443,575
<b>Total cash from Official Public Account</b>	<b>45,020,360</b>	<b>44,182,592</b>	<b>45,830,496</b>	<b>47,380,244</b>	<b>49,113,912</b>
<b>Cash to the Official Public Account:</b>					
- special accounts	11,480	-	-	-	-
- PHIAC levies	431,024	510,595	564,054	620,558	680,644
- GST appropriation	459,835	423,789	418,981	419,578	443,575
- other	681,841	660,657	760,640	787,274	796,840
<b>Total cash to Official Public Account</b>	<b>1,584,180</b>	<b>1,595,041</b>	<b>1,743,675</b>	<b>1,827,410</b>	<b>1,921,059</b>
<b>Cash at end of reporting period</b>	<b>13,254</b>	<b>13,283</b>	<b>13,312</b>	<b>13,312</b>	<b>13,312</b>

Section 3 – Budgeted Financial Statements

**Table 3.2.10: Schedule of Administered Capital Budget**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Administered assets	16,579	5,682	-	-	-
Total loans	-	-	-	-	-
<b>Total capital appropriations</b>	<b>16,579</b>	<b>5,682</b>	-	-	-
<b>Total new capital appropriations represented by:</b>					
Purchase of inventories	16,579	5,682	-	-	-
<b>Total items</b>	<b>16,579</b>	<b>5,682</b>	-	-	-
<b>ACQUISITION OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	28,345	7,242	-	-	-
<b>Total acquisition of non-financial assets</b>	<b>28,345</b>	<b>7,242</b>	-	-	-

**Table 3.2.11: Statement of Administered Asset Movements (2014-15)**

	Land \$'000	Buildings \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2014</b>				
Gross book value	1,895	23,536	91,544	116,975
Accumulated depreciation/amortisation and impairment	-		36,618	36,618
<b>Opening net book balance</b>	<b>1,895</b>	<b>23,536</b>	<b>54,926</b>	<b>80,357</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase or internally developed	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other movements</b>				
Depreciation/amortisation expense	-	963	18,309	19,272
Disposals	-	-	-	-
Writedowns	-	-	-	-
<b>As at 30 June 2015</b>				
Gross book value	1,895	23,536	91,544	116,975
Accumulated depreciation/amortisation and impairment	-	963	54,927	55,890
<b>Closing net book balance</b>	<b>1,895</b>	<b>22,573</b>	<b>36,617</b>	<b>61,085</b>

<sup>1</sup>Proceeds may be returned to the OPA.



# Australian Organ and Tissue Donation and Transplantation Authority

<b>Australian Organ and Tissue Donation and Transplantation Authority .....</b>	<b>95</b>
Section 1: Agency Overview and Resources.....	95
<b>1.1 Strategic Direction Statement.....</b>	<b>95</b>
<b>1.2 Agency Resource Statement .....</b>	<b>96</b>
<b>1.3 Agency Measures Table .....</b>	<b>97</b>
<b>1.4 Additional Estimates and Variations.....</b>	<b>98</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill.....</b>	<b>99</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	101
<b>2.1 Resources and Performance Information .....</b>	<b>101</b>
Section 3: Explanatory Tables and Budgeted Financial Statements.....	103
<b>3.1 Explanatory Tables .....</b>	<b>103</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>103</b>



# AUSTRALIAN ORGAN AND TISSUE DONATION AND TRANSPLANTATION AUTHORITY

## Section 1: Agency Overview and Resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The Australian Organ and Tissue Donation and Transplantation Authority (AOTDTA) works with States and Territories, clinicians and the community sector, to deliver the national reform programme to implement a world's best practice approach to organ and tissue donation for transplantation, endorsed by the Council of Australian Governments on 3 July 2008.

AOTDTA is a statutory authority established by the *Australian Organ and Tissue Donation and Transplantation Authority Act 2008*. This Act sets out the primary responsibilities for AOTDTA and the functions of the Chief Executive Officer.

The Government will merge the functions of AOTDTA with the National Blood Authority (NBA) with a view to establishing a new independent authority by 1 July 2015. This will consolidate the management of critical clinical supplies, in collaboration with States, Territories, the Commonwealth and the private health system.

Since 1 July 2014 AOTDTA is governed under the *Public Governance, Performance and Accountability Act 2013*.

#### Agency Outcomes:

Outcome 1:	Improved access to organ and tissue transplants, including through a nationally coordinated and consistent approach and system
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## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Australian Organ and Tissue Donation and Transplantation Authority at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2014-15 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations and special accounts.

**Table 1.1: Australian Organ and Tissue Donation and Transplantation Authority Resource Statement — Additional Estimates for 2014-15**

	Estimate as at Budget	Proposed additional estimates	Total estimate at AEs	Total available appropriation
	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000	2013-14 \$'000
<b>Ordinary annual services</b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation and opening reserves <sup>1</sup>	2,282	-	2,282	1,635
Departmental appropriation <sup>2,3</sup>	6,052	810	6,862	5,841
s74 retained revenue receipts <sup>4</sup>	-	-	-	-
<b>Total</b>	<b>8,334</b>	<b>810</b>	<b>9,144</b>	<b>7,476</b>
<b>Administered resources<sup>2</sup></b>				
Outcome 1	40,394	-	40,394	39,678
<b>Total</b>	<b>40,394</b>	<b>-</b>	<b>40,394</b>	<b>39,678</b>
<b>Total ordinary annual services</b>	<b>48,728</b>	<b>810</b>	<b>49,538</b>	<b>47,154</b>
<b>Other services<sup>5</sup></b>				
<b>Departmental non-operating</b>				
Equity injections	-	-	-	-
Previous years' programmes	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total available annual appropriations</b>	<b>48,728</b>	<b>810</b>	<b>49,538</b>	<b>47,154</b>
<b>Total net resourcing for AOTDTA</b>	<b>48,728</b>	<b>810</b>	<b>49,538</b>	<b>47,154</b>

All figures are GST exclusive.

<sup>1</sup>The estimate at Budget has been revised to reflect the 2013-14 Annual Report.

<sup>2</sup>Appropriation Bill (No.1 & 3) 2014-15.

<sup>3</sup>Includes an amount of \$0.649m in 2014-15 for the Departmental Capital Budget (refer to Table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

<sup>4</sup>Estimated retained revenue receipts under Section 74 of the *Public Governance, Performance and Accountability Act 2013 (PGPA)*.

<sup>5</sup>Appropriation Bill (No.2 & 4) 2014-15.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2014-15 Budget.

**Table 1.2: Agency 2014-15 Measures since Budget**

Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Whole of Government and Other Portfolio Measures<sup>1</sup></b>				
<b>Smaller Government - additional reductions in the number of Australian Government bodies<sup>2</sup></b>				
Australian Organ and Tissue Donation and Transplantation Authority				
Departmental expenses	1.1	439	-	-
Departmental capital budget		390	-	-
<b>Total</b>		<b>829</b>	-	-
<b>Communications and Public Affairs Functions - targeted savings<sup>3</sup></b>				
<i>Department of Finance</i>				
Australian Organ and Tissue Donation and Transplantation Authority				
Departmental expenses	1.1	(19)	(38)	(38)
<b>Total</b>		<b>(19)</b>	<b>(38)</b>	<b>(38)</b>

<sup>1</sup>AOTDTA is not the lead agency for these measures. AOTDTA impacts only are shown in this table.

<sup>2</sup>This measure was announced as part of the 2014-15 Budget (refer page 70 of the 2014-15 Budget Paper 2) but not previously included in Health Portfolio Budget papers.

<sup>3</sup>This measure was announced as part of the 2014-15 Budget (refer to page 113 of the 2014-15 Budget Paper 2) but not previously included in Health Portfolio Budget papers.

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the Australian Organ and Tissue Donation and Transplantation Authority at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2014-15 Budget in Appropriation Bills No. 3 and No. 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional Estimates and variations to outcomes from measures since 2014-15 Budget**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: Coordination of organ and tissue donation and transplantation</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
<b>Measure</b> - Communications and Public Affairs Functions - targeted savings <sup>1</sup>	(19)	(38)	(38)	(38)
<b>Measure</b> - Smaller Government - additional reductions in the number of Australian Government bodies <sup>2</sup>	829	-	-	-
	<b>810</b>	<b>(38)</b>	<b>(38)</b>	<b>(38)</b>

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer page 113 of the 2014-15 Budget Paper 2).

<sup>2</sup>This measure was announced as part of the 2014-15 Budget (refer page 70 of the 2014-15 Budget Paper 2).

**Table 1.4: Additional estimates and variations to outcomes from other variations**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: Coordination of organ and tissue donation and transplantation</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No.3</i>				
Price parameter adjustments <sup>1</sup>	-	(81)	(82)	(126)
	<b>-</b>	<b>(81)</b>	<b>(82)</b>	<b>(126)</b>
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
Price parameter adjustments <sup>1</sup>	-	(12)	(12)	(18)
	<b>-</b>	<b>(12)</b>	<b>(12)</b>	<b>(18)</b>

<sup>1</sup>See explanation in glossary.

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the Australian Organ and Tissue Donation and Transplantation Authority through Appropriation Bills No. 3.

**Table 1.5: Appropriation Bill (No. 3) 2014-15**

	2013-14 Available \$'000	2014-15 Budget \$'000	2014-15 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Administered Items</b>					
<b>Outcome 1</b>					
Coordination of organ and tissue donation and transplantation	39,678	40,394	40,394	-	-
<b>Departmental Items</b>					
<b>Outcome 1</b>					
Coordination of organ and tissue donation and transplantation	5,841	6,052	6,862	810	-
<b>Total Appropriation Bill No. 3 (Administered and Departmental)</b>	<b>45,519</b>	<b>46,446</b>	<b>47,256</b>	<b>810</b>	<b>-</b>





## Section 2: Revisions to Agency Resources and Planned Performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

The Australian Organ and Tissue Donation and Transplantation Authority works to achieve one outcome specified by Government. There have been no changes to the performance information since the 2014-15 Health PB Statements. Refer to page 231 of the 2014-15 Health PB Statements for current performance information.

**Table 2.1: Budgeted Expenses and Resources**

	2013-14 Actual \$'000	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme 1.1: Coordination of organ and tissue donation and transplantation</b>					
Administered expenses					
Ordinary annual services (Bill 1/3)	39,678	40,394	41,000	41,781	42,574
Departmental expenses					
Departmental appropriation <sup>1</sup>	5,841	6,213	5,677	5,639	5,689
Expenses not requiring appropriation in the budget year <sup>2</sup>	437	421	358	335	335
Operating deficit (surplus)	(304)	-	-	-	-
<b>Total for Programme 1.1</b>	<b>45,652</b>	<b>47,028</b>	<b>47,035</b>	<b>47,755</b>	<b>48,598</b>
<b>Total expenses for Outcome 1</b>	<b>45,652</b>	<b>47,028</b>	<b>47,035</b>	<b>47,755</b>	<b>48,598</b>

<sup>1</sup>Departmental appropriation combines "Ordinary annual services (Appropriation Bill No. 1 & 3)" and "s74 retained revenue receipts".

<sup>2</sup>Expenses not requiring appropriation in the Budget year is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	28	28



## Section 3: Explanatory Tables and Budgeted Financial Statements

### 3.1 EXPLANATORY TABLES

#### Estimates of special account flows

The AOTDTA does not manage any special accounts.

### 3.2 BUDGETED FINANCIAL STATEMENTS

An analysis of the AOTDTA's budgeted financial statements for 2014-2015 is provided below.

#### 3.2.1 Analysis of budgeted departmental financial statements

For the budget and forward years the AOTDTA is expecting a break-even position net of unfunded depreciation. In 2014-2015 the AOTDTA has appropriation revenue of \$6.213 million and total expenses are estimated at \$6.634 million.

AOTDTA had a net asset position at 30 June 2014 of \$1.6 million which is expected to remain relatively stable over the forward estimates. Assets include investment in systems of \$1.1 million which will amortise over their expected life. Liabilities are expected to remain stable over the budget and forward estimates period and comprise mainly of grant and supplier payables and employee entitlements.

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 flows are consistent with the income and expenses discussed above.

#### 3.2.2 Analysis of budgeted administered financial statements

AOTDTA administers funds associated with the delivery of the Australian Government's national reform programme to implement a world's best practice approach to organ and tissue donation for transplantation.

In 2014-2015 the AOTDTA has forecast Administered expenses of \$40.394 million and this level of appropriation is expected to remain constant in real terms over the forward estimates.

Assets and liabilities are expected to remain relatively constant over the forward estimates.

Cash flows are consistent with the income and expenses discussed above.

**Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services)  
(for the period ended 30 June)**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>EXPENSES</b>					
Employee benefits	4,302	4,528	4,382	4,382	4,382
Supplier expenses	1,300	1,685	1,295	1,257	1,307
Depreciation and amortisation	367	421	358	335	335
Losses from asset sales	5	-	-	-	-
<b>Total expenses</b>	<b>5,974</b>	<b>6,634</b>	<b>6,035</b>	<b>5,974</b>	<b>6,024</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	-	-	-	-	-
Other	-	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gains</b>					
Other	70	-	-	-	-
<b>Total gains</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cost of (contribution by) services</b>	<b>5,904</b>	<b>6,634</b>	<b>6,035</b>	<b>5,974</b>	<b>6,024</b>
Revenue from Government	5,841	6,213	5,677	5,639	5,689
<b>Surplus (Deficit)</b>	<b>(63)</b>	<b>(421)</b>	<b>(358)</b>	<b>(335)</b>	<b>(335)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(63)</b>	<b>(421)</b>	<b>(358)</b>	<b>(335)</b>	<b>(335)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(63)</b>	<b>(421)</b>	<b>(358)</b>	<b>(335)</b>	<b>(335)</b>

Section 3 – Budgeted Financial Statements

**Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services)  
(for the period ended 30 June (cont.))**

<b>Note: Reconciliation of comprehensive income attributable to the agency</b>					
	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(63)</b>	<b>(421)</b>	<b>(358)</b>	<b>(335)</b>	<b>(335)</b>
plus non-appropriated expenses					
depreciation and amortisation expenses	367	421	358	335	335
<b>Total comprehensive income (loss) attributable to the agency</b>	<b>304</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	53	53	53	53	53
Receivables	2,247	2,247	2,247	2,247	2,247
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>2,300</b>	<b>2,300</b>	<b>2,300</b>	<b>2,300</b>	<b>2,300</b>
<b>Non-financial assets</b>					
Land and buildings	299	584	552	543	534
Property, plant and equipment	131	164	188	217	246
Intangibles	1,136	1,046	951	851	754
Other	28	28	28	28	28
<b>Total non-financial assets</b>	<b>1,594</b>	<b>1,822</b>	<b>1,719</b>	<b>1,639</b>	<b>1,562</b>
<b>Total assets</b>	<b>3,894</b>	<b>4,122</b>	<b>4,019</b>	<b>3,939</b>	<b>3,862</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	44	44	44	44	44
Other payables	1,139	1,139	1,139	1,139	1,139
<b>Total payables</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>
<b>Provisions</b>					
Employees	1,049	1,049	1,049	1,049	1,049
Other provisions	-	-	-	-	-
<b>Total provisions</b>	<b>1,049</b>	<b>1,049</b>	<b>1,049</b>	<b>1,049</b>	<b>1,049</b>
<b>Total liabilities</b>	<b>2,232</b>	<b>2,232</b>	<b>2,232</b>	<b>2,232</b>	<b>2,232</b>
<b>Net Assets</b>	<b>1,662</b>	<b>1,890</b>	<b>1,787</b>	<b>1,707</b>	<b>1,630</b>
<b>EQUITY</b>					
Contributed equity	1,900	2,549	2,804	3,059	3,317
Reserves	363	363	363	363	363
Retained surpluses or accumulated deficits	(601)	(1,022)	(1,380)	(1,715)	(2,050)
<b>Total equity</b>	<b>1,662</b>	<b>1,890</b>	<b>1,787</b>	<b>1,707</b>	<b>1,630</b>

Section 3 – Budgeted Financial Statements

**Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2014-15)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2014</b>					
Balance carried forward from previous period	(601)	363	-	1,900	<b>1,662</b>
Surplus (deficit) for the period	(421)	-	-	-	<b>(421)</b>
Appropriation (equity injection)	-	-	-	-	-
Capital budget - Bill 1 (DCB)	-	-	-	649	<b>649</b>
<b>Estimated closing balance as at 30 June 2015</b>	<b>(1,022)</b>	<b>363</b>	<b>-</b>	<b>2,549</b>	<b>1,890</b>

DCB = Departmental Capital Budget.

