Portfolio Additional Estimates Statements 2016-17

Health Portfolio

Explanations of Additional Estimates 2016-17

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ISBN: 978-1-76007-294-0

Online ISBN: 978-1-76007-295-7

Publications Number: 11743

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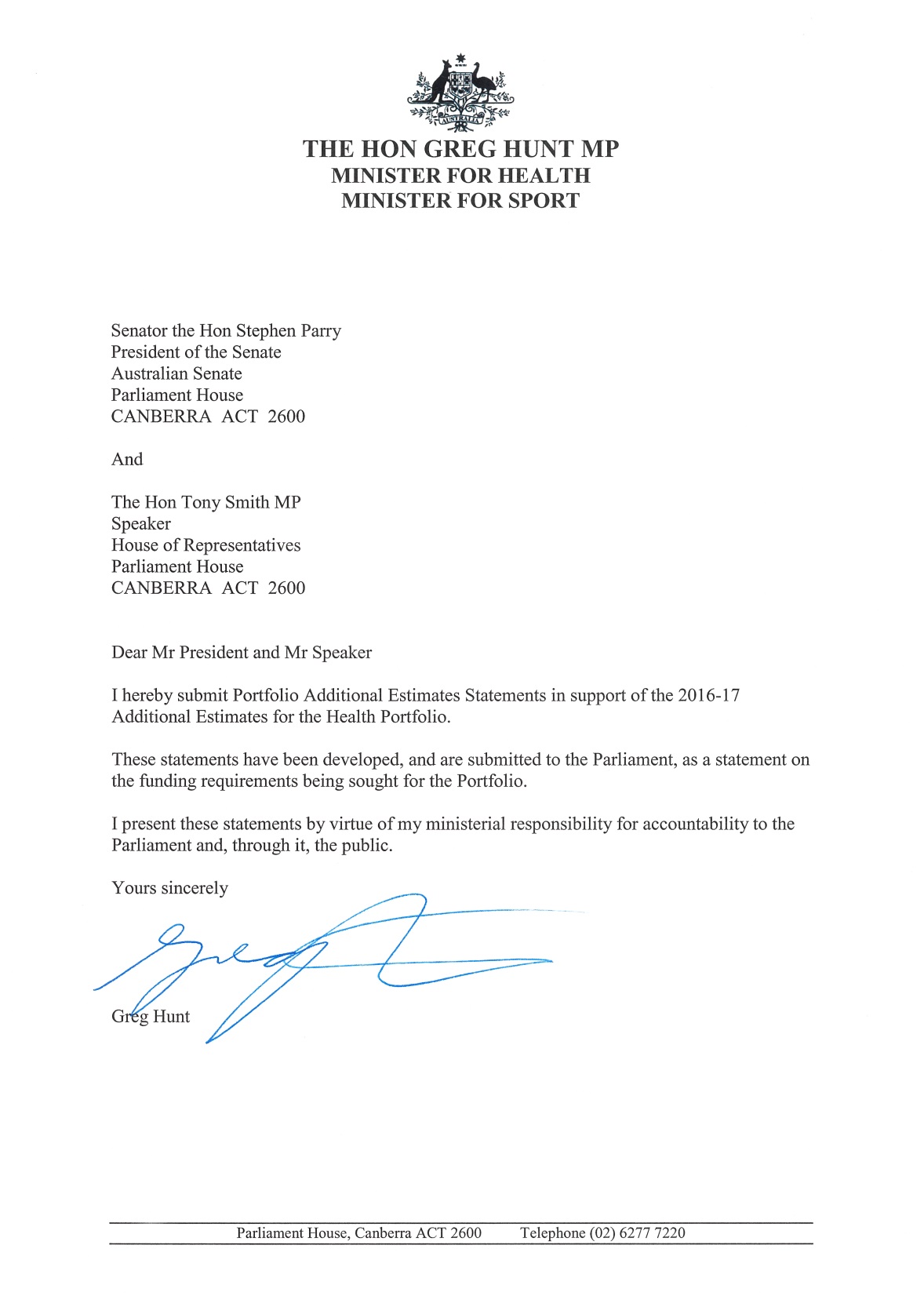
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User Guide  
to the  
Portfolio Additional  
Estimates Statements

## **User Guide**

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

The PAES facilitate understanding of the proposed appropriations in Appropriation Bills (No. 3 and No. 4) and Appropriation (Parliamentary Departments) Bill (No. 2) 2016-17. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a ‘relevant document’ to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

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

Styles and Conventions Used

The following notations may be used:

NEC/nec not elsewhere classified

- nil

.. not zero, but rounded to zero

na not applicable (unless otherwise specified)

nfp not for publication

$m $ million

$b $ billion

p split across outcomes

Figures in tables and in the text may be rounded. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication contact the Director, Performance Reporting Section, Organisational Performance Branch, Department of Health on (02) 6289 7181.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Estimates Statements) can be located on: [the Australian Government Budget website](http://www.budget.gov.au).

Structure of the Portfolio Additional Estimates Statements

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

|  |  |
| --- | --- |
| User Guide | |
| Provides a brief introduction explaining the purpose of the PAES. | |
| Portfolio Overview | |
| Provides an overview of the Portfolio, including a chart that outlines the outcomes for entities in the Portfolio. | |
| Entity Additional Estimates Statements | |
| A statement (under the name of the entity) for each entity affected by Additional Estimates. | |
| Section 1: Entity Overview and Resources | This section details the total resources available to an entity, the impact of any measures since Budget, and impact on Appropriation Bills No. 3 and No. 4. |
| Section 2: Revisions to Outcomes and Planned Performance | This section details **changes** to Government outcomes and/or **changes** to the planned performance of entity programs. |
| Section 3: Special Account Flows and Budgeted Financial Statements | This section contains updated explanatory tables on special account flows and staffing levels and revisions to the budgeted financial statements. |
| Portfolio Glossary | Explains key terms relevant to the Portfolio. |

Health Portfolio Overview

Health Portfolio Overview

The Health Portfolio works towards achieving better health and wellbeing for all Australians, now and for future generations. Since the 2016-17 Budget the Australian Government has continued to implement initiatives to support an improved health system that will deliver better health outcomes and access to care for all Australians.

Key priorities include further reforms to the health and aged care sectors, including identification of system efficiencies, and improving the health and wellbeing of Australians. The Government is also committed to extensive engagement and consultation with stakeholders on a range of reform proposals. For more information refer Section 1.1 Strategic Direction Statement on page 8.

In addition, the Portfolio has seen changes to Ministerial responsibilities and Portfolio structure since the 2016-17 Budget.

Ministerial Changes

On 24 January 2017, the Hon Greg Hunt MP was sworn in as the Minister for Health and Minister for Sport; the Hon Ken Wyatt AM, MP as the Minister for Aged Care and Minister for Indigenous Health; and the Hon Dr David Gillespie MP as Assistant Minister for Health.

Portfolio Structure

The National Health Performance Authority ceased operations on 30 June 2016, with its functions transferred to the Australian Institute of Health and Welfare, the Australian Commission on Safety and Quality in Health Care and the Department of Health.

Minister and Portfolio responsibilities, and a list of the 17 entities currently within the Health Portfolio, can be found in Figure 1.

Figure 1: Portfolio Structure and Outcomes

| **The Hon Greg Hunt MP**  Minister for Health  Minister for Sport  **Portfolio Responsibilities**  *Department of Health:*  Outcomes: 1, 2, 3, 4, 5 and 6  *Entities:*  ACSQHC, AIHW, ASADA, ASC, ASF, CA, Digital Health Agency, IHPA, NHFB, NHMRC, NMHC and PSR | **The Hon Ken Wyatt AM, MP**  Minister for Aged Care Minister for Indigenous Health  **Portfolio Responsibilities**  *Department of Health:*  Outcomes: 1, 2, 4 and 6  *Entities:*  AACQA, NBA and OTA | **The Hon Dr David Gillespie MP**  Assistant Minister for Health  **Portfolio Responsibilities**  *Department of Health:*  Outcomes: 2 and 5  *Entities:*  ARPANSA and FSANZ |
| --- | --- | --- |

**Department of Health – Martin Bowles PSM**, Secretary

| **Outcome 1. Health System Policy, Design and Innovation**  Australia’s health system is better equipped to meet current and future health needs by applying research, evaluation, innovation, and use of data to develop and implement integrated, evidence-based health policies, and through support for sustainable funding for health infrastructure.  **Outcome 2. Health Access and Support Services**  Support for sustainable funding for public hospital services and improved access to high quality, comprehensive and coordinated preventive, primary and mental health care for all Australians, with a focus on those with complex health care needs and those living in regional, rural and remote areas, including through access to a skilled health workforce.  **Outcome 3. Sport and Recreation**  Improved opportunities for community participation in sport and recreation, excellence in high-performance athletes, and protecting the integrity of sport through investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues. | **Outcome 4. Individual Health Benefits**  Access to cost-effective medicines, medical, dental and hearing services, and improved choice in health services, including through the Pharmaceutical Benefits Scheme, Medicare, targeted assistance strategies and private health insurance.  **Outcome 5. Regulation, Safety and Protection**  Protection of the health and safety of the Australian community and preparedness to respond to national health emergencies and risks, including through immunisation, initiatives, and regulation of therapeutic goods, chemicals, gene technology, and blood and organ products.  **Outcome 6. Ageing and Aged Care**  Improved wellbeing for older Australians through targeted support, access to quality care and related information services. |
| --- | --- |