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	6,258	6,213	5,677	5,686	5,689
Net GST received	41	203	203	203	752
Other cash received	924	-	-	-	-
Other	-	-	-	-	-
<b>Total cash received</b>	<b>7,223</b>	<b>6,416</b>	<b>5,880</b>	<b>5,889</b>	<b>6,441</b>
<b>Cash used</b>					
Employees	4,594	4,528	4,382	4,382	4,382
Suppliers	1,390	1,685	1,295	1,304	1,307
Net GST paid	-	203	203	203	752
Other	1,089	-	-	-	-
<b>Total cash used</b>	<b>7,073</b>	<b>6,416</b>	<b>5,880</b>	<b>5,889</b>	<b>6,441</b>
<b>Net cash from (or used by) operating activities</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant, equipment and intangibles	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	175	649	255	255	258
<b>Total cash used</b>	<b>175</b>	<b>649</b>	<b>255</b>	<b>255</b>	<b>258</b>
<b>Net cash from (or used by) investing activities</b>	<b>(175)</b>	<b>(649)</b>	<b>(255)</b>	<b>(255)</b>	<b>(258)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Capital budget - Bill 1 (DCB)	-	649	255	255	258
<b>Total cash received</b>	<b>-</b>	<b>649</b>	<b>255</b>	<b>255</b>	<b>258</b>
<b>Net cash from (or used by) financing activities</b>	<b>-</b>	<b>649</b>	<b>255</b>	<b>255</b>	<b>258</b>
<b>Net increase (or decrease) in cash held</b>	<b>(25)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	78	53	53	53	53
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>53</b>	<b>53</b>	<b>53</b>	<b>53</b>	<b>53</b>

DCB = Departmental Capital Budget.



Section 3 – Budgeted Financial Statements

**Table 3.2.5: Capital Budget Statement**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	-	649	255	255	258
<b>Total capital appropriations</b>	-	<b>649</b>	<b>255</b>	<b>255</b>	<b>258</b>
<b>Total new capital appropriations represented by:</b>					
Purchase of non-financial assets	-	649	255	255	258
Other	-	-	-	-	-
<b>Total items</b>	-	<b>649</b>	<b>255</b>	<b>255</b>	<b>258</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation - DCB	-	649	255	255	258
Funded internally from Departmental resources	175	-	-	-	-
<b>Total acquisitions of non-financial assets</b>	<b>175</b>	<b>649</b>	<b>255</b>	<b>255</b>	<b>258</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
<b>Total purchases</b>	<b>175</b>	<b>649</b>	<b>255</b>	<b>255</b>	<b>258</b>
<b>Total cash used to acquire assets</b>	<b>175</b>	<b>649</b>	<b>255</b>	<b>255</b>	<b>258</b>

DCB = Departmental Capital Budget.

**Table 3.2.6: Statement of Departmental Asset Movements (Budget Year 2014-15)**

	Buildings \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2014</b>				
Gross book value	470	228	1,399	<b>2,097</b>
Accumulated depreciation/amortisation and impairment	171	97	263	<b>531</b>
<b>Opening net book balance</b>	<b>299</b>	<b>131</b>	<b>1,136</b>	<b>1,566</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation ordinary annual services	390	63	196	<b>649</b>
By purchase - internal departmental resources	-	-	-	-
<b>Sub-total</b>	<b>390</b>	<b>63</b>	<b>196</b>	<b>649</b>
<b>Other movements</b>				
Depreciation/amortisation expense	105	30	286	<b>421</b>
Disposals <sup>1</sup>	-	-	-	-
Other	-	-	-	-
<b>As at 30 June 2015</b>				
Gross book value	860	291	1,595	<b>2,746</b>
Accumulated depreciation/amortisation and impairment	276	127	549	<b>952</b>
<b>Closing net book balance</b>	<b>584</b>	<b>164</b>	<b>1,046</b>	<b>1,794</b>

<sup>1</sup>Proceeds may be returned to the Official Public Account.

Section 3 – Budgeted Financial Statements

**Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)**

	Actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Non-taxation</b>					
Other sources of non-taxation revenues	-	-	-	-	-
<b>Total non-taxation</b>	-	-	-	-	-
<b>Total revenues administered on behalf of Government</b>	-	-	-	-	-
<b>Total income administered on behalf of Government</b>	-	-	-	-	-
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Suppliers	2,063	2,830	3,436	4,217	5,010
Grants - other	37,615	37,564	37,564	37,564	37,564
<b>Total expenses administered on behalf of Government</b>	<b>39,678</b>	<b>40,394</b>	<b>41,000</b>	<b>41,781</b>	<b>42,574</b>

**Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

	Actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	80	80	80	80	80
Receivables	187	187	187	187	187
Investments	-	-	-	-	-
<b>Total financial assets</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>
<b>Non-financial assets</b>					
Property, plant and equipment	-	-	-	-	-
Intangibles	-	-	-	-	-
Inventories	-	-	-	-	-
Other	-	-	-	-	-
<b>Total non-financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of Government</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Grants	11,641	11,641	11,641	11,641	11,641
Suppliers	18	18	18	18	18
Loans	119	119	119	119	119
Other payables	254	254	254	254	254
<b>Total payables</b>	<b>12,032</b>	<b>12,032</b>	<b>12,032</b>	<b>12,032</b>	<b>12,032</b>
<b>Total liabilities administered on behalf of Government</b>	<b>12,032</b>	<b>12,032</b>	<b>12,032</b>	<b>12,032</b>	<b>12,032</b>

Section 3 – Budgeted Financial Statements

**Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)**

	Actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Net GST received	-	752	752	752	752
Other	228	-	-	-	-
<b>Total cash received</b>	<b>228</b>	<b>752</b>	<b>752</b>	<b>752</b>	<b>752</b>
<b>Cash used</b>					
Suppliers	2,300	2,830	3,436	4,378	5,010
Grant payments	36,854	37,564	37,564	37,564	37,564
Net GST paid	23	752	752	752	752
Other	228	-	-	-	-
<b>Total cash used</b>	<b>39,405</b>	<b>41,146</b>	<b>41,752</b>	<b>42,694</b>	<b>43,326</b>
<b>Net cash from (or used by) operating activities</b>	<b>(39,177)</b>	<b>(40,394)</b>	<b>(41,000)</b>	<b>(41,942)</b>	<b>(42,574)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Other	423	-	-	-	-
<b>Total cash received</b>	<b>423</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Other	450	-	-	-	-
<b>Total cash used</b>	<b>450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (or used by) investing activities</b>	<b>(27)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (or decrease) in cash held</b>	<b>(39,204)</b>	<b>(40,394)</b>	<b>(41,000)</b>	<b>(41,942)</b>	<b>(42,574)</b>
Cash at beginning of reporting period	80	80	80	80	80
Cash from Official Public Account for:					
- special accounts	-	-	-	-	-
- appropriations	39,204	40,394	41,000	41,942	42,574
<b>Cash at end of reporting period</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>



# Australian Sports Commission

<b>Australian Sports Commission .....</b>	<b>117</b>
Section 1: Agency Overview and Resources.....	117
<b>1.1 Strategic Direction Statement.....</b>	<b>117</b>
<b>1.2 Agency Resource Statement .....</b>	<b>118</b>
<b>1.3 Agency Measures Table .....</b>	<b>119</b>
<b>1.4 Additional Estimates and Variations.....</b>	<b>120</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill .....</b>	<b>121</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	123
<b>2.1 Resources and Performance Information .....</b>	<b>123</b>
Section 3: Explanatory Tables and Budgeted Financial Statements.....	125
<b>3.1 Explanatory Tables .....</b>	<b>125</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>125</b>





## AUSTRALIAN SPORTS COMMISSION

### Section 1: Agency Overview and Resources

#### 1.1 STRATEGIC DIRECTION STATEMENT

The Australian Government, through the Australian Sports Commission (ASC), provides leadership, coordination and support for Australian sport. The ASC promotes and supports the development of a cohesive and effective national sport sector that creates opportunities for all Australians to participate and excel in sport. The ASC aims to increase participation in sport, improve the sustainability of sporting organisations, and deliver programmes which contribute to excellence in sports performance and continued international success.

The role and functions of the ASC are set out in the *Australian Sports Commission Act 1989*. The ASC operates under the *Public Governance, Performance and Accountability Act 2013*.

#### Agency Outcomes:

Outcome 1:	Improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sports activity
Outcome 2:	Excellence in sports performance and continued international sporting success by talented athletes and coaches, including through leadership in high performance athlete development, and targeted science and research

## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Australian Sports Commission at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2014-15 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations and special accounts.

**Table 1.1: Australian Sports Commission Resource Statement — Additional Estimates for 2014-15**

	Estimate as at Budget 2014-15 \$'000	Proposed additional estimates 2014-15 \$'000	Total estimate at AEs 2014-15 \$'000	Total available appropriation 2013-14 \$'000
<b>Opening balance/Reserves at bank<sup>1,2</sup></b>	72,991	-	72,991	80,118
<b>REVENUE FROM GOVERNMENT</b>				
<b>Ordinary annual services<sup>3</sup></b>				
Outcome 1	86,717	876	87,593	89,366
Outcome 2	176,939	1,536	178,475	176,548
<b>Total ordinary annual services</b>	<b>263,656</b>	<b>2,412</b>	<b>266,068</b>	<b>265,914</b>
<b>Other services<sup>4</sup></b>				
Non-operating	1,500	-	1,500	-
<b>Total other services</b>	<b>1,500</b>	<b>-</b>	<b>1,500</b>	<b>-</b>
<b>Total annual appropriations</b>	<b>265,156</b>	<b>2,412</b>	<b>267,568</b>	<b>265,914</b>
<b>Total funds from Government</b>	<b>265,156</b>	<b>2,412</b>	<b>267,568</b>	<b>265,914</b>
<b>FUNDS FROM OTHER SOURCES</b>				
Interest	3,000	-	3,000	3,689
Sale of goods and rendering of services	29,410	-	29,410	28,919
Other sources	-	-	-	1,060
<b>Total funds from other sources</b>	<b>32,410</b>	<b>-</b>	<b>32,410</b>	<b>33,668</b>
<b>Total net resourcing for ASC</b>	<b>370,557</b>	<b>2,412</b>	<b>372,969</b>	<b>379,700</b>

All figures are GST exclusive.

The ASC is not directly appropriated as it is a Corporate Commonwealth entity. Appropriations are made to the Department of Health, which are then paid to the ASC and are considered 'departmental' for all purposes.

<sup>1</sup>Includes cash and investments.

<sup>2</sup>The estimate at Budget has been revised to reflect the 2013-14 Annual Report.

<sup>3</sup>Appropriation Bill (No.1 & 3) 2014-15.

<sup>4</sup>Appropriation Bill (No.2 & 4) 2014-15.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2014-15 Budget.

**Table 1.2: Agency 2014-15 Measures since Budget**

Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Other Portfolio Measures<sup>1</sup></b>				
<b>Funding for pre-existing measures affecting the public sector<sup>2</sup></b>				
<i>Department of Finance</i>				
Australian Sports Commission				
Departmental expenses	1.1 898	-	-	-
	2.1 1,580	-	-	-
<b>Total</b>	<b>2,478</b>	-	-	-
<b>Communications and Public Affairs Functions - targeted savings<sup>3</sup></b>				
<i>Department of Finance</i>				
Australian Sports Commission				
Departmental expenses	1.1 (22)	(40)	(40)	(23)
	2.1 (44)	(91)	(91)	(108)
<b>Total</b>	<b>(66)</b>	<b>(131)</b>	<b>(131)</b>	<b>(131)</b>

<sup>1</sup>ASC is not the lead agency for these measures. ASC impacts only are shown in this table.

<sup>2</sup>This measure was announced as part of the 2013-14 MYEFO (refer page 147 of the 2013-14 MYEFO) but not previously included in Health Portfolio Budget papers.

<sup>3</sup>This measure was announced as part of the 2014-15 Budget (refer page 113 of the 2014-15 Budget Paper 2) but not previously included in Health Portfolio Budget papers.

## 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the Australian Sports Commission at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2014-15 Budget in Appropriation Bills No. 3 and No. 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional Estimates and Variations to Outcomes from Measures since 2014-15 Budget**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: Australian Sports Commission</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
<b>Measure</b> - Funding for pre-existing measures affecting the public sector <sup>1</sup>	898	-	-	-
<b>Measure</b> - Communications and Public Affairs Functions - targeted savings <sup>2</sup>	(22)	(40)	(40)	(23)
	<b>876</b>	<b>(40)</b>	<b>(40)</b>	<b>(23)</b>
<b>Programme 2.1: Australian Sports Commission</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
<b>Measure</b> - Funding for pre-existing measures affecting the public sector <sup>1</sup>	1,580	-	-	-
<b>Measure</b> - Communications and Public Affairs Functions - targeted savings <sup>2</sup>	(44)	(91)	(91)	(108)
	<b>1,536</b>	<b>(91)</b>	<b>(91)</b>	<b>(108)</b>

<sup>1</sup>This measure was announced as part of the 2013-14 MYEFO (refer page 147 of the 2013-14 MYEFO).