Figure 1: Portfolio Structure and Outcomes (continued) – Portfolio Entities

| **Australian Aged Care Quality Agency**  **Nick Ryan** Chief Executive Officer  **Outcome 1**. High-quality care for persons receiving Australian Government subsidised residential aged care and aged care in the community through the accreditation of residential aged care services, the quality review of aged care services including services provided in the community, and the provision of information, education and training to the aged care sector.  **Australian Commission on Safety and Quality in Health Care**  **Adjunct 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 Digital Health Agency**  **Tim Kelsey** Chief Executive Officer  **Outcome 1**. To deliver national digital healthcare systems to enable and support improvement in health outcomes for Australians.  **Australian Institute of Health and Welfare**  **Barry Sandison** 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 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 engagement, deterrence, detection and enforcement to minimise the risk of doping. | **Australian Sports Commission**  **Kate Palmer** Chief Executive Officer  **Outcome 1**. Increased participation in organised sport and continued international sporting success including through leadership and development of a cohesive and effective sports sector, provision of targeted financial support, and the operation of the Australian Institute of Sport.  **Australian Sports Foundation Limited**  **Patrick Walker** Chief Executive Officer  **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**  **James Downie** 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**  **John Cahill** Chief Executive  **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. |
| --- | --- |

Figure 1: Portfolio Structure and Outcomes (continued) – Portfolio Entities

| **National Health Funding Body**  **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 and Medical Research Council**  **Professor Anne Kelso AO** 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. | **National Mental Health Commission**  **Dr Peggy Brown** Chief Executive Officer  **Outcome 1**. Provide expert advice to the Australian Government and cross-sectoral leadership on the policy, programs, 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.  **Organ and Tissue Authority**  **Felicity McNeill PSM** A/gChief Executive Officer  **Outcome 1**. Improved access to organ and tissue transplants, including through a nationally coordinated and consistent approach and system.  **Professional Services Review**  **Dr David Rankin** A/gDirector  **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. |
| --- | --- |
| **Statutory Office Holders**  **Aged Care Complaints Commissioner**  Ms Rae Lamb  **Aged Care Pricing Commissioner**  Ms Kim Cull  **Director, National Industrial Chemicals Notification and Assessment Scheme**  Dr Brian Richards  **Gene Technology Regulator**  Dr Raj Bhula  **National Health Funding Pool Administrator**  Mr Peter Achterstraat AM |

Portfolio Resources

Table 1 shows, for those entities reporting in the Portfolio Additional Estimates Statements, the additional resources provided to the Portfolio in the 2016-17 Budget year, by entity.

Table 1: Portfolio Resources 2016-17

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Appropriations1** | | | **Receipts** | **Total** |
|  | **Bill No. 3** $'000 | **Bill No. 4** $'000 | **Special** $'000 | $'000 | $'000 |
|  |  |  |  |  |  |
| **DEPARTMENTAL** | | | | | |
|  |  |  |  |  |  |
| Department of Health | 32,245 | - | - | (23) | 32,222 |
| Australian Aged Care Quality Agency | - | 18,496 | - | - | 18,496 |
| **Total departmental** | **32,245** | **18,496** | **-** | **(23)** | **50,718** |
|  |  |  |  |  |  |
| **ADMINISTERED** | | | | | |
|  |  |  |  |  |  |
| Department of Health | 110,882 | - | 1,290,440 | - | 1,401,322 |
| **Total administered** | **110,882** | **-** | **1,290,440** | **-** | **1,401,322** |
|  |  |  |  |  |  |
| **Total Portfolio** | **143,127** | **18,496** | **1,290,440** | **(23)** | **1,452,040** |

All figures are GST exclusive.

1 Administered and Departmental Bill No. 3 and No. 4 does not include notional reductions to the 2016-17 Budget Bill (No. 1). For notional reductions to the Budget Bill (No. 1) see Table 1.4 in each entity chapter.

Department of Health

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Department of Health

Section 1: Entity Overview and Resources

1.1 Strategic Direction Statement

The *Mid-Year Economic and Fiscal Outlook 2016-17* (MYEFO) further advances the Australian Government’s health reform agenda, identifies system efficiencies, and improves the health and wellbeing of Australians. Spending on health and aged care amounts to about 20 per cent of total Government spending and MYEFO 2016-17 reaffirms the Government’s commitment to fiscal discipline and provides a solid platform for medium to long-term reform of the health system to ease the pressures of growth in health costs. Mental health care has been strengthened and Medicare has been further modernised. Reform continues in aged care and private health insurance, while new high costs drugs are listed on the Pharmaceutical Benefits Scheme (PBS) and the fight against cancer continues.

Consultation on reform will continue, with the Government foreshadowing extensive engagement with stakeholders on a range of proposals, including primary care, mental health care, diagnostic imaging and pathology services, the new health and aged care claims and payments IT system, private health insurance, and aged care.

Strengthening mental health care

The Government has committed $194.5 million for the ‘Strengthening mental health care in Australia’ reform package, to provide unprecedented support for individuals and families living with mental health issues.

The Government will continue supporting young people with mental illness through *headspace* services, with $28.9 million invested to increase the *headspace* network from 100 *headspace* centres to 110 across Australia by 2019. In addition, funding of $115.6 million will be restored to six Early Psychosis Youth Services for three years, giving young people with, or at risk of, severe mental illness access to six specialised *headspace* centre services across the country – South East Melbourne, Western Sydney, South East Queensland, North Perth, Northern Territory and Adelaide.

The Government is also taking steps towards a national approach to suicide prevention. An additional $34 million will be invested in establishing 12 regional suicide prevention trial sites, while $12 million will support a new suicide prevention research fund to increase knowledge about the prevention of suicide.

An investment of $32.4 million will develop and test new technologies to support and treat people with mental health issues, through the Synergy project and Lifeline Australia. In 2016-17, the Government will provide $2.5 million for a second pass business case to continue the development of a Digital Mental Health Gateway to improve community access to mental health services. The Gateway will enable users to access evidence-based information and advice and mental health treatment options.

In an effort to promote a sustainable and flexible mental health care nursing workforce, $1.5 million will enable people living with mental illness to directly benefit from an appropriately skilled mental health care nurse workforce who are able to move readily between acute, community and primary care.

Delivering a better health system

The Government continues to improve efficiency, effectiveness and access in the health system, including by making use of the latest technology, achieving better value for money for private health insurance, and ensuring affordable access to services and medicines.

Medicare benefits reform continues with the clinician-led Medicare Benefits Schedule (MBS) Review Taskforce, reviewing line by line the more than 5,700 items on the MBS to ensure they are up-to-date and reflect clinically appropriate practice. Further recommendations are expected in the 2017-18 Budget. New and amended MBS listings funded in MYEFO 2016-17 include items relating to ophthalmology to prevent inappropriate claiming, as well as items for middle ear implants, skin cancer treatment, blood tests for tuberculosis, and genetic tests for breast and/or ovarian cancer.

Private health insurance reform continues. The Government is overhauling the Prostheses Benefit List to ensure that benefits paid reflect best value for money and that savings are passed on to consumers through lower annual premium increases.

Two new listings on the PBS costing $342.8 million over four years will enable more affordable treatment for cancer patients and patients with severe uncontrolled asthma. From 1 February 2017, lenalidomide (Revlimid®) will be listed as a first line treatment for patients with newly diagnosed multiple myeloma, a cancer of blood plasma cells, who are ineligible for stem cell transplantation.

In line with the Government’s focus to make better use of technology to drive efficiencies, the IT system to deliver health, aged care and related veterans’ payments will be updated. The new digital payments system will support the Government to continue to own, operate and deliver Medicare, the PBS, aged care and related veterans’ payments into the future. The Government has allocated $29.8 million for the first phase of this transformation, which will involve extensive stakeholder engagement and a request for proposals process.

Fighting cancer

The Australian Government is committed to the fight against cancer, with support for women and children with cancer, and continued funding for high-cost radiation therapy equipment in cancer treatment facilities.

Breast cancer is the most common cancer for Australian women. This year it is estimated that more than 16,000 people will be diagnosed with breast cancer, including more than 150 men. Funding of $20.5 million over four years for McGrath Breast Care Nurses will ensure ongoing support for people being treated for breast cancer.

The Government is investing $20 million over two years in the Zero Childhood Cancer Collaboration Network. The network will mean a new level of collaboration in childhood cancer research, and support quicker diagnoses, speedier treatment decisions and improved health outcomes.

Improving administration of funding under the Radiation Oncology Health Program Grants Scheme will save $18.7 million over four years, while ensuring the Government continues to fund high-cost radiation therapy equipment. The outdated linear accelerator at the Australian Radiation Protection and Nuclear Safety Agency will be replaced.

Supporting older Australians

Aged care reform continues to be a priority for the Government. The MYEFO 2016-17 measures seek to balance the need to fund the nation’s continually growing aged care bill, while appropriately subsidising providers to meet residents’ care needs, and giving consumers more choice, control and protection around their aged care options.

The Government has allocated $2.4 million for a pilot to test alternative funding models for residential aged care needs funding. In order to support eligible providers of rural, remote and homeless services who may be affected by the impact of the recent changes to the Aged Care Funding Instrument, the Government has invested $19.3 million to increase the viability supplement.

In addition, specialist dementia care units will also be established to care for people with severe behavioural and psychological symptoms of dementia. Funding has also been extended to enable the Australian Aged Care Quality Agency to continue their unannounced site visits to aged care homes in 2017-18 as part of their monitoring and compliance activities.

Supporting communities

Across Australia, the Government is supporting a diverse range of communities to get the health and medical care they need, when they need it.

The Government will provide $4.4 million over four years to support the National Rural Health Commissioner (the Commissioner). The Commissioner will be an independent, statutory position, supported by departmental staff. The Commissioner will work with rural, regional and remote communities, the health sector, universities, specialist training colleges and across all levels of Government to better target and address the health needs in rural and remote Australia, and champion the cause of rural practice.

The Government is determined to eliminate trachoma – a contagious bacterial infection of the eye and a major cause of preventable blindness – by 2020. The Government is allocating $15.5 million for the trachoma elimination program by extending agreements with affected States and Territories, ensuring ongoing screening and treatment of children in Indigenous communities.

The Government continues its efforts to reduce harms associated with substance misuse to individuals, families and communities through one-off funding of $800,000 to be provided to the Missiondale rehabilitation centre in Northern Tasmania. This will enable Tasmania’s only long-term residential rehabilitation centre providing care and treatment for people with substance misuse issues to keep operating.

The Government is supporting communities affected by the potential human health and environmental impacts of the long-term use of fire fighting foams at two Defence sites – Williamtown, NSW and Oakey, Queensland. The foams contained per- and poly- fluroalkyl chemicals (PFAS). The Government has committed more than $14 million under the Health portfolio, which includes an epidemiological study to look at potential health effects, voluntary blood tests, mental health and counselling services, community engagement, and new guidance on toxicity levels.

Improving health and wellbeing of Australians and boosting health and medical research

The Government is building Australia’s health and medical research capacity pipeline from discovery to commercialisation. Over five years, $7 million will be allocated to encourage more clinical trials by removing red tape, as well as redesigning local arrangements to position Australia as a preferred location for trials.

The Government is investing $54 million to subsidise continuous glucose monitoring (CGM) technology for children and young adults under 21 years old facing extra challenges managing their Type 1 diabetes. This investment will see as many as 4,000 children and young adults accessing CGMs and will see the average family save up to $4,000 per year from early 2017.

Funding of $2.8 million has been allocated to the Cure4MND Foundation, to go towards vital research into Motor Neurone Disease (MND). MND affects more than 2,000 people in Australia with the average survival rate of just over two years.

The Government is allocating $11 million over two years to fund delivery of Royal Flying Doctor Service dental services to rural and remote Australia, giving people access to mobile outreach dental services in areas where permanent dental services are not viable.

Continuing funding of $59.6 million for the Sporting Schools Program for 18 months from 1 July 2017, will enable the program to reach up to 1.1 million children. The extended program, managed by the Australian Sports Commission, will give priority to girls aged 12–14 years, and to schools where there is evidence of disadvantage or large groups of inactive students.

1.2 Entity Resource Statement

The Entity 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 2016-17 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 2016-17 as at Additional Estimates February 2017

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2015-16 Total available appropriation** $'000 | **2016-17 Estimate as at Budget** $'000 | **2016-17 Proposed additional estimates** $'000 | **2016-17 Total estimate at AEs** $'000 |
| **DEPARTMENTAL** |  |  |  |  |
| Prior year appropriation available1,2 | 109,489 | 117,431 | - | 117,431 |
| **Annual appropriations** |  |  |  |  |
| Ordinary annual services3 |  |  |  |  |
| Departmental appropriation | 594,955 | 625,722 | 28,905 | 654,627 |
| s74 retained revenue receipts4 | 22,009 | 22,332 | - | 22,332 |
| Departmental capital budget | 7,621 | 6,488 | 3,340 | 9,828 |
| Other services5 |  |  |  |  |
| Equity injection | 32,290 | 18,349 | (11,698) | 6,651 |
| **Total departmental annual appropriations** | **656,875** | **672,891** | **20,547** | **693,438** |
| **Special accounts6** |  |  |  |  |
| Opening balance2 | 79,147 | 88,717 | - | 88,717 |
| Appropriation receipts | 16,146 | 14,783 | (806) | 13,977 |
| Non-appropriation receipts | 152,502 | 154,393 | (23) | 154,370 |
| **Total special account** | **247,795** | **257,893** | **(829)** | **257,064** |
| Less appropriations drawn from annual or |  |  |  |  |
| special appropriations above and credited |  |  |  |  |
| to special accounts and/or payments to |  |  |  |  |
| corporate entities through annual |  |  |  |  |
| appropriations | (16,146) | (14,783) | 806 | (13,977) |
| **Total departmental resourcing for Health** | **998,013** | **1,033,432** | **20,524** | **1,053,956** |

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2015-16 Total available appropriation** $'000 | **2016-17 Estimate as at  Budget** $'000 | **2016-17 Proposed additional estimates** $'000 | **2016-17 Total estimate at AEs** $'000 |
| **ADMINISTERED** |  |  |  |  |
| **Annual appropriations** |  |  |  |  |
| Ordinary annual services3 |  |  |  |  |
| Outcome 1: Health System Policy, |  |  |  |  |
| Design and Innovation | 207,962 | 81,951 | 42,723 | 124,674 |
| Outcome 2: Health Access and Support |  |  |  |  |
| Services | 3,842,223 | 4,000,883 | 44,887 | 4,045,770 |
| Outcome 3: Sport and Recreation | 21,948 | 15,975 | 2,500 | 18,475 |
| Outcome 4: Individual Health Benefits | 1,272,552 | 1,355,933 | 18,539 | 1,374,472 |
| Outcome 5: Regulation, Safety and |  |  |  |  |
| Protection | 133,647 | 182,201 | 2,233 | 184,434 |
| Outcome 6: Ageing and Aged Care | 1,431,630 | 2,828,585 | (44,145) | 2,784,440 |
| Payments to corporate entities | 346,502 | 405,074 | - | 405,074 |
| Other services5 |  |  |  |  |
| Administered assets and liabilities | 156,741 | 150,537 | - | 150,537 |
| **Total administered annual appropriations** | **7,413,205** | **9,021,139** | **66,737** | **9,087,876** |
| **Special appropriations limited by** |  |  |  |  |
| **criteria/entitlement** |  |  |  |  |
| *National Health Act 1953* - blood |  |  |  |  |
| fractionation, products and |  |  |  |  |
| blood related products to |  |  |  |  |
| to National Blood Authority | 645,262 | 711,578 | (46,776) | 664,802 |
| *Public Governance, Performance* |  |  |  |  |
| *and Accountability Act 2013* |  |  |  |  |
| s77 - repayments | 2,000 | 2,000 | - | 2,000 |
| *Health Insurance Act 1973* |  |  |  |  |
| - payments relating to the former |  |  |  |  |
| Health and Hospitals Fund | 33,197 | 51,770 | 4,409 | 56,179 |
| *Health Insurance Act 1973* |  |  |  |  |
| - medical benefits | 21,080,530 | 21,850,644 | 239,204 | 22,089,848 |
| *National Health Act 1953* |  |  |  |  |
| - pharmaceutical benefits | 9,735,781 | 10,109,505 | 1,173,393 | 11,282,898 |

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2015-16 Total available appropriation** $'000 | **2016-17 Estimate as at  Budget** $'000 | **2016-17 Proposed additional estimates** $'000 | **2016-17 Total estimate at AEs** $'000 |
| **Special appropriations limited by** |  |  |  |  |
| **criteria/entitlement (continued)** |  |  |  |  |
| *Private Health Insurance Act 2007* |  |  |  |  |
| - incentive payments and rebate | 5,953,427 | 6,249,233 | (69,366) | 6,179,867 |
| *Medical Indemnity Act 2002* | 88,700 | 93,400 | - | 93,400 |
| *Midwife Professional Indemnity* |  |  |  |  |
| *(Commonwealth Contribution)* |  |  |  |  |
| *Scheme Act 2010* | 3,904 | 2,949 | - | 2,949 |
| *Dental Benefits Act 2008* | 313,741 | 415,616 | (88,819) | 326,797 |
| *National Health Act 1953* |  |  |  |  |
| - aids and appliances | 336,427 | 292,219 | 62,274 | 354,493 |
| *National Health Act 1953* |  |  |  |  |
| - essential vaccines | 240,150 | 279,548 | - | 279,548 |
| *Aged Care Act 1997* |  |  |  |  |
| - home care packages | 1,103,461 | 1,725,382 | 1,037 | 1,726,419 |
| *National Health Act 1953* |  |  |  |  |
| - continence aids payments | 35,815 | 86,661 | (2,681) | 83,980 |
| *Aged Care Act 1997* |  |  |  |  |
| - residential care | 7,643,190 | 10,774,303 | 9,618 | 10,783,921 |
| *Aged Care Act 1997* |  |  |  |  |
| - flexible care | 329,144 | 423,863 | 7,346 | 431,209 |
| *Aged Care (Accommodation Payment Security)* | |  |  |  |
| *Act 2006* | 718 | - | 801 | 801 |
| **Total administered special appropriations** | **47,545,447** | **53,068,671** | **1,290,440** | **54,359,111** |

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2015-16 Total available appropriation** $'000 | **2016-17 Estimate as at  Budget** $'000 | **2016-17 Proposed additional estimates** $'000 | **2016-17 Total estimate at AEs** $'000 |
| **Special accounts6** |  |  |  |  |
| Opening balance2 | 5,647 | 7,070 | - | 7,070 |
| Appropriation receipts | 7,270 | 5,913 | - | 5,913 |
| Non-appropriation receipts | 59,375 | 65,019 | - | 65,019 |
| **Total Special Accounts** | **72,292** | **78,002** | **-** | **78,002** |
| **Total administered resourcing** | **55,030,944** | **62,167,812** | **1,357,177** | **63,524,989** |
| Less appropriations drawn from annual or |  |  |  |  |
| special appropriations above and credited |  |  |  |  |
| to special accounts and/or payments to |  |  |  |  |
| corporate entities through annual |  |  |  |  |
| appropriations | (353,772) | (410,987) | - | (410,987) |
| **Total administered resourcing for Health** | **54,677,172** | **61,756,825** | **1,357,177** | **63,114,002** |
| **Total resourcing for Health** | **55,675,185** | **62,970,257** | **1,377,701** | **64,167,958** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2015-16** |  |  | **2016-17** |
| **Average staffing level (number)** | 4,000 |  |  | 4,483 |

All figures are GST exclusive.

1. The estimate of prior year amounts available constitutes opening balance at bank and appropriation receivable for the core department (excluding special accounts).
2. The estimate at Budget has been revised to reflect the Department’s *2015-16 Annual Report*.
3. Appropriation Bill (No. 1 & 3) 2016-17.
4. Estimated retained revenue receipts under section 74 of the PGPA Act 2013.
5. Appropriation Bill (No. 2 & 4) 2016-17.
6. 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 Entity Measures Since the 2016-17 Budget

Table 1.2 summarises new Government measures taken since the 2016-17 Budget.