<sup>2</sup>This measure was announced as part of the 2014-15 Budget (refer page 113 of the 2014-15 Budget Paper 2).

**Table 1.4: Additional Estimates and Variations to Outcomes from other Variations**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: Australian Sports Commission</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
Price parameter adjustments <sup>1</sup>	-	(71)	(71)	(35)
	-	(71)	(71)	(35)
<b>Programme 2.1: Australian Sports Commission</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
Price parameter adjustments <sup>1</sup>	-	(162)	(161)	(160)
	-	(162)	(161)	(160)

<sup>1</sup>See explanation in glossary.

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table details the Additional Estimates sought for the Australian Sports Commission through Appropriation Bill No. 3.

**Table 1.5: Appropriation Bill (No. 3) 2014-15**

	2013-14 Actual \$'000	2014-15 Budget \$'000	2014-15 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Departmental Items</b>					
<b>Outcome 1</b>					
Improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sports activity.	89,366	86,717	87,593	876	-
<b>Outcome 2</b>					
Excellence in sports performance and continued international sporting success, by talented athletes and coaches, including through leadership in high performance athlete development, and targeted science and research.	176,548	176,939	178,475	1,536	-
<b>Total Appropriation Bill No. 3</b>	<b>265,914</b>	<b>263,656</b>	<b>266,068</b>	<b>2,412</b>	<b>-</b>



## Section 2: Revisions to Agency Resources and Planned Performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

The Australian Sports Commission works to achieve two outcomes specified by Government. There have been no changes to the performance information since the 2014-15 Health PB Statements. Refer to page 285 of the 2014-15 Health PB Statements for current performance information.

**Table 2.1: Budgeted Expenses and Resources**

	2013-14 Actual \$'000	2014-15 Revised budget \$'000
<b>Programme 1.1: Australian Sports Commission</b>		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1/3)	89,366	87,593
Revenues from other independent sources	12,533	15,034
Expenses not requiring appropriation in the budget year <sup>1</sup>	5,663	3,434
<b>Total for Programme 1.1</b>	<b>107,562</b>	<b>106,061</b>
<b>Total expenses for Outcome 1</b>	<b>107,562</b>	<b>106,061</b>
<b>Programme 2.1: Australian Sports Commission</b>		
Revenue from Government		
Ordinary annual services (Appropriation Bill No. 1/3)	176,548	178,475
Revenues from other independent sources	19,380	17,376
Expenses not requiring appropriation in the budget year <sup>1</sup>	3,610	4,194
<b>Total for Programme 2.1</b>	<b>199,538</b>	<b>200,045</b>
<b>Total expenses for Outcome 2</b>	<b>199,538</b>	<b>200,045</b>

<sup>1</sup>Expenses not requiring appropriation in the Budget year represents the operating deficit.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	505	505

**Table 2.2: Programme Expenses Table**

Programme expenses	2013-14 Actual \$'000	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Annual departmental expenses:					
Departmental item	307,100	306,106	291,710	287,984	246,729
<b>Total Programme expenses</b>	<b>307,100</b>	<b>306,106</b>	<b>291,710</b>	<b>287,984</b>	<b>246,729</b>





## Section 3: Explanatory Tables and Budgeted Financial Statements

### 3.1 EXPLANATORY TABLES

#### Estimates of special account flows

The ASC does not manage any special accounts.

### 3.2 BUDGETED FINANCIAL STATEMENTS

An analysis of the major changes to the ASC's budgeted financial statements compared to the 2014-15 Budget is outlined below.

Revenue from Government will increase in 2014-15 primarily reflecting additional funding of \$2.5 million provided by Government for redundancies to assist in implementing savings decisions affecting operations. This funding relates to the 2013-14 MYEFO measure - *Funding for pre-existing measures affecting the public sector*.

The ASC is budgeting for an operating loss of \$7.6 million in 2014-15 and \$6.0 million in the forward estimates arising from additional and unfunded depreciation expense reflecting revaluations of assets combined with timing differences across financial years as to when revenue is received and when expenditure for certain externally funded programmes occurs.

Total assets at 30 June 2015 are expected to be \$323 million, of which \$241 million (75%) represents investment in non-financial assets. Liabilities are expected to remain stable over the budget and forward estimates period and comprise mainly of grant and supplier payables and employee entitlements.

Total equity is expected to be \$304 million at 30 June 2015. The reduction in equity over the forward estimates period reflects the impact of the budgeted technical accounting loss for increased depreciation expense arising from revaluations of assets and timing differences between recognition of revenue and expenses being incurred.

Cash flows are consistent with the income and expenses discussed above.

**Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services)  
(for the period ended 30 June)**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>EXPENSES</b>					
Employee benefits	75,142	71,513	54,717	56,378	47,660
Supplier expenses	44,621	46,583	46,784	43,743	41,624
Grants	164,036	165,204	167,273	164,923	134,987
Depreciation and amortisation	21,625	22,806	22,936	22,940	22,458
Other	1,676	-	-	-	-
<b>Total expenses</b>	<b>307,100</b>	<b>306,106</b>	<b>291,710</b>	<b>287,984</b>	<b>246,729</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	27,700	29,410	28,320	26,500	22,887
Interest	3,753	3,000	3,000	2,500	2,500
Other revenue	299	-	-	-	-
<b>Total revenue</b>	<b>31,752</b>	<b>32,410</b>	<b>31,320</b>	<b>29,000</b>	<b>25,387</b>
<b>Gains</b>					
Other	161	-	-	-	-
<b>Total gains</b>	<b>161</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>31,913</b>	<b>32,410</b>	<b>31,320</b>	<b>29,000</b>	<b>25,387</b>
<b>Net cost of (contribution by) services</b>	<b>275,187</b>	<b>273,696</b>	<b>260,390</b>	<b>258,984</b>	<b>221,342</b>
Revenue from Government	265,914	266,068	254,346	252,936	215,294
<b>Surplus (Deficit)</b>	<b>(9,273)</b>	<b>(7,628)</b>	<b>(6,044)</b>	<b>(6,048)</b>	<b>(6,048)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(9,273)</b>	<b>(7,628)</b>	<b>(6,044)</b>	<b>(6,048)</b>	<b>(6,048)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	5,521	-	-	-	-
<b>Total other comprehensive income</b>	<b>5,521</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(3,752)</b>	<b>(7,628)</b>	<b>(6,044)</b>	<b>(6,048)</b>	<b>(6,048)</b>

Prepared on Australian Accounting Standards basis.

Section 3 – Budgeted Financial Statements

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	12,914	14,285	29,990	23,872	25,199
Receivables	6,814	6,814	6,814	6,814	6,814
Other investments	60,077	60,077	60,077	60,077	60,077
<b>Total financial assets</b>	<b>79,805</b>	<b>81,176</b>	<b>96,881</b>	<b>90,763</b>	<b>92,090</b>
<b>Non-financial assets</b>					
Land and buildings	233,386	221,795	205,134	207,000	198,890
Property, plant and equipment	12,587	12,311	8,865	8,038	9,640
Intangibles	2,526	4,240	2,598	1,629	762
Inventories	486	486	486	486	486
Other non-financial assets	2,610	2,610	2,610	2,610	2,610
<b>Total non-financial assets</b>	<b>251,595</b>	<b>241,442</b>	<b>219,693</b>	<b>219,763</b>	<b>212,388</b>
<b>Total assets</b>	<b>331,400</b>	<b>322,618</b>	<b>316,574</b>	<b>310,526</b>	<b>304,478</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	2,113	2,113	2,113	2,113	2,113
Grants	1,608	1,608	1,608	1,608	1,608
Other payables	3,165	2,864	2,864	2,864	2,864
<b>Total payables</b>	<b>6,886</b>	<b>6,585</b>	<b>6,585</b>	<b>6,585</b>	<b>6,585</b>
<b>Provisions</b>					
Employees	14,038	11,685	11,685	11,685	11,685
Other provisions	145	145	145	145	145
<b>Total provisions</b>	<b>14,183</b>	<b>11,830</b>	<b>11,830</b>	<b>11,830</b>	<b>11,830</b>
<b>Total liabilities</b>	<b>21,069</b>	<b>18,415</b>	<b>18,415</b>	<b>18,415</b>	<b>18,415</b>
<b>Net Assets</b>	<b>310,331</b>	<b>304,203</b>	<b>298,159</b>	<b>292,111</b>	<b>286,063</b>
<b>EQUITY</b>					
Contributed equity	148,710	150,210	150,210	150,210	150,210
Reserves	176,949	176,949	176,949	176,949	176,949
Retained surpluses (accumulated deficits)	(15,328)	(22,956)	(29,000)	(35,048)	(41,096)
<b>Total equity</b>	<b>310,331</b>	<b>304,203</b>	<b>298,159</b>	<b>292,111</b>	<b>286,063</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2014-15)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2014</b>					
Balance carried forward from previous period	(15,328)	176,949	-	148,710	<b>310,331</b>
Surplus (deficit) for the period	(7,628)	-	-	-	<b>(7,628)</b>
Appropriation (equity injection)	-	-	-	1,500	<b>1,500</b>
<b>Estimated closing balance as at 30 June 2015</b>	<b>(22,956)</b>	<b>176,949</b>	<b>-</b>	<b>150,210</b>	<b>304,203</b>

Prepared on Australian Accounting Standards basis.

Section 3 – Budgeted Financial Statements

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	265,914	266,068	254,346	252,936	215,294
Goods and services	28,919	29,410	28,320	26,500	22,887
Interest	3,689	3,000	3,000	2,500	2,500
Net GST received	17,090	-	-	-	-
<b>Total cash received</b>	<b>315,612</b>	<b>298,478</b>	<b>285,666</b>	<b>281,936</b>	<b>240,681</b>
<b>Cash used</b>					
Employees	76,978	74,167	54,717	56,378	47,660
Suppliers	51,585	46,583	46,784	43,743	41,624
Grants	182,872	165,204	167,273	164,923	134,987
<b>Total cash used</b>	<b>311,435</b>	<b>285,954</b>	<b>268,774</b>	<b>265,044</b>	<b>224,271</b>
<b>Net cash from (or used by) operating activities</b>	<b>4,177</b>	<b>12,524</b>	<b>16,892</b>	<b>16,892</b>	<b>16,410</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	1,060	-	-	-	-
<b>Total cash received</b>	<b>1,060</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant, equipment and intangibles	12,364	12,653	1,187	23,010	15,083
<b>Total cash used</b>	<b>12,364</b>	<b>12,653</b>	<b>1,187</b>	<b>23,010</b>	<b>15,083</b>
<b>Net cash from (or used by) investing activities</b>	<b>(11,304)</b>	<b>(12,653)</b>	<b>(1,187)</b>	<b>(23,010)</b>	<b>(15,083)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	-	1,500	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>1,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (or used by) financing activities</b>	<b>-</b>	<b>1,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (or decrease) in cash held</b>	<b>(7,127)</b>	<b>1,371</b>	<b>15,705</b>	<b>(6,118)</b>	<b>1,327</b>
Cash and cash equivalents at the beginning of the reporting period	80,118	72,991	74,362	90,067	83,949
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>72,991</b>	<b>74,362</b>	<b>90,067</b>	<b>83,949</b>	<b>85,276</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Capital Budget Statement**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Equity injections - Bill 2	-	1,500	-	-	-
<b>Total capital appropriations</b>	-	<b>1,500</b>	-	-	-
<b>Total new capital appropriations represented by:</b>					
Purchase of non-financial assets	-	1,500	-	-	-
<b>Total items</b>	-	<b>1,500</b>	-	-	-
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation	-	1,500	-	-	-
Funded internally from departmental resources	12,364	11,153	1,187	23,010	15,083
<b>Total acquisitions of non-financial assets</b>	<b>12,364</b>	<b>12,653</b>	<b>1,187</b>	<b>23,010</b>	<b>15,083</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
<b>Total purchases</b>	<b>12,364</b>	<b>12,653</b>	<b>1,187</b>	<b>23,010</b>	<b>15,083</b>
<b>Total cash used to acquire assets</b>	<b>12,364</b>	<b>12,653</b>	<b>1,187</b>	<b>23,010</b>	<b>15,083</b>

Prepared on Australian Accounting Standards basis.

Section 3 – Budgeted Financial Statements

**Table 3.2.6: Statement of Departmental Asset Movements (Budget Year 2014-15)**

	Land	Buildings	Other property, plant & equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2014</b>					
Gross book value	10,000	497,400	28,468	7,215	<b>543,083</b>
Accumulated depreciation/amortisation and impairment	-	274,016	15,880	4,688	<b>294,584</b>
<b>Opening net book balance</b>	<b>10,000</b>	<b>223,384</b>	<b>12,588</b>	<b>2,527</b>	<b>248,499</b>
<b>CAPITAL ASSET ADDITIONS</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase - appropriation equity	-	-	-	1,500	<b>1,500</b>
By purchase - appropriation ordinary annual services	-	5,072	4,520	1,561	<b>11,153</b>
<b>Sub-total</b>	<b>-</b>	<b>5,072</b>	<b>4,520</b>	<b>3,061</b>	<b>12,653</b>
<b>Other movements</b>					
Depreciation/amortisation expense	-	16,661	4,797	1,348	<b>22,806</b>
Disposals	-	-	-	-	-
Other	-	-	-	-	-
<b>As at 30 June 2015</b>					
Gross book value	10,000	502,472	32,988	10,276	<b>555,736</b>
Accumulated depreciation/amortisation and impairment	-	290,677	20,677	6,036	<b>317,390</b>
<b>Closing net book balance</b>	<b>10,000</b>	<b>211,795</b>	<b>12,311</b>	<b>4,240</b>	<b>238,346</b>





# National Blood Authority

<b>National Blood Authority .....</b>	<b>135</b>
Section 1: Agency Overview and Resources .....	135
<b>1.1 Strategic Direction Statement.....</b>	<b>135</b>
<b>1.2 Agency Resource Statement .....</b>	<b>136</b>
<b>1.3 Agency Measures Table .....</b>	<b>138</b>
<b>1.4 Additional Estimates and Variations.....</b>	<b>138</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill .....</b>	<b>139</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	141
<b>2.1 Resources and Performance Information .....</b>	<b>141</b>
Section 3: Explanatory Tables and Budgeted Financial Statements.....	143
<b>3.1 Explanatory Tables .....</b>	<b>143</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>144</b>



# NATIONAL BLOOD AUTHORITY

## Section 1: Agency Overview and Resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The Australian Government, through the National Blood Authority (NBA), aims to ensure that Australia's blood supply is secure and well managed. The NBA is an independent statutory agency, established by the Australian Government and State and Territory Governments, to coordinate policy, governance, funding and management of the blood banking and plasma product sector in Australia.