Table 1.2: Department of Health 2016-17 Measures since Budget

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program** | **2016-17**  $'000 | **2017-18**  $'000 | **2018-19**  $'000 | **2019-20** $'000 |
|  |  |  |  |  |  |
| **Outcome 1: Health System Policy, Design and Innovation** | | | |  |  |
| **Cure4MND Foundation - contribution** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 1.1 | 2,800 | - | - | - |
| **Total expenses** |  | **2,800** | **-** | **-** | **-** |
| **Investing in Medicare - modernising health and aged care payments services** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 1.2 | 29,721 | - | - | - |
| Department of Finance |  |  |  |  |  |
| Administered expenses |  | 77 | - | - | - |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | 1,678 | **-** | **-** | **-** |
| **Total expenses** |  | **31,476** | **-** | **-** | **-** |
| **More Clinical Trials in Australia** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 1.1 | - | - | - | - |
| Department of the Treasury |  |  |  |  |  |
| Administered expenses |  | - | 2,500 | 1,500 | 1,500 |
| **Total expenses** |  | **-** | **2,500** | **1,500** | **1,500** |
|  |  |  |  |  |  |
| **Outcome 2: Health Access and Support Services** | | |  |  |  |
| **Community Infrastructure Projects - new announcements** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 1.1 | 4,000 | - | - | - |
|  | 2.4 | 800 | - | - | - |
| **Total expenses** |  | **4,800** | **-** | **-** | **-** |
| **Develop Australia's Medical Research Capabilities - zero childhood cancer initiative** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 2.4 | 10,000 | 10,000 | - | - |
| **Total expenses** |  | **10,000** | **10,000** | **-** | **-** |

Table 1.2: Department of Health 2016-17 Measures since Budget (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program** | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Digital Mental Health Gateway - development of a second pass business case** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 2.1 | 2,523 | - | - | - |
| **Total expenses** |  | **2,523** | **-** | **-** | **-** |
| **Elimination of Trachoma in Indigenous Communities - extension** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 2.2 | - | (848) | (693) | (714) |
| Department of the Treasury |  |  |  |  |  |
| Administered expenses |  | - | 848 | 693 | 714 |
| **Total expenses** |  | **-** | **-** | **-** | **-** |
| **McGrath Foundation Breast Care Nurses - continued funding** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 2.4 | - | 5,007 | 5,077 | 5,149 |
| **Total expenses** |  | **-** | **5,007** | **5,077** | **5,149** |
| **Royal Flying Doctor Dental Services - continued delivery** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 2.3 | - | - | - | - |
| **Total expenses** |  | **-** | **-** | **-** | **-** |
| **Rural Health Commissioner and Pathway for Rural Professionals - establishment** | | | | | |
| Department of Health |  |  |  |  |  |
| Departmental expenses | 2.3 | 557 | 1,278 | 1,278 | 1,288 |
| **Total expenses** |  | **557** | **1,278** | **1,278** | **1,288** |
| **Strengthening Mental Health Care in Australia** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 2.1 | 27,879 | 62,156 | 90,040 | 12,925 |
|  | 2.3 | 500 | 1,000 | - | - |
| **Total expenses** |  | **28,379** | **63,156** | **90,040** | **12,925** |
|  |  |  |  |  |  |
| **Outcome 3: Sport and Recreation** | |  |  |  |  |
| **Support Australia's Surf Life Savers** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 3.1 | 2,500 | 2,500 | 2,500 | 2,500 |
| **Total expenses** |  | **2,500** | **2,500** | **2,500** | **2,500** |
| **Western Sydney Stadium** | | | | | |
| Department of the Treasury |  |  |  |  |  |
| Administered expenses |  | - | - | - | - |
| **Total expenses** |  | **-** | **-** | **-** | **-** |

Table 1.2: Department of Health 2016-17 Measures since Budget (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program** | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
|  |  |  |  |  |  |
| **Outcome 4: Individual Health Benefits** | |  |  |  |  |
| **Changes to Bulk Billing Incentives for Diagnostic Imaging and Pathology Services - further consultation** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.1 | 215,800 | - | - | - |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | (7,574) | 932 | 1,542 | (24) |
| **Total expenses** |  | **208,226** | **932** | **1,542** | **(24)** |
| **Investing in Medicare - Magnetic Resonance Imaging licences for Frankston and Maroondah Hospitals** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.1 | 1,778 | 3,620 | 3,875 | 4,190 |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | 3 | 7 | 8 | 8 |
| Department of Veterans' Affairs |  |  |  |  |  |
| Administered expenses |  | 13 | 26 | 26 | 27 |
| **Total expenses** |  | **1,794** | **3,653** | **3,909** | **4,225** |
| **Investing in Medicare - Medicare Benefits Schedule - new and amended listings** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.1 | (25) | 1,858 | 2,558 | 1,791 |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | 343 | 431 | 70 | 68 |
| Department of Veterans' Affairs |  |  |  |  |  |
| Administered expenses |  | (1) | 16 | 22 | 14 |
| **Total expenses** |  | **317** | **2,305** | **2,650** | **1,873** |
| **Pharmaceutical Benefits Scheme - new and amended listings** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.1 | (5,551) | (7,931) | (8,779) | (8,962) |
|  | 4.3 | 20,225 | 50,574 | 53,331 | 57,949 |
| Administered revenue |  | nfp | nfp | nfp | nfp |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | 933 | 418 | 501 | 588 |
| Department of Veterans' Affairs |  |  |  |  |  |
| Administered expenses |  | (3,673) | (3,167) | (2,979) | (2,473) |
| **Total** |  | **11,934** | **39,894** | **42,074** | **47,102** |

Table 1.2: Department of Health 2016-17 Measures since Budget (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program** | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Pharmaceutical Benefits Scheme - price amendments** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.3 | 8,481 | 16,515 | 17,248 | 18,480 |
| Department of Veterans' Affairs |  |  |  |  |  |
| Administered expenses |  | 415 | 717 | 717 | 722 |
| **Total expenses** |  | **8,896** | **17,232** | **17,965** | **19,202** |
| **Prostheses List Benefit Reductions** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.4 | - | - | - | - |
| **Total expenses** |  | **-** | **-** | **-** | **-** |
| **Radiation Oncology Health Program Grants Scheme - efficiencies** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.1 | - | (10,054) | (8,037) | (6,134) |
| Australian Radiation Protection and Nuclear | |  |  |  |  |
| Safety Agency |  |  |  |  |  |
| Departmental capital |  | - | 5,000 | - | - |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | 509 | 107 | (51) | (51) |
| **Total** |  | **509** | **(4,947)** | **(8,088)** | **(6,185)** |
| **Rationalising and Streamlining Health Programs - discontinuation of stoma tendering pilot** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.8 | 6,038 | 6,340 | 6,657 | 6,657 |
| **Total expenses** |  | **6,038** | **6,340** | **6,657** | **6,657** |
| **Reform of the High Cost Claims Scheme and Review of the Indemnity Insurance Fund** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.5 | - | - | (17,100) | (19,000) |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | - | 163 | 14 | - |
| **Total expenses** |  | **-** | **163** | **(17,086)** | **(19,000)** |
| **Remote Area Pharmaceutical Dispensing - additional remuneration** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.3 | - | - | - | - |
| **Total expenses** |  | **-** | **-** | **-** | **-** |

Table 1.2: Department of Health 2016-17 Measures since Budget (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program** | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Revised Arrangements for Commonwealth Dental Funding** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.6 | (80,655) | (106,236) | (103,324) | (107,116) |
| Departmental expenses | 4.6 | 18 | 30 | 31 | 24 |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | 6,325 | 10,446 | 10,539 | 10,800 |
| Department of the Treasury |  |  |  |  |  |
| Administered expenses |  | 104,500 | 107,750 | 107,750 | - |
| **Total expenses** |  | **30,188** | **11,990** | **14,996** | **(96,292)** |
| **Stoma Appliance Scheme - new and amended listings** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.8 | (235) | (876) | (1,165) | (1,654) |
| **Total expenses** |  | **(235)** | **(876)** | **(1,165)** | **(1,654)** |
|  |  |  |  |  |  |
| **Outcome 5: Regulation, Safety and Protection** | | |  |  |  |
| **Ban on Cosmetic Testing on Animals** | | | | | |
| Department of Health |  |  |  |  |  |
| Departmental expenses | 5.1 | - | - | - | - |
| **Total expenses** |  | **-** | **-** | **-** | **-** |
| **Regulation of Medicinal Cannabis - charging arrangements** | | | | | |
| Department of Health |  |  |  |  |  |
| Departmental expenses | 5.1 | 613 | 912 | 908 | 910 |
| Administered revenue | 5.1 | (613) | (912) | (908) | (910) |
| **Total** |  | **-** | **-** | **-** | **-** |
|  |  |  |  |  |  |
| **Outcome 6: Ageing and Aged Care** | |  |  |  |  |
| **Aged Care Provider Funding - addressing growth in residential aged care** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 6.3 | (19,882) | (20,866) | (4,954) | 36,880 |
|  | 6.4 | (539) | (9,696) | (10,036) | (11,337) |
| Departmental expenses | 6.4 | 4,958 | 1,601 | 93 | 93 |
| Departmental capital |  | 80 | - | - | - |
| Australian Aged Care Quality Agency |  |  |  |  |  |
| Departmental revenue |  | - | 10,791 | - | - |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | 1,605 | 179 | 139 | 139 |
| Department of Veterans' Affairs |  |  |  |  |  |
| Administered expenses |  | (2,243) | (2,136) | (459) | 3,073 |
| **Total** |  | **(16,021)** | **(20,127)** | **(15,217)** | **28,848** |

Table 1.2: Department of Health 2016-17 Measures since Budget (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program** | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Specialist Dementia Care Units - establishment** | | | | | |
| Department of Health |  |  |  |  |  |
| Administered expenses | 6.3 | - | (1,379) | (3,335) | (948) |
|  | 6.4 | (1,632) | 12 | 116 | 286 |
| Departmental expenses | 6.3 | 248 | 99 | 196 | 196 |
| Departmental capital |  | - | - | - | - |
| Department of Human Services |  |  |  |  |  |
| Departmental expenses |  | 1,998 | 286 | 204 | 203 |
| Department of Veterans' Affairs |  |  |  |  |  |
| Administered expenses |  | 300 | (140) | (515) | (1,010) |
| **Total** |  | **914** | **(1,122)** | **(3,334)** | **(1,273)** |
|  |  |  |  |  |  |
| **Cross Health Portfolio Measure** | |  |  |  |  |
| **Sporting Schools Program - extension** | | | | | |
| *Australian Sports Commission* |  |  |  |  |  |
| Departmental expenses | 1.1 | - | 39,008 | 19,490 | - |
| Departmental capital | 1.1 | - | 1,069 | - | - |
| **Total** |  | **-** | **40,077** | **19,490** | **-** |
|  |  |  |  |  |  |
| **Other Portfolio Measures1** |  |  |  |  |  |
| **Budget Savings (Omnibus) Bill - amendments** | | | | | |
| *Department of Social Services* |  |  |  |  |  |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.1 | (2,400) | (85) | 2,890 | 2,799 |
| **Total expenses** |  | **(2,400)** | **(85)** | **2,890** | **2,799** |
| **Community Infrastructure Projects - new announcements** | | | | | |
| *Department of Infrastructure and Regional Development* | | |  |  |  |
| Department of Health |  |  |  |  |  |
| Administered expenses | 1.1 | 4,000 | - | - | - |
|  | 2.4 | 800 | - | - | - |
| **Total expenses** |  | **4,800** | **-** | **-** | **-** |
| **Extending Existing Freezes on Certain Family Payment Thresholds** | | | | | |
| *Department of Social Services* |  |  |  |  |  |
| Department of Health |  |  |  |  |  |
| Administered expenses | 4.1 | - | - | - | (619) |
| **Total expenses** |  | **-** | **-** | **-** | **(619)** |
| **Management of Per- and Poly-Fluorinated Alkyl Substances at Defence Bases** | | | | | |
| *Department of Defence* |  |  |  |  |  |
| Department of Health |  |  |  |  |  |
| Administered expenses | 2.1 | 1,610 | 1,690 | 1,000 | - |
|  | 5.2 | 2,233 | 6,497 | 600 | 400 |
| Departmental capital |  | - | - | - | - |
| **Total** |  | **3,843** | **8,187** | **1,600** | **400** |

Table 1.2: Department of Health 2016-17 Measures since Budget (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program** | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
|  |  |  |  |  |  |
| **National Disability Insurance Scheme - more flexible Commonwealth funding arrangements** | | | | | |
| *Department of Social Services* |  |  |  |  |  |
| Department of Health |  |  |  |  |  |
| Administered expenses | 6.2 | 71 | - | - | - |
| **Total expenses** |  | **71** | **-** | **-** | **-** |
|  |  |  |  |  |  |
| **Whole of Government Measures** | |  |  |  |  |
| **Public Sector Transformation and the Efficiency Dividend2** | | | | | |
| *Cross Portfolio* |  |  |  |  |  |
| Department of Health |  |  |  |  |  |
| Departmental expenses |  | - | (9,329) | (15,432) | (18,324) |
| Departmental capital |  | - | (172) | (230) | (421) |
| Australian Aged Care Quality Agency |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (255) | (469) | (566) |
| Departmental capital | 1.1 | - | (18) | (30) | (36) |
| Australian Digital Health Agency |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (1,729) | (104) | - |
| Australian Institute of Health and Welfare | |  |  |  |  |
| Departmental expenses | 1.1 | - | (413) | (684) | (820) |
| Australian Organ and Tissue Donation |  |  |  |  |  |
| and Transplantation Authority |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (84) | (141) | (170) |
| Departmental capital | 1.1 | - | (4) | (6) | (8) |
| Australian Radiation Protection and |  |  |  |  |  |
| Nuclear Safety Agency |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (198) | (330) | (397) |
| Departmental capital | 1.1 | - | (30) | (50) | (61) |
| Australian Sports Anti-Doping |  |  |  |  |  |
| Authority |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (195) | (298) | (358) |
| Departmental capital | 1.1 | - | (6) | (10) | (12) |
| Australian Sports Commission |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (3,227) | (5,385) | (6,489) |
| Cancer Australia |  |  |  |  |  |
| Departmental expenses | 1.1 | - | 172 | 287 | 346 |
| Departmental capital | 1.1 | - | (1) | (2) | (3) |
| Food Standards Australia New Zealand | |  |  |  |  |
| Departmental expenses | 1.1 | - | (262) | (438) | (527) |

Table 1.2: Department of Health 2016-17 Measures since Budget (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program** | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Public Sector Transformation and the Efficiency Dividend (continued)2** | | | | | |
| National Blood Authority |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (85) | (142) | (171) |
| Departmental capital | 1.1 | - | (10) | (16) | (19) |
| National Health Funding Body |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (66) | (109) | (132) |
| Departmental capital | 1.1 | - | - | - | - |
| National Health and Medical Research Council | |  |  |  |  |
| Departmental expenses | 1.1 | - | (571) | (950) | (1,145) |
| Departmental capital | 1.1 | - | (3) | (4) | (5) |
| National Mental Health Commission |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (42) | (70) | (84) |
| Departmental capital | 1.1 | - | - | - | - |
| Professional Services Review |  |  |  |  |  |
| Departmental expenses | 1.1 | - | (78) | (130) | (156) |
| Departmental capital | 1.1 | - | (7) | (4) | (4) |
| **Total** |  | **-** | **(16,613)** | **(24,747)** | **(29,562)** |

1. The Department of Health is not the lead entity for these measures. Only Department of Health impacts are shown in this table.
2. This measure was announced in the 2016-17 Budget.

1.4 Additional Estimates and Variations

The following table details the changes to the resourcing for the Department of Health at Additional Estimates, by Outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2016-17 Budget in Appropriation Bills No. 3 and No. 4.

Table 1.3: Additional Estimates and Variations to Outcomes from Measures and Other Variations Since the 2016-17 Budget

There is no Table 1.3. For details on changes to the resourcing for the Department of Health at Additional Estimates from measures and other variations 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 1.4: Appropriation Bill (No. 3) 2016-17

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **2015-16 Available1** $'000 | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Administered** | |  |  |  |  |  |
| **Outcome 1** | |  |  |  |  |  |
|  | Health System Policy, Design and |  |  |  |  |  |
|  | Innovation | 207,962 | 81,951 | 124,674 | 42,723 | - |
| **Outcome 2** | |  |  |  |  |  |
|  | Health Access and Support |  |  |  |  |  |
|  | Services | 3,842,223 | 4,000,883 | 4,045,770 | 44,887 | - |
| **Outcome 3** | |  |  |  |  |  |
|  | Sport and Recreation | 21,948 | 15,975 | 18,475 | 2,500 | - |
| **Outcome 4** | |  |  |  |  |  |
|  | Individual Health Benefits | 1,272,552 | 1,355,933 | 1,374,472 | 18,539 | - |
| **Outcome 5** | |  |  |  |  |  |
|  | Regulation, Safety and Protection | 133,647 | 182,201 | 184,434 | 2,233 | - |
| **Outcome 6** | |  |  |  |  |  |
|  | Ageing and Aged Care | 1,431,630 | 2,828,585 | 2,784,440 | - | 44,145 |
| **Total administered** | | **6,909,962** | **8,465,528** | **8,532,265** | **110,882** | **44,145** |
| **Departmental** | |  |  |  |  |  |
| **Outcome 1** | |  |  |  |  |  |
|  | Health System Policy, Design and |  |  |  |  |  |
|  | Innovation | 44,220 | 31,644 | 34,962 | 3,318 | - |
| **Outcome 2** | |  |  |  |  |  |
|  | Health Access and Support |  |  |  |  |  |
|  | Services | 206,188 | 207,349 | 207,906 | 557 | - |
| **Outcome 3** | |  |  |  |  |  |
|  | Sport and Recreation | 9,725 | 8,568 | 8,568 | - | - |
| **Outcome 4** | |  |  |  |  |  |
|  | Individual Health Benefits | 165,889 | 163,841 | 163,859 | 18 | - |
| **Outcome 5** | |  |  |  |  |  |
|  | Regulation, Safety and Protection | 31,485 | 34,114 | 34,727 | 613 | - |
| **Outcome 6** | |  |  |  |  |  |
|  | Ageing and Aged Care | 137,447 | 186,694 | 214,433 | 27,739 | - |
| **Total departmental** | | **594,954** | **632,210** | **664,455** | **32,245** | **-** |
| **Total appropriation administered** | | |  |  |  |  |
|  | **and departmental Bill No. 3** | **7,504,916** | **9,097,738** | **9,196,720** | **143,127** | **44,145** |

1. 2015-16 available appropriation is included to allow a comparison of this year’s appropriation with what was made available for use in the previous year and is represented on the basis of the current Outcome structure. Available appropriation is the amount available to be drawn down, and is equal to: Budget Appropriation + Additional Estimates Appropriation + AFM – Savings – Rephasings – Other reduction +/- Section 75

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Available1** $'000 | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Non-operating** |  |  |  |  |  |
| Equity injections | 32,290 | 18,349 | 6,651 | - | 11,698 |
| Administered assets and liabilities | 156,741 | 150,537 | 150,537 | - | - |
| **Total non-operating** | **189,031** | **168,886** | **157,188** | **-** | **11,698** |
| **Total appropriation administered** |  |  |  |  |  |
| **and departmental Bill No. 4** | **189,031** | **168,886** | **157,188** | **-** | **11,698** |

1 2015-16 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 – section 51 withholdings – administrative quarantines +/- Machinery of Government transfers*.

Section 2: Revisions to Outcomes and Planned Performance

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

Revisions to performance information since the 2016-17 Budget are detailed in the Outcome chapters in this section. Changes have been made to the performance information for Outcomes 4 and 6.