The NBA manages national contracts to secure the supply of safe and affordable blood products in Australia in accordance with the National Blood Agreement.

The Government will merge the functions of the NBA with the Australian Organ and Tissue Donation and Transplantation Authority (AOTDTA) with a view to establishing a new independent authority by 1 July 2015. This will consolidate the management of critical clinical supplies, in collaboration with States, Territories, the Commonwealth and the private health system.

The role and functions of the NBA are set out in the *National Blood Authority Act 2003*. The NBA operates under the *Public Governance, Performance and Accountability Act 2013*.

#### Agency Outcomes:

Outcome 1:	Access to a secure supply of safe and affordable blood products, including through national supply arrangements and coordination of best practice standards within agreed funding policies under the national blood arrangements
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## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the National Blood Authority at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2014-15 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations and special accounts.

**Table 1.1: National Blood Authority Resource Statement — Additional Estimates for 2014-15.**

	Estimate as at Budget	Proposed additional estimates	Total estimate at AEs	Total available appropriation
	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000	2013-14 \$'000
<b>Ordinary annual services</b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation and opening reserves	-	-	-	-
Departmental appropriation <sup>1,2</sup>	6,638	300	6,938	6,205
s74 retained revenue receipts <sup>3</sup>	-	-	-	-
<b>Total</b>	<b>6,638</b>	<b>300</b>	<b>6,938</b>	<b>6,205</b>
<b>Administered resources<sup>1</sup></b>				
Outcome 1	7,178	-	7,178	7,544
<b>Total</b>	<b>7,178</b>	<b>-</b>	<b>7,178</b>	<b>7,544</b>
<b>Total ordinary annual services</b>	<b>13,816</b>	<b>300</b>	<b>14,116</b>	<b>13,749</b>
<b>Other services<sup>4</sup></b>				
<b>Departmental non-operating</b>				
Equity injections	-	-	-	-
Previous years' programmes	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total available annual appropriations</b>	<b>13,816</b>	<b>300</b>	<b>14,116</b>	<b>13,749</b>
<b>Total appropriations excluding Special Accounts</b>	<b>13,816</b>	<b>300</b>	<b>14,116</b>	<b>13,749</b>
<b>Special Accounts</b>				
Opening balance <sup>5</sup>	300,259	-	300,259	247,550
Appropriation receipts	13,816	300	14,116	13,749
Appropriation receipts - other agencies <sup>6</sup>	718,906	(183,561)	535,345	714,411
Non-appropriation receipts to Special Accounts	434,224	107,031	541,255	539,456
<b>Total Special Accounts</b>	<b>1,467,205</b>	<b>(76,230)</b>	<b>1,390,975</b>	<b>1,515,166</b>
<b>Total resourcing</b>	<b>1,481,021</b>	<b>(75,930)</b>	<b>1,405,091</b>	<b>1,528,915</b>

Section 1 – Agency Overview and Resources

**Table 1.1: National Blood Authority Resource Statement — Additional Estimates for 2014-15 (cont.)**

	Estimate as at Budget	Proposed additional estimates	Total estimate at AEs	Total available appropriation
	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000	2013-14 \$'000
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts and/or payments to corporate entities through annual appropriations	(13,816)	(300)	(14,116)	(13,749)
<b>Total net resourcing for NBA</b>	<b>1,467,205</b>	<b>(76,230)</b>	<b>1,390,975</b>	<b>1,515,166</b>

All figures are GST exclusive.

<sup>1</sup>Appropriation Bill (No. 1 & 3) 2014-15.

<sup>2</sup>Includes an amount of \$0.672m in 2014-15 for the Departmental Capital Budget (refer to Table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

<sup>3</sup>Estimated retained revenue receipts under Section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA).

<sup>4</sup>Appropriation Bill (No. 2 & 4) 2014-15.

<sup>5</sup>The estimate at Budget has been revised to reflect the 2013-14 Annual Report. For further information on special accounts see Table 3.1.1.

<sup>6</sup>Appropriation receipts from the Department of Health.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2014-15 Budget.

**Table 1.2: Agency 2014-15 Measures since Budget**

Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Whole of Government Measures<sup>1</sup></b>				
<b>Smaller Government - additional reductions in the number of Australian Government bodies<sup>2</sup></b>				
National Blood Authority				
Departmental expenses	1 300	-	-	-
<b>Total expenses</b>	<b>300</b>	-	-	-

<sup>1</sup>NBA is not the lead agency for these measures. NBA impacts only are shown in this table.

<sup>2</sup>This measure was announced as part of the 2014-15 Budget (refer page 70 of the 2014-15 Budget Paper 2) but not previously included in Health Portfolio Budget papers.

### 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the National Blood Authority at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2014-15 Budget in Appropriation Bills No. 3 and No. 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional estimates and variations to outcomes from measures since 2014-15 Budget**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: National blood agreement management</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
<b>Measure</b> - Smaller Government - additional reductions in the number of Australian Government bodies <sup>1</sup>	300	-	-	-
	<b>300</b>	-	-	-

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer page 70 of the 2014-15 Budget Paper 2).

**Table 1.4: Additional estimates and variations to outcomes from other variations**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: National blood agreement management</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
Price parameter adjustments <sup>1</sup>	-	(11)	(12)	(19)
	-	(11)	(12)	(19)

<sup>1</sup>See explanation in glossary

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the National Blood Authority through Appropriation Bills No. 3.

**Table 1.5: Appropriation Bill (No. 3) 2014-15**

	2013-14 Available \$'000	2014-15 Budget \$'000	2014-15 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Administered Items</b>					
<b>Outcome 1</b>					
National blood agreement management	7,544	7,178	7,178	-	-
<b>Departmental Items</b>					
<b>Outcome 1</b>					
National blood agreement management	6,205	6,638	6,938	300	-
<b>Total Appropriation Bill No. 3 (Administered and Departmental)</b>	<b>13,749</b>	<b>13,816</b>	<b>14,116</b>	<b>300</b>	<b>-</b>





## Section 2: Revisions to Agency Resources and Planned Performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

The National Blood Authority works to achieve one outcome specified by Government. There have been no changes to the performance information since the 2014-15 Health PB Statements. Refer to page 379 of the 2014-15 Health PB Statements for current performance information.

**Table 2.1: Budgeted Expenses and Resources**

	2013-14 Actual \$'000	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme 1.1: National blood agreement management</b>					
Administered expenses					
Ordinary annual services (Bill 1/3) to the National Blood Authority Account	7,544 (7,544)	7,178 (7,178)	7,070 (7,070)	- -	- -
Special accounts					
National Blood Authority Account	1,044,914	1,101,283	1,213,750	1,280,331	1,362,056
Departmental expenses					
Departmental appropriation <sup>1</sup> To National Blood Authority Account	6,090 (6,090)	6,266 (6,266)	5,855 (5,855)	5,784 (5,784)	5,815 (5,815)
Special Account					
National Blood Authority Account	9,990	10,160	9,278	9,495	9,548
Expenses not requiring appropriation in the budget year <sup>2</sup>	743	483	483	483	483
Operating deficit (surplus)	(414)	(78)	(21)	(14)	(16)
<b>Total for Programme 1.1</b>	<b>1,055,233</b>	<b>1,111,848</b>	<b>1,223,490</b>	<b>1,290,295</b>	<b>1,372,071</b>
<b>Total expenses for Outcome 1</b>	<b>1,055,233</b>	<b>1,111,848</b>	<b>1,223,490</b>	<b>1,290,295</b>	<b>1,372,071</b>

<sup>1</sup>Departmental appropriation combines "Ordinary annual services (Appropriation Bill No. 1 & 3)" and "Section 74 retained revenue receipts".

<sup>2</sup>Expenses not requiring appropriation in the Budget year is made up of depreciation expense, amortisation expenses, make good expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	53	53



## Section 3: Explanatory Tables and Budgeted Financial Statements

### 3.1 EXPLANATORY TABLES

#### Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the National Blood Authority (NBA). The corresponding table in the 2014-15 Health PB Statements is Table 3.1.2.

**Table 3.1.1: Estimates of special account flows**

	Outcome	Opening balance	Appropriation receipts	Other receipts	Payments	Closing balance
		2014-15	2014-15	2014-15	2014-15	2014-15
		2013-14	2013-14	2013-14	2013-14	2013-14
		\$'000	\$'000	\$'000	\$'000	\$'000
National Blood Authority Account <sup>1</sup> (A)	1	291,524	7,178	1,025,111	1,192,714	131,099
		239,663	7,544	1,196,451	1,152,134	291,524
National Blood Authority Account <sup>1</sup> (D)	1	8,404	6,938	4,147	10,422	9,067
		7,707	6,205	4,134	9,642	8,404
National Managed Fund (Blood and Blood Products) Special Account <sup>2,3</sup> (A)	1	331	-	47,342	47,342	331
		180	-	53,282	53,131	331
<b>Total Special Accounts 2014-15 Estimate</b>		<b>300,259</b>	<b>14,116</b>	<b>1,076,600</b>	<b>1,250,478</b>	<b>140,497</b>
<i>Total Special Accounts 2013-14 actual</i>		<i>247,550</i>	<i>13,749</i>	<i>1,253,867</i>	<i>1,214,907</i>	<i>300,259</i>

Other Trust Money – Section 78 PGPA Act has been abolished.

D = Departmental; A = Administered.

<sup>1</sup>National Blood Authority Act 2003 – Section 80 PGPA Act

<sup>2</sup>Section 78 PGPA Act

<sup>3</sup>In 2010-11, the NBA was granted investment powers for the National Managed Fund Special Account. Payments represent the purchase of investments.

#### Analysis of the special account flows

All NBA receipts and payments are accounted for through special accounts. The NBA manages the National Blood Authority Account and the National Managed Fund. Actual and estimated flows are provided for in Table 3.1.1.

For the National Blood Authority Account, accumulated funds are held within the Official Public Account and included as Receivables in the Balance Sheet. The closing balance is expected to reduce from 30 June 2014 to 30 June 2015 as a consequence of prior year accumulated surpluses being utilised to fund 2014-15 activity for blood and blood related products.

## **3.2 BUDGETED FINANCIAL STATEMENTS**

An analysis of the major changes to the NBA's budgeted financial statements compared to the 2014-15 Health Portfolio Budget Statement is outlined below.

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

NBA operational costs are funded jointly by the Australian, State and Territory Governments on a 63%/37% basis through annual contributions. All NBA receipts and payments are accounted for through special accounts.

The NBA is expecting a very small operating surplus, net of depreciation, for 2014-15 and over the forward estimates.

From the 2014-15 Budget, the Departmental appropriation will increase in 2014-15 by \$0.3 million. This is to fund activities in preparation for the merger of the NBA with the Australian Organ and Tissue Donation and Transplantation Authority on 1 July 2015.

NBA had a net asset position at 30 June 2014 of \$7.8 million which is expected to grow marginally over the forward estimates. Assets include investment in systems of \$1.8 million which will depreciate over their expected life with planned replacement in 2017-18. Liabilities are expected to remain stable over the budget and forward estimates period and comprise mainly of grant and supplier payables and employee entitlements.

Retained surpluses decrease 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 Flows are consistent with the income and expenses discussed above.

### **3.2.2 Analysis of administered budgeted financial statements**

The NBA administered statements include contributions from all states and territories and the Australian Government for the supply of blood and blood supply related products. Each year the Standing Council on Health approved the Annual Supply Plan and Budget which is formulated by the NBA from demand estimates by the states and territories.

Asset and liabilities are expected to remain relatively constant over the forward estimates.

Section 3 – Budgeted Financial Statements

**Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services)  
(for the period ended 30 June)**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>EXPENSES</b>					
Employee benefits	6,632	6,288	6,405	6,598	6,747
Supplier expenses	3,150	3,881	2,939	2,970	2,872
Depreciation and amortisation	649	389	389	389	389
Write-down and impairment of assets	(120)	-	-	-	-
Losses from asset sales	1	-	-	-	-
Other Financing Costs	7	7	7	7	7
<b>Total expenses</b>	<b>10,319</b>	<b>10,565</b>	<b>9,740</b>	<b>9,964</b>	<b>10,015</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Other revenue	3,900	3,894	3,423	3,711	3,733
<b>Total revenue</b>	<b>3,900</b>	<b>3,894</b>	<b>3,423</b>	<b>3,711</b>	<b>3,733</b>
<b>Gains</b>					
Other	94	94	94	94	94
<b>Total gains</b>	<b>94</b>	<b>94</b>	<b>94</b>	<b>94</b>	<b>94</b>
<b>Total own-source income</b>	<b>3,994</b>	<b>3,988</b>	<b>3,517</b>	<b>3,805</b>	<b>3,827</b>
<b>Net cost of (contribution by) services</b>	<b>6,325</b>	<b>6,577</b>	<b>6,223</b>	<b>6,159</b>	<b>6,188</b>
Revenue from Government	6,090	6,266	5,855	5,784	5,815
<b>Surplus (Deficit)</b>	<b>(235)</b>	<b>(311)</b>	<b>(368)</b>	<b>(375)</b>	<b>(373)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(235)</b>	<b>(311)</b>	<b>(368)</b>	<b>(375)</b>	<b>(373)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(235)</b>	<b>(311)</b>	<b>(368)</b>	<b>(375)</b>	<b>(373)</b>
<b>Note: Reconciliation of comprehensive income attributable to the agency</b>					
	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(235)</b>	<b>(311)</b>	<b>(368)</b>	<b>(375)</b>	<b>(373)</b>
plus non-appropriated expenses depreciation and amortisation expenses	649	389	389	389	389
<b>Total comprehensive income (loss) attributable to the agency</b>	<b>414</b>	<b>78</b>	<b>21</b>	<b>14</b>	<b>16</b>

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	29	29	29	29	29
Receivables	8,904	8,633	8,558	8,202	7,846
<b>Total financial assets</b>	<b>8,933</b>	<b>8,662</b>	<b>8,587</b>	<b>8,231</b>	<b>7,875</b>
<b>Non-financial assets</b>					
Land and buildings	1,034	1,060	936	1,062	1,138
Property, plant and equipment	529	826	804	943	1,138
Intangibles	233	583	440	790	1,140
Other	100	100	100	100	100
<b>Total non-financial assets</b>	<b>1,896</b>	<b>2,569</b>	<b>2,280</b>	<b>2,895</b>	<b>3,516</b>
<b>Total assets</b>	<b>10,829</b>	<b>11,231</b>	<b>10,867</b>	<b>11,126</b>	<b>11,391</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	497	497	397	397	397
Other payables	564	564	564	564	564
<b>Total payables</b>	<b>1,061</b>	<b>1,061</b>	<b>961</b>	<b>961</b>	<b>961</b>
<b>Provisions</b>					
Employees	1,507	1,548	1,589	1,589	1,589
Other provisions	412	412	412	412	412
<b>Total provisions</b>	<b>1,919</b>	<b>1,960</b>	<b>2,001</b>	<b>2,001</b>	<b>2,001</b>
<b>Total liabilities</b>	<b>2,980</b>	<b>3,021</b>	<b>2,962</b>	<b>2,962</b>	<b>2,962</b>
<b>Net Assets</b>	<b>7,849</b>	<b>8,210</b>	<b>7,905</b>	<b>8,164</b>	<b>8,429</b>
<b>EQUITY</b>					
Contributed equity	2,578	3,250	3,313	3,947	4,585
Reserves	359	359	359	359	359
Retained surpluses or accumulated deficits	4,912	4,601	4,233	3,858	3,485
<b>Total equity</b>	<b>7,849</b>	<b>8,210</b>	<b>7,905</b>	<b>8,164</b>	<b>8,429</b>

Section 3 – Budgeted Financial Statements

**Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2014-15)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2014</b>					
Balance carried forward from previous period	4,912	359	-	2,578	<b>7,849</b>
Surplus (deficit) for the period	(311)	-	-	-	<b>(311)</b>
Appropriation (equity injection)	-	-	-	-	-
Capital budget - Bill 1 (DCB)	-	-	-	672	<b>672</b>
<b>Estimated closing balance as at 30 June 2015</b>	<b>4,601</b>	<b>359</b>	<b>-</b>	<b>3,250</b>	<b>8,210</b>

DCB = Departmental Capital Budget.