Cross Outcome Variations

Table 2: Cross Outcome Variations

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Cross outcome departmental variations** |  |  |  |  |
| **Changes in departmental appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Public Sector Transformation and the |  |  |  |  |
| Efficiency Dividend1 - operational | - | (9,329) | (15,432) | (18,324) |
| **Measure** - Public Sector Transformation and the |  |  |  |  |
| Efficiency Dividend1 - DCB2 | - | (172) | (230) | (421) |
| Govlink contract - a single coordinated |  |  |  |  |
| procurement contract | (22) | (30) | (30) | (30) |
| Movement of funds - DCB2 | 3,340 | (3,340) | - | - |
| Price parameter adjustments3 - operational | - | (2,981) | (3,534) | (4,648) |
| Price parameter adjustments3 - DCB2 | - | (55) | (53) | (107) |
|  | **3,318** | **(15,907)** | **(19,279)** | **(23,530)** |

1. This measure was announced as part of the 2016-17 Budget (refer page 71 of the *2016-17 Budget Paper No. 2*).
2. DCB = Departmental Capital Budget.
3. See explanation in Portfolio Glossary.

2.1 Budgeted Expenses and Performance

Outcome 1 – Health System Policy, Design and Innovation

Outcome 1: Australia’s health system is better equipped to meet current and future health needs by applying research, evaluation, innovation, and use of data to develop and implement integrated, evidence-based health policies, and through support for sustainable funding for health infrastructure

Table 2.1.1: Resource Summary – Outcome 1

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 1.1: Health Policy Research and Analysis1** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 42,189 | 55,191 | 13,002 | - |
| Special accounts |  |  |  |  |
| Medical Research Future Fund | 60,876 | 60,876 | - | - |
| Special appropriations |  |  |  |  |
| *National Health Act 1953* - blood |  |  |  |  |
| fractionation, products and |  |  |  |  |
| blood related products to |  |  |  |  |
| National Blood Authority | 711,578 | 664,802 | - | 46,776 |
| *Public Governance, Performance* |  |  |  |  |
| *and Accountability Act 2013* |  |  |  |  |
| s77 - repayments | 2,000 | 2,000 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 10,311 | 10,311 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 246 | 246 | - | - |
| **Total for Program 1.1** | **827,200** | **793,426** | **13,002** | **46,776** |
| **Program 1.2: Health Innovation and Technology** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 11,642 | 41,363 | 29,721 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 4,128 | 4,128 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 59 | 59 | - | - |
| **Total for Program 1.2** | **15,829** | **45,550** | **29,721** | **-** |

Table 2.1.1: Resource Summary – Outcome 1 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 1.3: Health Infrastructure1** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 5,797 | 5,797 | - | - |
| Special appropriations |  |  |  |  |
| *Health Insurance Act 1973* |  |  |  |  |
| - payments relating to the |  |  |  |  |
| former Health and Hospitals Fund | 51,770 | 56,179 | 4,409 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 4,861 | 4,861 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 112 | 112 | - | - |
| **Total for Program 1.3** | **62,540** | **66,949** | **4,409** | **-** |
| **Program 1.4: Health Peak and Advisory Bodies** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 7,983 | 7,983 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 5,058 | 5,058 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 121 | 121 | - | - |
| **Total for Program 1.4** | **13,162** | **13,162** | **-** | **-** |
| **Program 1.5: International Policy** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 14,340 | 14,340 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 5,453 | 5,453 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 126 | 126 | - | - |
| **Total for Program 1.5** | **19,919** | **19,919** | **-** | **-** |

Table 2.1.1: Resource Summary – Outcome 1 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Outcome 1 totals by appropriation type** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 81,951 | 124,674 | 42,723 | - |
| Special accounts | 60,876 | 60,876 | - | - |
| Special appropriations | 765,348 | 722,981 | - | 42,367 |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 29,811 | 29,811 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 664 | 664 | - | - |
| **Total expenses for Outcome 1** | **938,650** | **939,006** | **42,723** | **42,367** |
|  |  |  |  |  |
|  | **2016-17 Budget** | **2016-17 Revised** |  |  |
| **Average staffing level (number)** | 185 | 185 |  |  |

1. Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations Framework. National Partnerships are listed in Section 2 of the *2016-17 Health Portfolio Budget Statements* under each program, for updated estimates refer to the *2016-17 Mid-Year Economic and Fiscal Outlook*.
2. Appropriation (Bill No. 1 & 3) 2016-17.
3. Departmental appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources (s74)’.
4. Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Table 2.1.2: Variations Table – Outcome 1

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 1.1: Health Policy Research and Analysis** | |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Community Infrastructure Projects |  |  |  |  |
| - new announcements | 4,000 | - | - | - |
| **Measure** - Cure4MND Foundation - contribution | 2,800 | - | - | - |
| Haemopoietic Progenitor Cells Program |  |  |  |  |
| (HPCP) - reprofile of funding | 6,202 | 8,314 | 10,963 | 15,433 |
| Price parameter adjustments1 | - | (109) | (147) | (210) |
|  | **13,002** | **8,205** | **10,816** | **15,223** |
| **Program 1.2: Health Innovation and Technology** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Investing in Medicare - modernising health |  |  |  |  |
| and aged care payments services | 29,721 | - | - | - |
| Price parameter adjustments1 | - | (3) | (4) | (38) |
|  | **29,721** | **(3)** | **(4)** | **(38)** |
| **Program 1.4: Health Peak and Advisory Bodies** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Price parameter adjustments1 | - | (22) | (29) | (44) |
|  | **-** | **(22)** | **(29)** | **(44)** |

1 See explanation in Portfolio Glossary.

Table 2.1.3: Program Expenses Table – Outcome 11

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 1.1: Health Policy Research and Analysis** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 55,191 | 47,460 | 50,011 | 52,834 |
| Special accounts |  |  |  |  |
| Medical Research Future Fund | 60,876 | 121,565 | 214,913 | 386,373 |
| Special appropriations |  |  |  |  |
| *National Health Act 1953* - blood |  |  |  |  |
| fractionation, products and |  |  |  |  |
| blood related products to |  |  |  |  |
| National Blood Authority | 664,802 | 760,645 | 811,434 | 864,451 |
| *Public Governance, Performance* |  |  |  |  |
| *and Accountability Act 2013* |  |  |  |  |
| s77 - repayments | 2,000 | 2,000 | 2,000 | 2,000 |
| Program support | 10,557 | 10,554 | 10,631 | 10,595 |
| **Total program expenses** | **793,426** | **942,224** | **1,088,989** | **1,316,253** |
| **Program 1.2: Health Innovation and Technology** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 41,363 | 631 | 631 | 4,842 |
| Program support | 4,187 | 3,092 | 3,110 | 3,103 |
| **Total program expenses** | **45,550** | **3,723** | **3,741** | **7,945** |
|  |  |  |  |  |
| **Program 1.3: Health Infrastructure** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 5,797 | 8,712 | 911 | 911 |
| Special appropriations |  |  |  |  |
| *Health Insurance Act 1973* |  |  |  |  |
| - payments relating to the former |  |  |  |  |
| Health and Hospitals Fund | 56,179 | 20,939 | 16,949 | - |
| Program support | 4,973 | 4,971 | 5,005 | 4,990 |
| **Total program expenses** | **66,949** | **34,622** | **22,865** | **5,901** |
| **Program 1.4: Health Peak and Advisory Bodies** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 7,983 | 7,551 | 7,450 | 7,306 |
| Program support | 5,179 | 5,178 | 5,216 | 5,199 |
| **Total program expenses** | **13,162** | **12,729** | **12,666** | **12,505** |

Table 2.1.3: Program Expenses Table – Outcome 11 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 1.5: International Policy** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 14,340 | 13,691 | 13,691 | 13,691 |
| Program support | 5,579 | 5,577 | 5,616 | 5,598 |
| **Total program expenses** | **19,919** | **19,268** | **19,307** | **19,289** |

1. Actual expenses for 2015-16 are not supplied due to a change in the outcome and program structure for 2016-17. Details of the revised outcome structure can be found in Table 1.4.2 on page 34 of the 2016‑17 Health Portfolio Budget Statements.

Performance Criteria for Outcome 1

Table 2.1.4 details changes to performance criteria for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

Table 2.1.4: Performance Criteria for Outcome 1

There have been no changes to performance information for Outcome 1 since the 2016‑17 Budget which require new or modified performance criteria. Refer to page 44 of the *2016-17 Health Portfolio Budget Statements* for current performance information.

2.2 Budgeted Expenses and Performance

Outcome 2 – Health Access and Support Services

Outcome 2: Support for sustainable funding for public hospital services and improved access to high quality, comprehensive and coordinated preventive, primary and mental health care for all Australians, with a focus on those with complex health care needs and those living in regional, rural and remote areas, including through access to a skilled health workforce

Table 2.2.1: Resource Summary – Outcome 2

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 2.1: Mental Health1** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 679,453 | 711,603 | 32,150 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 19,429 | 19,429 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 748 | 748 | - | - |
| **Total for Program 2.1** | **699,630** | **731,780** | **32,150** | **-** |
| **Program 2.2: Aboriginal and Torres Strait Islander Health1** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 780,207 | 780,207 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 40,925 | 40,925 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 964 | 964 | - | - |
| **Total for Program 2.2** | **822,096** | **822,096** | **-** | **-** |
| **Program 2.3: Health Workforce** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 1,291,530 | 1,292,030 | 500 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 41,915 | 42,472 | 557 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 1,008 | 1,008 | - | - |
| **Total for Program 2.3** | **1,334,453** | **1,335,510** | **1,057** | **-** |

Table 2.2.1: Resource Summary – Outcome 2 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 2.4: Preventive Health and Chronic Disease Support1** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 378,306 | 390,543 | 12,237 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 38,089 | 38,089 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 903 | 903 | - | - |
| **Total for Program 2.4** | **417,298** | **429,535** | **12,237** | **-** |
| **Program 2.5: Primary Health Care Quality and Coordination** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 405,876 | 405,876 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 23,514 | 23,514 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 548 | 548 | - | - |
| **Total for Program 2.5** | **429,938** | **429,938** | **-** | **-** |
| **Program 2.6: Primary Care Practice Incentives** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 372,977 | 372,977 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 1,966 | 1,966 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 47 | 47 | - | - |
| **Total for Program 2.6** | **374,990** | **374,990** | **-** | **-** |
| **Program 2.7: Hospital Services1** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 92,534 | 92,534 | - | - |
| Non cash expenses5 | 963 | 963 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 40,928 | 40,928 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 4,164 | 4,164 | - | - |
| **Total for Program 2.7** | **138,589** | **138,589** | **-** | **-** |

Table 2.2.1: Resource Summary – Outcome 2 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Outcome 2 totals by appropriation type** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 4,000,883 | 4,045,770 | 44,887 | - |
| Non cash expenses5 | 963 | 963 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 206,766 | 207,323 | 557 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 8,382 | 8,382 | - | - |
| **Total expenses for Outcome 2** | **4,216,994** | **4,262,438** | **45,444** | **-** |
|  |  |  |  |  |
|  | **2016-17 Budget** | **2016-17 Revised** |  |  |
| **Average staffing level (number)** | 1,118 | 1,118 |  |  |

1. Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations Framework. National Partnerships are listed in Section 2 of the *2016-17 Health Portfolio Budget Statements* under each program, for updated estimates refer to the *2016-17 Mid-Year Economic and Fiscal Outlook*.
2. Appropriation (Bill No. 1 & 3) 2016-17.
3. Departmental appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources (s74)’.
4. Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.
5. ‘Non cash expenses’ relates to the depreciation of buildings.

Table 2.2.2: Variations Table – Outcome 2

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 2.1: Mental Health** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Digital Mental Health Gateway |  |  |  |  |
| - development of a second pass business case | 2,523 | - | - | - |
| **Measure** - Management of Per- and Poly-Fluorinated |  |  |  |  |
| Alkyl Substances at Defence Bases | 1,610 | 1,690 | 1,000 | - |
| **Measure** - Strengthening Mental Health Care |  |  |  |  |
| in Australia | 27,879 | 62,156 | 90,040 | 12,925 |
| Programme of Assistance for Survivors of Torture and |  |  |  |  |
| Trauma (PASTT) - Free Interpretation Service (FIS) |  |  |  |  |
| - transfer from Department of Social Services | 138 | 293 | 319 | - |
| National Disability Insurance Scheme - impact on Mental Health | - | - | - | 23,650 |
| Price parameter adjustments1 | - | (2,061) | (2,796) | (3,119) |
|  | **32,150** | **62,078** | **88,563** | **33,456** |
| **Program 2.2: Aboriginal and Torres Strait Islander Health** | |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Elimination of Trachoma in Indigenous |  |  |  |  |
| Communities - extension | - | (848) | (693) | (714) |
| Price parameter adjustments1 | - | (5,006) | (6,939) | (9,032) |
|  | **-** | **(5,854)** | **(7,632)** | **(9,746)** |
| **Program 2.3: Health Workforce** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Strengthening Mental Health Care |  |  |  |  |
| in Australia | 500 | 1,000 | - | - |
| Price parameter adjustments1 | - | (3,860) | (5,021) | (7,474) |
| **Changes to departmental appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Rural Health Commissioner and Pathway |  |  |  |  |
| for Rural Professionals - establishment | 557 | 1,278 | 1,278 | 1,288 |
|  | **1,057** | **(1,582)** | **(3,743)** | **6,186** |

Table 2.2.2: Variations Table – Outcome 2 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 2.4: Preventive Health and Chronic Disease Support** | | |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Community Infrastructure Projects |  |  |  |  |
| - new announcements | 800 | - | - | - |
| **Measure** - Develop Australia's Medical Research |  |  |  |  |
| Capabilities - zero childhood cancer initiative | 10,000 | 10,000 | - | - |
| **Measure** - McGrath Foundation Breast Care Nurses |  |  |  |  |
| - continued funding | - | 5,007 | 5,077 | 5,149 |
| National Bowel Cancer Screening Program |  |  |  |  |
| - variation to reflect demand | 1,437 | 4,267 | 8,438 | 13,948 |
| Price parameter adjustments1 | - | (1,019) | (1,409) | (2,115) |
|  | **12,237** | **18,255** | **12,106** | **16,982** |
| **Program 2.5: Primary Health Care Quality and Coordination** | |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Price parameter adjustments1 | - | (1,058) | (1,477) | (1,874) |
|  | **-** | **(1,058)** | **(1,477)** | **(1,874)** |
| **Program 2.6: Primary Care Practice Incentives** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Price parameter adjustments1 | - | (2,086) | (2,891) | (3,613) |
|  | **-** | **(2,086)** | **(2,891)** | **(3,613)** |
| **Program 2.7: Hospital Services** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Price parameter adjustments1 | - | (228) | (306) | (460) |
|  | **-** | **(228)** | **(306)** | **(460)** |

1 See explanation in Portfolio Glossary.

Table 2.2.3: Program Expenses Table – Outcome 21

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 2.1: Mental Health** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 711,603 | 759,186 | 798,461 | 562,279 |
| Program support | 20,177 | 20,096 | 19,924 | 19,809 |
| **Total program expenses** | **731,780** | **779,282** | **818,385** | **582,088** |
| **Program 2.2: Aboriginal and Torres Strait Islander Health** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 780,207 | 843,293 | 876,396 | 911,834 |
| Program support | 41,889 | 41,905 | 42,263 | 42,184 |
| **Total program expenses** | **822,096** | **885,198** | **918,659** | **954,018** |
| **Program 2.3: Health Workforce** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 1,292,030 | 1,302,868 | 1,269,965 | 1,259,466 |
| Program support | 43,480 | 43,370 | 43,687 | 43,556 |
| **Total program expenses** | **1,335,510** | **1,346,238** | **1,313,652** | **1,303,022** |
| **Program 2.4: Preventive Health and Chronic Disease Support** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 390,543 | 363,344 | 369,753 | 375,523 |
| Program support | 38,992 | 38,478 | 38,759 | 38,629 |
| **Total program expenses** | **429,535** | **401,822** | **408,512** | **414,152** |
| **Program 2.5: Primary Health Care Quality and Coordination** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 405,876 | 356,736 | 373,512 | 315,775 |
| Program support | 24,062 | 23,972 | 24,172 | 24,094 |
| **Total program expenses** | **429,938** | **380,708** | **397,684** | **339,869** |

Table 2.2.3: Program Expenses Table – Outcome 21 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 2.6: Primary Care Practice Incentives** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 372,977 | 351,716 | 365,309 | 365,015 |
| Program support | 2,013 | 2,012 | 2,026 | 2,020 |
| **Total program expenses** | **374,990** | **353,728** | **367,335** | **367,035** |
| **Program 2.7: Hospital Services** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 92,534 | 77,058 | 77,416 | 77,476 |
| Non cash expenses | 963 | 963 | 963 | 963 |
| Program support | 45,092 | 46,012 | 45,386 | 42,733 |
| **Total program expenses** | **138,589** | **124,033** | **123,765** | **121,172** |

1. Actual expenses for 2015-16 are not supplied due to a change in the outcome and program structure for 2016-17. Details of the revised outcome structure can be found in Table 1.4.2 on page 34 of the   
   *2016‑17 Health Portfolio Budget Statements*.

Performance Criteria for Outcome 2

Table 2.2.4 details changes to the performance criteria for each program associated with Outcome 2. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

Table 2.2.4: Performance Criteria for Outcome 2

There have been no changes to performance information for Outcome 2 since the 2016‑17 Budget which require new or modified performance criteria. Refer to page 59 of the *2016-17 Health Portfolio Budget Statements* for current performance measures.

2.3 Budgeted Expenses and Performance

Outcome 3 – Sport and Recreation

Outcome 3: Improved opportunities for community participation in sport and recreation, excellence in high-performance athletes, and protecting the integrity of sport through investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues

Table 2.3.1: Resource Summary – Outcome 3

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 3.1: Sport and Recreation1** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 15,975 | 18,475 | 2,500 | - |
| Special accounts |  |  |  |  |
| Sport and Recreation | 407 | 407 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 9,135 | 9,135 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 243 | 243 | - | - |
| **Total for Program 3.1** | **25,760** | **28,260** | **2,500** | **-** |
| **Outcome 3 totals by appropriation type** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 15,975 | 18,475 | 2,500 | - |
| Special accounts | 407 | 407 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation3 | 9,135 | 9,135 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year4 | 243 | 243 | - | - |
| **Total expenses for Outcome 3** | **25,760** | **28,260** | **2,500** | **-** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** | **2016-17 Revised** |  |  |
| **Average staffing level (number)** | 54 | 54 |  |  |

1. Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations Framework. National Partnerships are listed in Section 2 of the *2016-17 Health Portfolio Budget Statements* under each program, for updated estimates refer to the *2016-17 Mid-Year Economic and Fiscal Outlook*.
2. Appropriation (Bill No. 1 & 3) 2016-17.
3. Departmental appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources (s74)’.
4. Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Table 2.3.2: Variations Table – Outcome 3

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 3.1: Sport and Recreation** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Support Australia's Surf Life Savers | 2,500 | 2,500 | 2,500 | 2,500 |
| Price parameter adjustments1 | - | (41) | (59) | (81) |
|  | **2,500** | **2,459** | **2,441** | **2,419** |

1 See explanation in Portfolio Glossary.

Table 2.3.3: Program Expenses Table – Outcome 31

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 3.1: Sport and Recreation** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 18,475 | 19,520 | 15,190 | 15,197 |
| Special accounts |  |  |  |  |
| Sport and Recreation | 407 | 407 | 407 | 407 |
| Program support | 9,378 | 9,397 | 9,382 | 10,414 |
| **Total program expenses** | **28,260** | **29,324** | **24,979** | **26,018** |

1. Actual expenses for 2015-16 are not supplied due to a change in the outcome and program structure for 2016-17. Details of the revised outcome structure can be found in Table 1.4.2 on page 34 of the   
   *2016-17 Health Portfolio Budget Statements*.