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	6,090	6,266	5,855	5,784	5,815
Net GST received	241	253	253	253	253
Other cash received	3,893	3,894	3,423	3,711	3,733
Cash from the Official Public Account	(687)	132	(114)	227	226
<b>Total cash received</b>	<b>9,537</b>	<b>10,545</b>	<b>9,417</b>	<b>9,975</b>	<b>10,027</b>
<b>Cash used</b>					
Employees	6,185	6,329	6,405	6,598	6,747
Suppliers	3,246	3,788	2,946	2,977	2,879
Net GST paid	-	38	29	30	29
Cash to the Official Public Account	-	-	-	-	-
<b>Total cash used</b>	<b>9,431</b>	<b>10,155</b>	<b>9,380</b>	<b>9,605</b>	<b>9,655</b>
<b>Net cash from (or used by) operating activities</b>	<b>106</b>	<b>390</b>	<b>37</b>	<b>370</b>	<b>372</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant, equipment and intangibles	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	245	1,062	100	1,004	1,010
<b>Total cash used</b>	<b>245</b>	<b>1,062</b>	<b>100</b>	<b>1,004</b>	<b>1,010</b>
<b>Net cash from (or used by) investing activities</b>	<b>(245)</b>	<b>(1,062)</b>	<b>(100)</b>	<b>(1,004)</b>	<b>(1,010)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Capital budget - Bill 1 (DCB)	139	672	63	634	638
<b>Total cash received</b>	<b>139</b>	<b>672</b>	<b>63</b>	<b>634</b>	<b>638</b>
<b>Net cash from (or used by) financing activities</b>	<b>139</b>	<b>672</b>	<b>63</b>	<b>634</b>	<b>638</b>
<b>Net increase (or decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	29	29	29	29	29
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>29</b>	<b>29</b>

DCB = Departmental Capital Budget.



Section 3 – Budgeted Financial Statements

**Table 3.2.5: Capital Budget Statement**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	139	672	63	634	638
<b>Total capital appropriations</b>	<b>139</b>	<b>672</b>	<b>63</b>	<b>634</b>	<b>638</b>
<b>Total new capital appropriations represented by:</b>					
Purchase of non-financial assets	139	672	63	634	638
Other	-	-	-	-	-
<b>Total items</b>	<b>139</b>	<b>672</b>	<b>63</b>	<b>634</b>	<b>638</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation - DCB	139	672	63	634	638
Funded internally from Departmental resources	106	390	37	370	372
<b>Total acquisitions of non-financial assets</b>	<b>245</b>	<b>1,062</b>	<b>100</b>	<b>1,004</b>	<b>1,010</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
<b>Total purchases</b>	<b>245</b>	<b>1,062</b>	<b>100</b>	<b>1,004</b>	<b>1,010</b>
<b>Total cash used to acquire assets</b>	<b>245</b>	<b>1,062</b>	<b>100</b>	<b>1,004</b>	<b>1,010</b>

DCB = Departmental Capital Budget.

**Table 3.2.6: Statement of Departmental Asset Movements (Budget Year 2014-15)**

	Buildings	Other property, plant & equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2014</b>				
Gross book value	1,034	529	3,551	5,114
Accumulated depreciation/amortisation and impairment	-	-	3,318	3,318
<b>Opening net book balance</b>	<b>1,034</b>	<b>529</b>	<b>233</b>	<b>1,796</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation ordinary annual services	95	263	314	672
By purchase - internal departmental resources	55	153	182	390
<b>Sub-total</b>	<b>150</b>	<b>416</b>	<b>496</b>	<b>1,062</b>
<b>Other movements</b>				
Depreciation/amortisation expense	124	119	146	389
Disposals	-	-	-	-
Other	-	-	-	-
<b>As at 30 June 2015</b>				
Gross book value	1,184	945	4,047	6,176
Accumulated depreciation/amortisation and impairment	124	119	3,464	3,707
<b>Closing net book balance</b>	<b>1,060</b>	<b>826</b>	<b>583</b>	<b>2,469</b>

Section 3 – Budgeted Financial Statements

**Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)**

	Actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Non-taxation</b>					
Other sources of non-taxation revenues	1,101,410	930,597	1,223,648	1,299,273	1,381,100
<b>Total non-taxation</b>	<b>1,101,410</b>	<b>930,597</b>	<b>1,223,648</b>	<b>1,299,273</b>	<b>1,381,100</b>
<b>Total revenues administered on behalf of Government</b>	<b>1,101,410</b>	<b>930,597</b>	<b>1,223,648</b>	<b>1,299,273</b>	<b>1,381,100</b>
<b>Total income administered on behalf of Government</b>	<b>1,101,410</b>	<b>930,597</b>	<b>1,223,648</b>	<b>1,299,273</b>	<b>1,381,100</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Suppliers	1,036,037	1,092,214	1,205,173	1,280,331	1,362,056
Depreciation and amortisation	546	492	-	-	-
Grants - other	8,331	8,577	8,577	-	-
<b>Total expenses administered on behalf of Government</b>	<b>1,044,914</b>	<b>1,101,283</b>	<b>1,213,750</b>	<b>1,280,331</b>	<b>1,362,056</b>

**Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

	Actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	335	349	363	377	377
Receivables	24,198	25,684	27,020	27,020	27,854
Investments	110,368	115,454	125,716	136,388	147,060
<b>Total financial assets</b>	<b>134,901</b>	<b>141,487</b>	<b>153,099</b>	<b>163,785</b>	<b>175,291</b>
<b>Non-financial assets</b>					
Property, plant and equipment	149	63	63	63	63
Intangibles	1,199	793	793	793	793
Inventories	86,056	87,059	87,559	88,381	88,381
Other	76,032	76,032	76,032	76,032	76,032
<b>Total non-financial assets</b>	<b>163,436</b>	<b>163,947</b>	<b>164,447</b>	<b>165,269</b>	<b>165,269</b>
<b>Total assets administered on behalf of Government</b>	<b>298,337</b>	<b>305,434</b>	<b>317,546</b>	<b>329,054</b>	<b>340,560</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Suppliers	78,031	79,786	80,888	80,991	80,991
<b>Total payables</b>	<b>78,031</b>	<b>79,786</b>	<b>80,888</b>	<b>80,991</b>	<b>80,991</b>
<b>Total liabilities administered on behalf of Government</b>	<b>78,031</b>	<b>79,786</b>	<b>80,888</b>	<b>80,991</b>	<b>80,991</b>

Section 3 – Budgeted Financial Statements

**Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)**

	Actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Net GST received	99,056	100,500	100,500	100,500	100,500
Other	1,102,813	1,107,920	1,232,395	1,306,698	1,396,694
<b>Total cash received</b>	<b>1,201,869</b>	<b>1,208,420</b>	<b>1,332,895</b>	<b>1,407,198</b>	<b>1,497,194</b>
<b>Cash used</b>					
Suppliers	1,045,311	1,085,373	1,193,809	1,269,556	1,351,384
Grant payments	8,331	8,577	8,577	-	-
Net GST paid	105,345	109,370	120,233	126,956	135,138
<b>Total cash used</b>	<b>1,158,987</b>	<b>1,203,320</b>	<b>1,322,619</b>	<b>1,396,512</b>	<b>1,486,522</b>
<b>Net cash from (or used by)</b>					
<b>operating activities</b>	<b>42,882</b>	<b>5,100</b>	<b>10,276</b>	<b>10,686</b>	<b>10,672</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from Sale of Investments	47,870	41,356	-	-	-
<b>Total cash received</b>	<b>47,870</b>	<b>41,356</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of Investments	52,376	46,442	10,262	10,672	10,672
<b>Total cash used</b>	<b>52,376</b>	<b>46,442</b>	<b>10,262</b>	<b>10,672</b>	<b>10,672</b>
<b>Net cash from (or used by)</b>					
<b>investing activities</b>	<b>(4,506)</b>	<b>(5,086)</b>	<b>(10,262)</b>	<b>(10,672)</b>	<b>(10,672)</b>
<b>Net increase (or decrease)</b>					
<b>in cash held</b>	<b>38,376</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>-</b>
Cash at beginning of reporting period	324	335	349	363	377
Cash from Official Public Account for:					
- special accounts	1,182,974	1,242,584	1,325,811	1,407,184	1,497,194
- appropriations	7,544	7,178	7,070	-	-
Cash to Official Public Account for:					
- special accounts	1,228,883	1,249,762	1,332,881	1,407,184	1,497,194
<b>Cash at end of reporting period</b>	<b>335</b>	<b>349</b>	<b>363</b>	<b>377</b>	<b>377</b>



# National Health and Medical Research Council

<b>National Health and Medical Research Council .....</b>	<b>157</b>
Section 1: Agency Overview and Resources.....	157
<b>1.1 Strategic Direction Statement.....</b>	<b>157</b>
<b>1.2 Agency Resource Statement .....</b>	<b>157</b>
<b>1.3 Agency Measures Table .....</b>	<b>159</b>
<b>1.4 Additional Estimates and Variations.....</b>	<b>159</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill .....</b>	<b>161</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	163
<b>2.1 Resources and Performance Information .....</b>	<b>163</b>
Section 3: Explanatory Tables and Budgeted Financial Statements.....	165
<b>3.1 Explanatory Tables .....</b>	<b>165</b>
<b>3.2 Budgeted Financial Statements.....</b>	<b>166</b>





# NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL

## Section 1: Agency Overview and Resources

### 1.1 STRATEGIC DIRECTION STATEMENT

The National Health and Medical Research Council (NHMRC) is the Australian Government's key agency for managing investment in health and medical research. NHMRC is also responsible for developing evidence-based health advice for the Australian community, health professionals and Governments, and for providing advice on ethical practice in health care and in the conduct of health and medical research.

The role and functions of NHMRC are set out in the *National Health and Medical Research Council Act 1992*. NHMRC's assessment of the major national health issues likely to arise from the 2012-15 triennium, and NHMRC's national strategy for medical research and public health research are set out in NHMRC's Strategic Plan 2013-15<sup>1</sup>, which was tabled in the Australian Parliament on 18 January 2013.

NHMRC also has statutory obligations under the *Prohibition of Human Cloning for Reproduction Act 2002* and the *Research Involving Human Embryos Act 2002*. NHMRC is a listed entity for the purposes of the *Public Governance, Performance and Accountability Act 2013*.

#### Agency Outcomes:

Outcome 1:	Improved health and medical knowledge, including through funding research, translating research findings into evidence-based clinical practice, administering legislation governing research, issuing guidelines and advice for ethics in health and the promotion of public health
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### 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the National Health and Medical Research Council at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2014-15 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriation and special accounts.

<sup>1</sup>The NHMRC Strategic Plan is developed in accordance with section 16(1) of the *National Health and Medical Research Council Act 1992*.

**Table 1.1: National Health and Medical Research Council Resource Statement — Additional Estimates for 2014-15**

	Estimate as at Budget	Proposed additional estimates	Total estimate at AEs	Total available appropriation
	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000	2013-14 \$'000
<b>Ordinary annual services</b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation <sup>1,2</sup>	7,943	-	7,943	13,192
Departmental appropriation <sup>3,4</sup>	42,159	522	42,681	40,273
s74 retained revenue receipts <sup>5</sup>	2,000	-	2,000	2,005
<b>Total</b>	<b>52,102</b>	<b>522</b>	<b>52,624</b>	<b>55,470</b>
<b>Administered resources<sup>3</sup></b>				
Outcome 1	905,715	-	905,715	783,640
<b>Total</b>	<b>905,715</b>	<b>-</b>	<b>905,715</b>	<b>783,640</b>
<b>Total ordinary annual services</b>	<b>957,817</b>	<b>522</b>	<b>958,339</b>	<b>839,110</b>
<b>Other services<sup>6</sup></b>				
<b>Departmental non-operating</b>				
Equity injections	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total available annual appropriations</b>	<b>957,817</b>	<b>522</b>	<b>958,339</b>	<b>839,110</b>
<b>Total appropriations excluding Special Accounts</b>	<b>957,817</b>	<b>522</b>	<b>958,339</b>	<b>839,110</b>
<b>Special Accounts</b>				
Opening balance <sup>2,7</sup>	134,148	-	134,148	213,557
Appropriation receipts	859,026	-	859,026	774,487
Non-appropriation receipts to Special Accounts	10,600	-	10,600	9,522
<b>Total Special Accounts</b>	<b>1,003,774</b>	<b>-</b>	<b>1,003,774</b>	<b>997,566</b>
<b>Total resourcing</b>	<b>1,961,591</b>	<b>522</b>	<b>1,962,113</b>	<b>1,836,676</b>
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts and/or payments to corporate entities through annual appropriations	(859,026)	-	(859,026)	(774,487)
<b>Total net resourcing for NHMRC</b>	<b>1,102,565</b>	<b>522</b>	<b>1,103,087</b>	<b>1,062,189</b>

<sup>1</sup>The estimate of prior year amounts available constitutes opening balance at bank and appropriation receivable for the core department (excluding special accounts).

<sup>2</sup>The estimate at Budget has been revised to reflect the 2013-14 Annual Report.

<sup>3</sup>Appropriation Bill (No. 1 & 3) 2014-15

<sup>4</sup>Includes an amount of \$1.959 million in 2014-15 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

<sup>5</sup>Estimated retained revenue receipts under Section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA).

<sup>6</sup>Appropriation Bill (No. 2 & 4) 2014-15

<sup>7</sup>Estimated balances for special accounts. For further information on special accounts see Table 3.1.1.

### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2014-15 Budget.

**Table 1.2: Agency 2014-15 Measures since Budget**

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Smaller Government - Health Portfolio</b>					
National Health and Medical Research Council					
Departmental expenses	1.1	-	438	(1,724)	(1,740)
<b>Total expenses</b>		<b>-</b>	<b>438</b>	<b>(1,724)</b>	<b>(1,740)</b>

#### Whole of Government and Other Portfolio Measures<sup>1</sup>

##### Funding for pre-existing measures affecting the public sector<sup>2</sup>

Department of Finance

National Health and Medical Research Council

Departmental expenses	1.1	540	-	-	-
<b>Total</b>		<b>540</b>	<b>-</b>	<b>-</b>	<b>-</b>

##### Communications and Public Affairs Functions - targeted savings<sup>3</sup>

Department of Finance

National Health and Medical Research Council

Departmental expenses	1.1	(18)	(35)	(35)	(35)
<b>Total</b>		<b>(18)</b>	<b>(35)</b>	<b>(35)</b>	<b>(35)</b>

<sup>1</sup>NHMRC is not the lead agency for these measures. NHMRC impacts only are shown in this table.

<sup>2</sup>This measure was announced as part of the 2013-14 MYEFO (refer page 147 of the 2013-4 MYEFO) but not previously included in Health Portfolio Budget papers.

<sup>3</sup>This measure was announced as part of the 2014-15 Budget (refer page 113 of the 2014-15 Budget Paper 2) but not previously included in Health Portfolio Budget papers.

### 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the National Health and Medical Research Council at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2014-15 Budget in Appropriation Bills No. 3 and No. 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

National Health and Medical Research Council

**Table 1.3: Additional estimates and variations to outcomes from measures since 2014-15 Budget**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
<b>Measure</b> - Funding for pre-existing measures affecting the public sector <sup>1</sup>	540	-	-	-
<b>Measure</b> - Smaller Government - Health Portfolio	-	438	(1,724)	(1,740)
<b>Measure</b> - Communications and Public Affairs Functions - targeted savings <sup>2</sup>	(18)	(35)	(35)	(35)
	<b>522</b>	<b>403</b>	<b>(1,759)</b>	<b>(1,775)</b>

<sup>1</sup>This measure was announced as part of the 2013-14 MYEFO (refer page 147 of the 2013-4 MYEFO).

<sup>2</sup>This measure was announced as part of the 2014-15 Budget (refer page 113 of the 2014-15 Budget Paper 2).

**Table 1.4: Additional estimates and variations to outcomes from other variations**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: Health and medical research</b>				
<b>Changes to administered appropriations</b>				
<i>Appropriation Bill No.3</i>				
Price parameter adjustments <sup>1</sup>	-	(798)	(1,621)	(1,650)
	-	<b>(798)</b>	<b>(1,621)</b>	<b>(1,650)</b>
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
Price parameter adjustments <sup>1</sup>	-	(86)	(78)	(118)
	-	<b>(86)</b>	<b>(78)</b>	<b>(118)</b>

<sup>1</sup>See explanation in glossary

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the National Health and Medical Research Council through Appropriation Bills No. 3.

**Table 1.5: Appropriation Bill (No. 3) 2014-15**

	2013-14 Available \$'000	2014-15 Budget \$'000	2014-15 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Administered Items</b>					
<b>Outcome 1</b>					
Health and medical research	783,640	905,715	905,715	-	-
<b>Departmental Items</b>					
<b>Outcome 1</b>					
Health and medical research	40,273	42,159	42,681	522	-
<b>Total Appropriation Bill No. 3 (Administered and Departmental)</b>	<b>823,913</b>	<b>947,874</b>	<b>948,396</b>	<b>522</b>	<b>-</b>



## Section 2: Revisions to Agency Resources and Planned Performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

The National Health and Medical Research Council works to achieve one outcome specified by Government. There have been no changes to the performance information since the 2014-15 Health PB Statements. Refer to page 419 of the 2014-15 Health PB Statements for current performance information.

**Table 2.1: Budgeted Expenses and Resources**

	2013-14 Actual \$'000	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme 1.1: Health and medical research</b>					
Administered expenses					
Ordinary annual services to the Medical Research Endowment Account	783,640	905,715	841,471	854,467	878,291
Special accounts					
Medical Research Endowment Account	(774,487)	(859,026)	(797,865)	(811,428)	(826,035)
Departmental expenses					
Departmental appropriation <sup>1</sup>	853,423	855,758	847,380	836,793	836,435
Expenses not requiring appropriation in the budget year <sup>2</sup>	42,162	42,722	42,097	39,684	40,016
Operating deficit (surplus)	1,982	2,300	2,300	2,300	2,300
	1,273	1,400	-	-	-
<b>Total programme expenses</b>	<b>907,993</b>	<b>948,869</b>	<b>935,383</b>	<b>921,816</b>	<b>931,007</b>

<sup>1</sup>Departmental appropriation combines "Ordinary annual services (Appropriation Bill No. 1 & 3)" and "Section 74 retained revenue receipts".

<sup>2</sup>Expenses not requiring appropriation in the Budget year is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	208	200





## Section 3: Explanatory Tables and Budgeted Financial Statements

### 3.1 EXPLANATORY TABLES

#### Estimates of special account flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the National Health and Medical Research Council (NHMRC). The corresponding table in the 2014-15 Health PB Statements is Table 3.1.2.

**Table 3.1.1: Estimates of special account flows**

Outcome	Opening balance	Appropriation receipts	Other receipts	Payments	Closing balance
	2014-15 2013-14 \$'000	2014-15 2013-14 \$'000	2014-15 2013-14 \$'000	2014-15 2013-14 \$'000	2014-15 2013-14 \$'000
Medical Research	134,148	859,026	38,600	958,058	73,716
Endowment Account <sup>1</sup> (A)	213,557	774,487	34,945	888,841	134,148
<b>Total Special Accounts 2014-15 Estimate</b>	<b>134,148</b>	<b>859,026</b>	<b>38,600</b>	<b>958,058</b>	<b>73,716</b>
<i>Total Special Accounts 2013-14 actual</i>	<i>213,557</i>	<i>774,487</i>	<i>34,945</i>	<i>888,841</i>	<i>134,148</i>

D = Departmental; A = Administered; S = Special Public Money

<sup>1</sup>National Health and Medical Research Council Act 1992 – Section 80 PGPA Act

#### Analysis of special account flows

The NHMRC manages the Medical Research Endowment Account (MREA). The actual and estimated flows of the MREA are provided in Table 3.1.1.

Expenditure in 2014-15 and forward years is expected to be greater than administered appropriations and funds will be drawn-down from the MREA resulting in a reducing closing balance.

## **3.2 BUDGETED FINANCIAL STATEMENTS**

An analysis of the major changes to the NHMRC's budgeted financial statements compared to the 2014-15 Health PB Statements is outlined below.

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

Revenue from Government has changed from the 2013-14 Budget as a result of the measures provided for in Table 1.2 including \$0.5 million for voluntary redundancy funding to allow the NHMRC to reduce workforce numbers.

In 2014-15, the NHMRC is anticipating an operating loss of \$1.4 million relating to the Australian Research Fellowship scheme. This amount was appropriated in 2006-07 and is drawn down annually to facilitate the annual payment. For forward years, the NHMRC is expecting a break-even operating result after depreciation.

The Departmental Capital Budget appropriation has increased by \$1.774 million from the 2014-15 Budget for the *Simplified and Consistent Health and Medical Research* measure, which was previously classified as an operating appropriation. As a result of the above increase in NHMRC's Departmental Capital Budget, equity has increased accordingly.

Assets of the NHMRC at 30 June 2014 were \$20.9 million with \$11.7 million being represented as investments in non-current assets. Liabilities mainly consist of employee provisions and supplier payables. Assets and liabilities are expected to remain relatively constant over the forward estimates.

Cash flows are consistent with the revenue, expenses and capital referred to above.

### **3.2.2 Analysis of administered budgeted financial statements**

Grant expenses for the MREA in 2014-15 have been reduced by \$74.3 million to reflect the timing of the recognition of expenses following the completion of the annual financial statements. This is an accounting related change only and has no impact on the current level of funding or existing funding commitments, nor does it impact upon individual research projects or researchers.

Liabilities mainly consist of grants payable and have been revised downward for 2014-15 and forward year for the accounting treatment referred to above.

Cash flows are consistent with those published in the 2014-15 Budget.

Section 3 – Budgeted Financial Statements

**Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services)  
(for the period ended 30 June)**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>EXPENSES</b>					
Employee benefits	26,420	24,929	24,633	23,767	23,756
Supplier	17,099	19,273	17,544	15,997	16,340
Depreciation and amortisation	1,877	2,200	2,200	2,200	2,200
Finance costs	21	20	20	20	20
<b>Total expenses</b>	<b>45,417</b>	<b>46,422</b>	<b>44,397</b>	<b>41,984</b>	<b>42,316</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	2,005	2,000	2,000	2,000	2,000
<b>Total revenue</b>	<b>2,005</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
<b>Gains</b>					
Other gains	105	100	100	100	100
<b>Total gains</b>	<b>105</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Total own-source income</b>	<b>2,110</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>
<b>Net cost of (contribution by) services</b>	<b>43,307</b>	<b>44,322</b>	<b>42,297</b>	<b>39,884</b>	<b>40,216</b>
Revenue from Government	40,157	40,722	40,097	37,684	38,016
<b>Surplus (Deficit)</b>	<b>(3,150)</b>	<b>(3,600)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(3,150)</b>	<b>(3,600)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	73	-	-	-	-
<b>Total other comprehensive income</b>	<b>73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(3,077)</b>	<b>(3,600)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>

**Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services)  
(for the period ended 30 June) (cont.)**

<b>Note: Reconciliation of comprehensive income attributable to the agency</b>					
	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(3,150)</b>	<b>(3,600)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>
plus non-appropriated expenses depreciation and amortisation expenses	1,877	2,200	2,200	2,200	2,200
<b>Total comprehensive income (loss) attributable to the agency</b>	<b>(1,273)</b>	<b>(1,400)</b>	<b>-</b>	<b>-</b>	<b>-</b>

Section 3 – Budgeted Financial Statements

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	503	503	503	503	503
Receivables	7,579	7,867	8,839	9,382	9,382
<b>Total financial assets</b>	<b>8,082</b>	<b>8,370</b>	<b>9,342</b>	<b>9,885</b>	<b>9,885</b>
<b>Non-financial assets</b>					
Property, plant and equipment	7,046	5,646	4,238	2,838	1,437
Inventories	280	280	280	280	280
Intangibles	4,333	5,492	8,888	8,267	7,649
Other	1,135	1,135	1,135	1,135	1,135
<b>Total non-financial assets</b>	<b>12,794</b>	<b>12,553</b>	<b>14,541</b>	<b>12,520</b>	<b>10,501</b>
<b>Total assets</b>	<b>20,876</b>	<b>20,923</b>	<b>23,883</b>	<b>22,405</b>	<b>20,386</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	2,695	2,695	2,695	2,695	2,695
Other payables	846	544	845	652	652
<b>Total payables</b>	<b>3,541</b>	<b>3,239</b>	<b>3,540</b>	<b>3,347</b>	<b>3,347</b>
<b>Provisions</b>					
Employees	6,606	6,671	6,766	6,875	6,875
Other provisions	598	623	649	676	676
<b>Total provisions</b>	<b>7,204</b>	<b>7,294</b>	<b>7,415</b>	<b>7,551</b>	<b>7,551</b>
<b>Total liabilities</b>	<b>10,745</b>	<b>10,533</b>	<b>10,955</b>	<b>10,898</b>	<b>10,898</b>
<b>Net Assets</b>	<b>10,131</b>	<b>10,390</b>	<b>12,928</b>	<b>11,507</b>	<b>9,488</b>
<b>EQUITY</b>					
Contributed equity	5,357	7,316	11,504	10,568	10,749
Reserves	73	73	73	73	73
Retained surpluses or accumulated deficits	4,701	3,001	1,351	866	(1,334)
<b>Total equity</b>	<b>10,131</b>	<b>10,390</b>	<b>12,928</b>	<b>11,507</b>	<b>9,488</b>

**Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2014-15)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2014</b>					
Balance carried forward from previous period	4,701	73	-	5,357	<b>10,131</b>
Surplus (deficit) for the period	(3,600)	-	-	-	<b>(3,600)</b>
Appropriation (equity injection)	-	-	-	-	-
Capital budget - Bill 1 (DCB)	-	-	-	1,959	<b>1,959</b>
Other movements	1,900	-	-	-	<b>1,900</b>
<b>Estimated closing balance as at 30 June 2015</b>					
	<b>3,001</b>	<b>73</b>	-	<b>7,316</b>	<b>10,390</b>

Section 3 – Budgeted Financial Statements

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	877	2,000	2,000	2,000	2,000
Appropriations	45,298	40,412	39,709	36,824	38,016
Net GST received	1,599	1,500	1,500	1,500	1,500
<b>Total cash received</b>	<b>47,774</b>	<b>43,912</b>	<b>43,209</b>	<b>40,324</b>	<b>41,516</b>
<b>Cash used</b>					
Employees	26,166	24,384	23,052	23,078	23,776
Suppliers	20,300	19,528	20,157	17,246	17,740
<b>Total cash used</b>	<b>46,466</b>	<b>43,912</b>	<b>43,209</b>	<b>40,324</b>	<b>41,516</b>
<b>Net cash from (or used by) operating activities</b>	<b>1,308</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	1,498	1,959	4,188	179	181
<b>Total cash used</b>	<b>1,498</b>	<b>1,959</b>	<b>4,188</b>	<b>179</b>	<b>181</b>
<b>Net cash from (or used by) investing activities</b>	<b>(1,498)</b>	<b>(1,959)</b>	<b>(4,188)</b>	<b>(179)</b>	<b>(181)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	82	1,959	4,188	179	181
<b>Total cash received</b>	<b>82</b>	<b>1,959</b>	<b>4,188</b>	<b>179</b>	<b>181</b>
<b>Net cash from (or used by) financing activities</b>	<b>82</b>	<b>1,959</b>	<b>4,188</b>	<b>179</b>	<b>181</b>
<b>Net increase (or decrease) in cash held</b>	<b>(108)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	611	503	503	503	503
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>503</b>	<b>503</b>	<b>503</b>	<b>503</b>	<b>503</b>

**Table 3.2.5: Capital Budget Statement**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	82	1,959	4,188	179	181
Equity injections - Bill 2	-	-	-	-	-
<b>Total capital appropriations</b>	<b>82</b>	<b>1,959</b>	<b>4,188</b>	<b>179</b>	<b>181</b>
<b>Total new capital appropriations represented by:</b>					
Purchase of non-financial assets	82	1,959	4,188	179	181
<b>Total items</b>	<b>82</b>	<b>1,959</b>	<b>4,188</b>	<b>179</b>	<b>181</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	-	-	-	-	-
Funded by capital appropriation - DCB	82	1,959	4,188	179	181
Funded internally from Departmental resources	1,416	-	-	-	-
<b>Total acquisitions of non-financial assets</b>	<b>1,498</b>	<b>1,959</b>	<b>4,188</b>	<b>179</b>	<b>181</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
<b>Total purchases</b>	<b>1,498</b>	<b>1,959</b>	<b>4,188</b>	<b>179</b>	<b>181</b>
<b>Total cash used to acquire assets</b>	<b>1,498</b>	<b>1,959</b>	<b>4,188</b>	<b>179</b>	<b>181</b>

DCB = Departmental Capital Budget.



Section 3 – Budgeted Financial Statements

**Table 3.2.6: Statement of Departmental Asset Movements (Budget Year 2014-15)**

	Buildings \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2014</b>				
Gross book value	-	12,132	8,511	<b>20,643</b>
Accumulated depreciation/amortisation and impairment	-	5,086	4,178	<b>9,264</b>
<b>Opening net book balance</b>	<b>-</b>	<b>7,046</b>	<b>4,333</b>	<b>11,379</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation equity	-	-	1,959	<b>1,959</b>
By purchase - appropriation ordinary annual services	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>1,959</b>	<b>1,959</b>
<b>Other movements</b>				
Depreciation/amortisation expense	-	1,400	800	<b>2,200</b>
Disposals	-	-	-	-
Other	-	-	-	-
<b>As at 30 June 2015</b>				
Gross book value	-	12,132	10,470	<b>22,602</b>
Accumulated depreciation/amortisation and impairment	-	6,486	4,978	<b>11,464</b>
<b>Closing net book balance</b>	<b>-</b>	<b>5,646</b>	<b>5,492</b>	<b>11,138</b>

Proceeds may be returned to the Official Public Account.

**Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)**

	Actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Recoveries	7,107	7,000	5,000	5,000	5,000
Other non-tax revenue	2,542	3,600	3,000	3,000	3,000
<b>Total income administered on behalf of Government</b>	<b>9,649</b>	<b>10,600</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants - MREA	853,423	855,758	847,380	836,793	836,435
Grants - Dementia	-	32,000	31,000	31,000	40,000
Grants - other	9,145	12,377	11,589	11,786	11,998
Suppliers	-	2,312	1,017	253	258
<b>Total expenses administered on behalf of Government</b>	<b>862,568</b>	<b>902,447</b>	<b>890,986</b>	<b>879,832</b>	<b>888,691</b>

**Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

	Actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	43	-	-	-	-
Receivables	2,516	2,516	2,516	2,516	2,516
<b>Total financial assets</b>	<b>2,559</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>
<b>Total assets administered on behalf of Government</b>	<b>2,559</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Grants	91,228	12,673	10,673	10,673	10,673
Other	256	256	256	256	256
<b>Total payables</b>	<b>91,484</b>	<b>12,929</b>	<b>10,929</b>	<b>10,929</b>	<b>10,929</b>
<b>Total liabilities administered on behalf of Government</b>	<b>91,484</b>	<b>12,929</b>	<b>10,929</b>	<b>10,929</b>	<b>10,929</b>

Section 3 – Budgeted Financial Statements

**Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)**

	Actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sales of goods and services	11,344	10,600	8,000	8,000	8,000
Net GST received	25,454	28,000	26,000	26,000	26,000
<b>Total cash received</b>	<b>36,798</b>	<b>38,600</b>	<b>34,000</b>	<b>34,000</b>	<b>34,000</b>
<b>Cash used</b>					
Grant payments - MREA	865,245	930,101	847,380	836,793	836,435
Grant payments - Dementia	-	32,000	31,000	31,000	40,000
Grant payments - other	9,145	12,377	11,589	11,786	11,998
Suppliers	-	2,312	1,017	253	258
Net GST paid	25,454	28,000	26,000	26,000	26,000
<b>Total cash used</b>	<b>899,844</b>	<b>1,004,790</b>	<b>916,986</b>	<b>905,832</b>	<b>914,691</b>
<b>Net cash from (or used by) operating activities</b>	<b>(863,046)</b>	<b>(966,190)</b>	<b>(882,986)</b>	<b>(871,832)</b>	<b>(880,691)</b>
<b>Net increase (or decrease) in cash held</b>	<b>(863,046)</b>	<b>(966,190)</b>	<b>(882,986)</b>	<b>(871,832)</b>	<b>(880,691)</b>
Cash at beginning of the reporting period	45	43	-	-	-
Cash from Official Public Account for:					
- appropriations	863,044	966,147	882,986	871,832	880,691
<b>Cash at end of reporting period</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Private Health Insurance Ombudsman

<b>Private Health Insurance Ombudsman .....</b>	<b>179</b>
Section 1: Agency Overview and Resources .....	179
<b>1.1 Strategic Direction Statement .....</b>	<b>179</b>
<b>1.2 Agency Resource Statement .....</b>	<b>180</b>
<b>1.3 Agency Measures Table .....</b>	<b>181</b>
<b>1.4 Additional Estimates and Variations .....</b>	<b>181</b>
<b>1.5 Breakdown of Additional Estimates by Appropriation Bill .....</b>	<b>183</b>
Section 2: Revisions to Agency Resources and Planned Performance .....	185
<b>2.1 Resources and Performance Information .....</b>	<b>185</b>
Section 3: Explanatory Tables and Budgeted Financial Statements .....	187
<b>3.1 Explanatory Tables .....</b>	<b>187</b>
<b>3.2 Budgeted Financial Statements .....</b>	<b>187</b>



## PRIVATE HEALTH INSURANCE OMBUDSMAN

### Section 1: Agency Overview and Resources

#### 1.1 STRATEGIC DIRECTION STATEMENT

The Australian Government, through the Private Health Insurance Ombudsman (PHIO), protects the interests of private health insurance consumers. PHIO carries out this role through its independent complaints handling service.

PHIO is responsible for advice to the Australian Government on problems relating to the private health insurance industry, investigation of practices and procedures of insurance and health care providers, and information to consumers on health insurance options.

The Government will transfer these functions to the Office of the Commonwealth Ombudsman by 1 July 2015. This will reduce duplication and provide greater consistency and efficiencies in case management and supporting systems.

The role and functions of PHIO are set out in Part 6-2 of the *Private Health Insurance Act 2007*. PHIO is subject to the provisions of the *Public Governance, Performance and Accountability Act 2013*.

#### Agency Outcomes:

Outcome 1:	Public confidence in private health insurance, including through consumer and provider complaint and enquiry investigations, and performance monitoring and reporting
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## 1.2 AGENCY RESOURCE STATEMENT

The Agency Resource Statement details the resourcing for the Private Health Insurance Ombudsman at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2014-15 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations and special accounts.

**Table 1.1: Private Health Insurance Ombudsman Resource Statement — Additional Estimates for 2014-15**

	Estimate as at Budget	Proposed additional estimates	Total estimate at AEs	Total available appropriation
	2014-15 \$'000	2014-15 \$'000	2014-15 \$'000	2013-14 \$'000
<b>Ordinary annual services</b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation and opening reserves <sup>1</sup>	120	-	120	1,842
Departmental appropriation <sup>2,3</sup>	3,079	97	3,176	2,263
s74 retained revenue receipts <sup>4</sup>	10	-	10	20
<b>Total</b>	<b>3,209</b>	<b>97</b>	<b>3,306</b>	<b>4,125</b>
<b>Total ordinary annual services</b>	<b>3,209</b>	<b>97</b>	<b>3,306</b>	<b>4,125</b>
<b>Other services<sup>5</sup></b>				
<b>Departmental non-operating</b>				
Equity injections	-	-	-	-
Previous years' programmes	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total available annual appropriations</b>	<b>3,209</b>	<b>97</b>	<b>3,306</b>	<b>4,125</b>
<b>Total net resourcing for PHIO</b>	<b>3,209</b>	<b>97</b>	<b>3,306</b>	<b>4,125</b>

All figures are GST exclusive.

<sup>1</sup>The estimate at Budget has been revised to reflect the 2013-14 Annual Report.

<sup>2</sup>Appropriation Bill (No.1 & 3) 2014-15.

<sup>3</sup>Includes an amount of \$0.544m in 2014-15 for the Departmental Capital Budget (refer to Table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

<sup>4</sup>Estimated retained revenue receipts under Section 74 of the *Public Governance, Performance and Accountability Act 2013* (PGPA).

<sup>5</sup>Appropriation Bill (No.2 & 4) 2014-15.



### 1.3 AGENCY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2014-15 Budget.

**Table 1.2: Agency 2014-15 Measures since Budget**

Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Whole of Government and Other Portfolio Measures<sup>1</sup></b>				
<b>Smaller Government - additional reductions in the number of Australian Government bodies<sup>2</sup></b>				
<i>Whole of Government</i>				
Private Health Insurance Ombudsman				
Departmental expenses	1.1	102	(155)	(289)
<b>Total</b>		<b>102</b>	<b>(155)</b>	<b>(339)</b>
<b>Communications and Public Affairs Functions - targeted savings<sup>3</sup></b>				
<i>Department of Finance</i>				
Private Health Insurance Ombudsman				
Departmental expenses	1.1	(5)	(10)	(10)
<b>Total</b>		<b>(5)</b>	<b>(10)</b>	<b>(10)</b>

<sup>1</sup>PHIO is not the lead agency for these measures. PHIO impacts only are shown in this table.

<sup>2</sup>This measure was announced as part of the 2014-15 Budget (refer page 70 of the 2014-15 Budget Paper 2) but not previously included in Health Portfolio Budget papers.

<sup>3</sup>This measure was announced as part of the 2014-15 Budget (refer page 113 of the 2014-15 Budget Paper 2) but not previously included in Health Portfolio Budget papers.

### 1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the Private Health Insurance Ombudsman at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures since the 2014-15 Budget in Appropriation Bills No. 3 and No. 4. Table 1.4 details Additional Estimates or variations through other factors, such as parameter adjustments.

**Table 1.3: Additional Estimates and Variations to Outcomes from Measures since 2014-15 Budget**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: Private health insurance industry advice, recommendations and complaint resolution</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
<b>Measure</b> - Communications and Public Affairs Functions - targeted savings <sup>1</sup>	(5)	(10)	(10)	(10)
<b>Measure</b> - Smaller Government - additional reductions in the number of Australian Government bodies <sup>2</sup>	102	(155)	(289)	(339)
	<b>97</b>	<b>(165)</b>	<b>(299)</b>	<b>(349)</b>

<sup>1</sup>This measure was announced as part of the 2014-15 Budget (refer page 113 of the 2014-15 Budget Paper 2).

<sup>2</sup>This measure was announced as part of the 2014-15 Budget (refer page 70 of the 2014-15 Budget Paper 2).

**Table 1.4: Additional Estimates and Variations to Outcomes from other Variations**

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Programme 1.1: Private health insurance industry advice, recommendations and complaint resolution</b>				
<b>Changes to departmental appropriations</b>				
<i>Appropriation Bill No.3</i>				
Price parameter adjustments <sup>1</sup>	-	(4)	(4)	(7)
	-	<b>(4)</b>	<b>(4)</b>	<b>(7)</b>

<sup>1</sup>See explanation in glossary.

## 1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following table details the Additional Estimates sought for the Private Health Insurance Ombudsman through Appropriation Bill No. 3.

**Table 1.5: Appropriation Bill (No. 3) 2014-15**

	2013-14 Available \$'000	2014-15 Budget \$'000	2014-15 Revised \$'000	Additional estimates \$'000	Reduced estimates \$'000
<b>Departmental Items</b>					
<b>Outcome 1</b>					
Private health insurance industry advice, recommendations and complaint resolution	2,263	3,079	3,176	97	-
<b>Total Appropriation Bill No. 3 (Administered and Departmental)</b>	<b>2,263</b>	<b>3,079</b>	<b>3,176</b>	<b>97</b>	<b>-</b>



## Section 2: Revisions to Agency Resources and Planned Performance

### 2.1 RESOURCES AND PERFORMANCE INFORMATION

The Private Health Insurance Ombudsman (PHIO) works to achieve one outcome specified by Government. There have been no changes to the performance information since the 2014-15 Health PB Statements. Refer to page 497 of the 2014-15 Health PB Statements for current performance information.

**Table 2.1: Budgeted Expenses and Resources**

	2013-14 Actual \$'000	2014-15 Revised budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
<b>Programme 1.1: Private health insurance industry advice, recommendations and complaint resolution</b>					
Departmental expenses					
Departmental appropriation <sup>1</sup>	2,223	2,642	2,101	1,952	1,921
Expenses not requiring appropriation in the budget year <sup>2</sup>	293	309	132	132	132
Operating deficit (surplus)	(70)	(300)	-	-	-
<b>Total for Programme 1.1</b>	<b>2,446</b>	<b>2,651</b>	<b>2,233</b>	<b>2,084</b>	<b>2,053</b>
<b>Total expenses for Outcome 1</b>	<b>2,446</b>	<b>2,651</b>	<b>2,233</b>	<b>2,084</b>	<b>2,053</b>

<sup>1</sup>Departmental appropriation combines "Ordinary annual services (Appropriation Bill No. 1 & 3)" and "Section 74 retained revenue receipts".

<sup>2</sup>Expenses not requiring appropriation in the Budget year is made up of depreciation expense, amortisation expense, makegood expense and audit fees.

	Budget 2014-15	Revised 2014-15
<b>Average staffing level (number)</b>	12	11



## Section 3: Explanatory Tables and Budgeted Financial Statements

### 3.1 EXPLANATORY TABLES

#### Estimates of special account flows

The PHIO does not manage any special accounts.

### 3.2 BUDGETED FINANCIAL STATEMENTS

An analysis of PHIO's financial statements follows in order to provide clarification and additional detail for readers.

#### 3.2.1 Analysis of departmental budgeted financial statements

The Revenue from Government for PHIO has been revised by the measures provided for in Table 1.3. Consistent with the 2014-15 Budget, PHIO is forecasting an operating surplus in 2014-15 and break-even position in the forward years. The surplus in 2013-14 has arisen as a result of the return of cash reserves to PHIO.

Assets are expected to increase in 2014-15 for the return of cash reserves and then decline slightly over the forward estimates with the depreciation of non-current assets over their useful lives. Liabilities mainly include employee provisions and supplier payables that are expected to remain constant over the forward estimates.

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 flows are consistent with the income and expenses discussed above.

**Table 3.2.1: Comprehensive Income Statement (Showing Net Cost of Services)  
(for the period ended 30 June)**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>EXPENSES</b>					
Employee benefits	1,384	1,296	1,335	1,340	1,340
Supplier expenses	767	1,046	766	612	581
Depreciation and amortisation	293	309	132	132	132
Finance costs	2	-	-	-	-
<b>Total expenses</b>	<b>2,446</b>	<b>2,651</b>	<b>2,233</b>	<b>2,084</b>	<b>2,053</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	2	-	-	-	-
Other	18	10	10	10	10
<b>Total revenue</b>	<b>20</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Gains</b>					
Other	-	-	-	-	-
<b>Total gains</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>20</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Net cost of (contribution by) services</b>	<b>2,426</b>	<b>2,641</b>	<b>2,223</b>	<b>2,074</b>	<b>2,043</b>
Revenue from Government	2,203	2,632	2,091	1,942	1,911
<b>Surplus (Deficit)</b>	<b>(223)</b>	<b>(9)</b>	<b>(132)</b>	<b>(132)</b>	<b>(132)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(223)</b>	<b>(9)</b>	<b>(132)</b>	<b>(132)</b>	<b>(132)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(223)</b>	<b>(9)</b>	<b>(132)</b>	<b>(132)</b>	<b>(132)</b>
<b>Note: Reconciliation of comprehensive income attributable to the agency</b>					
	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(223)</b>	<b>(9)</b>	<b>(132)</b>	<b>(132)</b>	<b>(132)</b>
plus non-appropriated expenses depreciation and amortisation expenses	293	309	132	132	132
<b>Total comprehensive income (loss) attributable to the agency</b>	<b>70</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>



Section 3 – Budgeted Financial Statements

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	90	90	90	90	90
Receivables	55	355	355	355	355
Other	-	-	-	-	-
<b>Total financial assets</b>	<b>145</b>	<b>445</b>	<b>445</b>	<b>445</b>	<b>445</b>
<b>Non-financial assets</b>					
Land and buildings	95	59	52	44	36
Property, plant and equipment	43	33	28	22	16
Intangibles	510	791	752	715	679
Other	26	26	26	26	26
<b>Total non-financial assets</b>	<b>674</b>	<b>909</b>	<b>858</b>	<b>807</b>	<b>757</b>
<b>Total assets</b>	<b>819</b>	<b>1,354</b>	<b>1,303</b>	<b>1,252</b>	<b>1,202</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	158	158	158	158	158
Other payables	-	-	-	-	-
<b>Total payables</b>	<b>158</b>	<b>158</b>	<b>158</b>	<b>158</b>	<b>158</b>
<b>Provisions</b>					
Employees	359	359	359	359	359
Other provisions	42	42	42	42	42
<b>Total provisions</b>	<b>401</b>	<b>401</b>	<b>401</b>	<b>401</b>	<b>401</b>
<b>Total liabilities</b>	<b>559</b>	<b>559</b>	<b>559</b>	<b>559</b>	<b>559</b>
<b>Net Assets</b>	<b>260</b>	<b>795</b>	<b>744</b>	<b>693</b>	<b>643</b>
<b>EQUITY</b>					
Contributed equity	679	1,223	1,304	1,385	1,467
Reserves	100	100	100	100	100
Retained surpluses or accumulated deficits	(519)	(528)	(660)	(792)	(924)
<b>Total equity</b>	<b>260</b>	<b>795</b>	<b>744</b>	<b>693</b>	<b>643</b>

**Table 3.2.3: Departmental Statement of Changes in Equity — Summary of Movement ( Budget Year 2014-15)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2014</b>					
Balance carried forward from previous period	(519)	100	-	679	<b>260</b>
Surplus (deficit) for the period	(9)	-	-	-	<b>(9)</b>
Appropriation (equity injection)	-	-	-	-	-
Capital budget - Bill 1 (DCB)	-	-	-	544	<b>544</b>
<b>Estimated closing balance as at 30 June 2015</b>	<b>(528)</b>	<b>100</b>	<b>-</b>	<b>1,223</b>	<b>795</b>

DCB = Departmental Capital Budget.

Section 3 – Budgeted Financial Statements

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

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	2,203	2,632	2,091	1,942	1,911
Net GST received	17	96	96	96	96
Other cash received	18	10	10	10	10
Cash from the Official Public Account	-	-	-	-	-
<b>Total cash received</b>	<b>2,238</b>	<b>2,738</b>	<b>2,197</b>	<b>2,048</b>	<b>2,017</b>
<b>Cash used</b>					
Employees	1,413	1,296	1,335	1,340	1,340
Suppliers	737	1,046	766	612	581
Net GST paid	-	96	96	96	96
Cash to the Official Public Account	30	300	-	-	-
<b>Total cash used</b>	<b>2,180</b>	<b>2,738</b>	<b>2,197</b>	<b>2,048</b>	<b>2,017</b>
<b>Net cash from (or used by) operating activities</b>	<b>58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant, equipment and intangibles	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	107	544	81	81	82
<b>Total cash used</b>	<b>107</b>	<b>544</b>	<b>81</b>	<b>81</b>	<b>82</b>
<b>Net cash from (or used by) investing activities</b>	<b>(107)</b>	<b>(544)</b>	<b>(81)</b>	<b>(81)</b>	<b>(82)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Capital budget - Bill 1 (DCB)	60	544	81	81	82
<b>Total cash received</b>	<b>60</b>	<b>544</b>	<b>81</b>	<b>81</b>	<b>82</b>
<b>Net cash from (or used by) financing activities</b>	<b>60</b>	<b>544</b>	<b>81</b>	<b>81</b>	<b>82</b>
<b>Net increase (or decrease) in cash held</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	79	90	90	90	90
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>

DCB = Departmental Capital Budget.

**Table 3.2.5: Capital Budget Statement**

	Actual 2013-14 \$'000	Revised budget 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	60	544	81	81	82
<b>Total capital appropriations</b>	<b>60</b>	<b>544</b>	<b>81</b>	<b>81</b>	<b>82</b>
<b>Total new capital appropriations represented by:</b>					
Purchase of non-financial assets	60	544	81	81	82
Other	-	-	-	-	-
<b>Total items</b>	<b>60</b>	<b>544</b>	<b>81</b>	<b>81</b>	<b>82</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriation - DCB	107	544	81	81	82
Funded internally from Departmental resources	-	-	-	-	-
<b>Total acquisitions of non-financial assets</b>	<b>107</b>	<b>544</b>	<b>81</b>	<b>81</b>	<b>82</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
<b>Total purchases</b>	<b>107</b>	<b>544</b>	<b>81</b>	<b>81</b>	<b>82</b>
<b>Total cash used to acquire assets</b>	<b>107</b>	<b>544</b>	<b>81</b>	<b>81</b>	<b>82</b>

DCB = Departmental Capital Budget.

Section 3 – Budgeted Financial Statements

**Table 3.2.6: Statement of Departmental Asset Movements (Budget Year 2014-15)**

	Buildings \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2014</b>				
Gross book value	207	112	1,124	1,443
Accumulated depreciation/amortisation and impairment	112	69	614	795
<b>Opening net book balance</b>	<b>95</b>	<b>43</b>	<b>510</b>	<b>648</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation ordinary annual services	-	10	535	545
By purchase - internal departmental resources	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>10</b>	<b>535</b>	<b>545</b>
<b>Other movements</b>				
Depreciation/amortisation expense	35	20	254	309
Other	1	-	-	1
<b>As at 30 June 2015</b>				
Gross book value	206	122	1,659	1,987
Accumulated depreciation/amortisation and impairment	147	89	868	1,104
<b>Closing net book balance</b>	<b>59</b>	<b>33</b>	<b>791</b>	<b>883</b>



## Glossary

<b>Accrual accounting</b>	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
<b>Accumulated depreciation</b>	The aggregate depreciation recorded for a particular depreciating asset.
<b>Additional Estimates</b>	The Additional Estimates process updates estimates from the previous Budget update.
<b>Additional Estimates Bills or Acts</b>	Where amounts appropriated in the annual appropriation acts at Budget time are insufficient, Parliament may appropriate more funds to Portfolios through the Additional Estimates Acts. These are Appropriation Bills No. 3 and No. 4, and a separate Bill for Parliamentary Departments (Appropriations (Parliamentary Departments) Bill (No.2)). These Bills are introduced into the Parliament sometime after the Budget Bills.
<b>Administered items</b>	Expenses, revenues, assets or liabilities managed by agencies on behalf of the Australian Government. Agencies do not control administered items. Administered items include grants, subsidies and benefits (for example, funding for the Pharmaceutical Benefits Scheme).
<b>Annotated appropriation</b>	A form of appropriation which allows a department access to certain money it receives in payment of services. The nature and extent of the amount to be appropriated are specified in Rules under s74 of the <i>Public Governance, Performance and Accountability Act 2013</i> .
<b>Annual appropriation</b>	Two appropriation Bills are introduced into Parliament in May and comprise the Budget. Further Bills are introduced later in the financial year as part of the additional estimates process. Parliamentary departments have their own appropriations.
<b>Appropriation</b>	The amount of public moneys authorised by Parliament for expenditure from Consolidated Revenue Fund (CRF). Appropriations authorise expenditure by the Australian Government for particular purposes.
<b>ASL (Average Staffing Levels)</b>	The average number of employees receiving salary/wages (or compensation in lieu of salary/wages) over a financial year, with adjustments for casual and part-time employees to show the full-time equivalent.
<b>Assets</b>	Future economic benefits controlled by an entity as a result of past transactions or past events.

## Glossary

<b>Available appropriation</b>	Available appropriation is used to allow a comparison of the current year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: Budget appropriation + Additional Estimates appropriation + Advance to the Finance Minister (AFM) — Savings — Rephasings — Other Reductions +/- Section 74.
<b>Budget measure</b>	A decision by Cabinet or Ministers in the Budget process that has resulted in a change in expenditure in the current year and or the forward years. <u>See also cross-Portfolio budget measure.</u>
<b>Capital expenditure</b>	Expenditure by an agency on non financial assets, for example purchasing a building.
<b>Cross-Portfolio Budget measure</b>	This is a <u>Budget measure</u> which affects outcomes administered in a number of Portfolios.
<b>Capital Budget Statement</b>	A statement of the agencies estimated capital funding, through Appropriation Act No. 1 Departmental Capital Budget funding or Appropriation Act No. 2 equity injection funding and the agencies estimated expenditures on non financial assets.
<b>Departmental items</b>	Assets, liabilities, revenues and expenses which are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
<b>Departmental Capital Budget</b>	Departmental Capital Budget funding appropriated to non-corporate PGPA Act entities through their Appropriation Act 1 Departmental appropriation, for the ongoing replacement of Departmental assets which cost less than \$10 million.
<b>Depreciation</b>	An expense recognised systematically for the purpose of allocating the depreciable amount of a depreciable asset over its useful life.
<b>Efficiency dividend</b>	An annual deduction of a percentage of running costs from an agency's budget, which acts as both an incentive to efficiency and a quantification of some of the efficiency gains made by an agency in the previous year.
<b>Equity or net Assets</b>	Residual interest in the assets of an entity after deduction of its liabilities.
<b>Expense</b>	The value of resources consumed or lost during the reporting period.
<b>Fair Value</b>	Fair values are prices in arm's lengths transactions between willing buyers and sellers in an active market.



<b>Forward estimates</b>	A system of rolling three year financial estimates. After the Budget is passed, the first year of the forward estimates becomes the base for next year's Budget bid, and another out year is added to the forward estimates.
<b>Historical cost</b>	The original cost of acquisition of an asset, including any costs associated with acquisition. Under AASB 116, <i>Property, Plant and Equipment</i> are required to be reported initially at the cost of acquisition (historical cost). The Australian Government's financial reporting requirements issued under the Finance Minister's Orders require the revaluation of noncurrent assets with sufficient regularity to ensure that the carrying amount of assets does not differ materially from fair value as at reporting date.
<b>Liabilities</b>	Future sacrifices of economic benefits that an entity is presently obliged to make to other entities as a result of past transactions or other past events.
<b>MYEFO</b>	Mid-Year Economic and Fiscal Outlook
<b>Operating result</b>	Equals income less expenses.
<b>Outcomes</b>	Outcomes are the results of events, actions or circumstances including in particular, the impact of the Australian Government on the Australian community. Outcomes may be linked with both the outputs of agencies using the departmental expenses under their control, and with the administered expenses which agencies manage on behalf of the Australian Government. Planned outcomes represent the changes desired by Government. The achievement of actual outcomes is assessed and reported in the Annual Report.
<b>PGPA Act</b>	<i>Public Governance, Performance and Accountability Act 2013</i>  An Act about the governance, performance and accountability of, and the use and management of public resources by, the Commonwealth, Commonwealth entities and Commonwealth companies, and for related purposes.
<b>Performance indicators</b>	A concise list of indicators, which are used to measure agency effectiveness in achieving the Government's outcomes. Indicators must be measurable, but may be qualitative or quantitative. Indicators in the Portfolio Budget Statement (PB Statements) are reported in the Annual Report for the same year. Outcomes are generally measured by performance indicators relating to effectiveness and equity, but may include efficiency and access indicators.
<b>Portfolio Budget Statements</b>	Statements prepared by Portfolios to explain the Budget appropriations in terms of <u>outcomes</u> and programmes.

## Glossary

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<b>Price Parameter Adjustment</b>	Expenses are indexed by a price parameter for anticipated increases in costs over the estimates period. Changes in indexation are annotated to each outcome as 'Price parameter adjustment' or 'Application of indexation parameters'.
<b>Programmes</b>	Commonwealth programmes deliver benefits, services or transfer payments to individuals, industry/business or the community as a whole and are the primary vehicles for Government agencies to achieve the intended results of their outcome statements. Commencing from the 2009-10 Budget agencies were required to report to Parliament by programme.
<b>Quality</b>	Relates to the characteristics by which customers or stakeholders judge a product or service. Assessment of quality involves the use of information gathered from a range of sources including customers and stakeholders.
<b>Quantity</b>	A measure of how many, or how much, of a product or service is produced. Quantities specified in the Portfolio Budget Statements are usually estimates based on the best available evidence. Agencies report on actual quantities in their annual reports.
<b>Revenue</b>	Total value of resources earned or received during the reporting period.
<b>Special account</b>	A special account is an appropriation mechanism that notionally sets aside an amount within the CRF to be expended for specific purposes. The amount of appropriation that may be drawn from the CRF by means of a special account is limited to the balance of each special account. Special accounts are not bank accounts. However, amounts forming the balance of a special account may be held in the Official Public Account, an agency official bank account or by an outsider authorised in a manner consistent with the PGPA Act.
<b>Special appropriation</b>	Special appropriations are provisions within an Act, other than the annual appropriation Acts, that authorise expenditure for particular purposes. Special appropriations may state a maximum amount that is appropriated for the particular purpose or may specify the legislative criteria that will determine the amount to be paid.

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