Performance Criteria for Outcome 3

Table 2.3.4 details changes to the performance criteria for each program associated with Outcome 3. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

Table 2.3.4: Performance Criteria for Outcome 3

There have been no changes to performance information for Outcome 3 since the 2016‑17 Budget which require new or modified performance criteria. Refer to page 81 of the *2016-17 Health Portfolio Budget Statements* for current performance measures.

2.4 Budgeted Expenses and Performance

Outcome 4 – Individual Health Benefits

Outcome 4: Access to cost-effective medicines, medical, dental and hearing services, and improved choice in health services, including through the Pharmaceutical Benefits Scheme, Medicare, targeted assistance strategies and private health insurance

Table 2.4.1: Resource Summary – Outcome 4

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 4.1: Medical Benefits** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 93,206 | 104,881 | 11,675 | - |
| Special appropriations |  |  |  |  |
| *Health Insurance Act 1973* |  |  |  |  |
| - medical benefits | 21,850,644 | 22,089,848 | 239,204 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 25,312 | 25,312 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 563 | 563 | - | - |
| **Total for Program 4.1** | **21,969,725** | **22,220,604** | **250,879** | **-** |
| **Program 4.2: Hearing Services** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 555,768 | 516,141 | (39,627) | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 8,547 | 8,547 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 167 | 167 | - | - |
| **Total for Program 4.2** | **564,482** | **524,855** | **(39,627)** | **-** |
| **Program 4.3: Pharmaceutical Benefits** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 690,449 | 736,940 | 46,491 | - |
| Special appropriations |  |  |  |  |
| *National Health Act 1953* |  |  |  |  |
| - pharmaceutical benefits | 10,109,505 | 11,282,898 | 1,173,393 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 57,303 | 57,303 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 2,896 | 2,896 | - | - |
| **Total for Program 4.3** | **10,860,153** | **12,080,037** | **1,219,884** | **-** |

Table 2.4.1: Resource Summary – Outcome 4 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 4.4: Private Health Insurance** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 3,768 | 3,768 | - | - |
| Special appropriations |  |  |  |  |
| *Private Health Insurance* |  |  |  |  |
| *Act 2007 -* incentive |  |  |  |  |
| payments and rebate | 6,249,233 | 6,179,867 | - | 69,366 |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 7,767 | 7,767 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 132 | 132 | - | - |
| **Total for Program 4.4** | **6,260,900** | **6,191,534** | **-** | **69,366** |
| **Program 4.5: Medical Indemnity** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 150 | 150 | - | - |
| Special appropriations |  |  |  |  |
| *Medical Indemnity Act 2002* | 93,400 | 93,400 | - | - |
| *Midwife Professional Indemnity* |  |  |  |  |
| *(Commonwealth Contribution)* |  |  |  |  |
| *Scheme Act 2010* | 2,949 | 2,949 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 1,528 | 1,528 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 32 | 32 | - | - |
| **Total for Program 4.5** | **98,059** | **98,059** | **-** | **-** |
| **Program 4.6: Dental Services4** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | - | - | - | - |
| Special appropriations |  |  |  |  |
| *Dental Benefits Act 2008* | 415,616 | 326,797 | - | 88,819 |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 1,502 | 1,520 | 18 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 36 | 36 | - | - |
| **Total for Program 4.6** | **417,154** | **328,353** | **18** | **88,819** |

Table 2.4.1: Resource Summary – Outcome 4 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 4.7: Health Benefit Compliance** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 12,000 | 12,000 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 65,902 | 65,902 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 1,475 | 1,475 | - | - |
| **Total for Program 4.7** | **79,377** | **79,377** | **-** | **-** |
| **Program 4.8: Targeted Assistance - Aids and Appliances** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 592 | 592 | - | - |
| Special appropriations |  |  |  |  |
| *National Health Act 1953* |  |  |  |  |
| - aids and appliances | 292,219 | 354,493 | 62,274 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 2,784 | 2,784 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 63 | 63 | - | - |
| **Total for Program 4.8** | **295,658** | **357,932** | **62,274** | **-** |
| **Outcome 4 totals by appropriation type** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 1,355,933 | 1,374,472 | 18,539 | - |
| Special appropriations | 39,013,566 | 40,330,252 | 1,316,686 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 170,645 | 170,663 | 18 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 5,364 | 5,364 | - | - |
| **Total expenses for Outcome 4** | **40,545,508** | **41,880,751** | **1,335,243** | **-** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** | **2016-17 Revised** |  |  |
| **Average staffing level (number)** | 909 | 909 |  |  |

1. Appropriation Bill (No. 1 & 3) 2016-17.
2. Departmental appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources (s74)’.
3. Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.
4. Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations Framework. National Partnerships are listed in Section 2 of the *2016-17 Health Portfolio Budget Statements* under each program, for updated estimates refer to the *2016-17 Mid-Year Economic and Fiscal Outlook*.

Table 2.4.2: Variations Table – Outcome 4

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 4.1: Medical Benefits** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Investing in Medicare - Medicare Benefits |  |  |  |  |
| Schedule - new and amended listings | 100 | 260 | 260 | - |
| **Measure** - Radiation Oncology Health Program |  |  |  |  |
| Grants Scheme - efficiencies | - | (10,054) | (8,037) | (6,134) |
| Medicare Benefits Schedule Review - reprofile of |  |  |  |  |
| funding | 5,000 | - | - | - |
| Medical Treatment Overseas - variation to reflect demand | 2,011 | - | - | - |
| Radiation Oncology Health Program Grants Scheme - variation to reflect demand | 4,564 | - | - | - |
| Price parameter adjustments1 | - | (7) | (9) | (12) |
|  | **11,675** | **(9,801)** | **(7,786)** | **(6,146)** |
| **Program 4.2: Hearing Services** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Community Service Obligations - variation to |  |  |  |  |
| reflect demand | - | 674 | 924 | 3,211 |
| Hearing Services Voucher Program - variation to |  |  |  |  |
| reflect demand | (39,627) | (33,521) | (17,130) | (1,803) |
| Price parameter adjustments1 | - | (1,348) | (1,890) | (2,969) |
|  | **(39,627)** | **(34,195)** | **(18,096)** | **(1,561)** |
| **Program 4.3: Pharmaceutical Benefits** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Life Saving Drugs Program - variation to reflect demand | 7,500 | 1,000 | 1,000 | 1,000 |
| Hepatitis C Registry - reprofile of funding | - | 510 | - | - |
| Pharmacy Trial Program - reprofile of funding | 531 | - | - | - |
| Community Pharmacy Programs under the Sixth Community Pharmacy Agreement including review of Pharmacy Remuneration and Regulation |  |  |  |  |
| - reprofile of funding | 38,460 | (25,026) | - | - |
| Price parameter adjustments1 | - | (7,055) | (9,009) | (9,790) |
|  | **46,491** | **(30,571)** | **(8,009)** | **(8,790)** |

Table 2.4.2: Variations Table – Outcome 4 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 4.6: Dental Services** |  |  |  |  |
| **Changes to departmental appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Revised Arrangements for Commonwealth |  |  |  |  |
| Dental Funding | 18 | 30 | 31 | 24 |
|  | **18** | **30** | **31** | **24** |

1 See explanation in Portfolio Glossary.

Table 2.4.3: Program Expenses Table – Outcome 41

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 4.1: Medical Benefits** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 104,881 | 67,464 | 69,595 | 71,235 |
| Special appropriations |  |  |  |  |
| *Health Insurance Act 1973* |  |  |  |  |
| - medical benefits | 22,089,848 | 22,608,367 | 23,633,372 | 25,078,254 |
| Program support | 25,875 | 23,460 | 23,594 | 23,513 |
| **Total program expenses** | **22,220,604** | **22,699,291** | **23,726,561** | **25,173,002** |
| **Program 4.2: Hearing Services** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 516,141 | 530,175 | 557,104 | 583,090 |
| Program support | 8,714 | 8,712 | 8,764 | 8,741 |
| **Total program expenses** | **524,855** | **538,887** | **565,868** | **591,831** |
| **Program 4.3: Pharmaceutical Benefits** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 736,940 | 667,731 | 683,519 | 691,380 |
| Special appropriations |  |  |  |  |
| *National Health Act 1953* |  |  |  |  |
| - pharmaceutical benefits | 11,282,898 | 10,599,429 | 10,681,766 | 10,671,055 |
| Program support | 60,199 | 59,005 | 51,385 | 46,870 |
| **Total program expenses** | **12,080,037** | **11,326,165** | **11,416,670** | **11,409,305** |
| **Program 4.4: Private Health Insurance** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 3,768 | 3,114 | 2,561 | 2,461 |
| Special appropriations |  |  |  |  |
| *Private Health Insurance Act 2007* |  |  |  |  |
| *-* incentive payments and rebate | 6,179,867 | 6,420,627 | 6,737,052 | 6,737,125 |
| Program support | 7,899 | 7,897 | 7,938 | 7,919 |
| **Total program expenses** | **6,191,534** | **6,431,638** | **6,747,551** | **6,747,505** |

Table 2.4.3: Program Expenses Table – Outcome 41 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 4.5: Medical Indemnity** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 150 | 142 | 142 | 142 |
| Special appropriations |  |  |  |  |
| *Medical Indemnity Act 2002* | 93,400 | 98,600 | 87,100 | 91,100 |
| *Midwife Professional Indemnity* |  |  |  |  |
| *(Commonwealth Contribution)* |  |  |  |  |
| *Scheme Act 2010* | 2,949 | 4,073 | 4,719 | 5,462 |
| Program support | 1,560 | 1,560 | 1,570 | 1,565 |
| **Total program expenses** | **98,059** | **104,375** | **93,531** | **98,269** |
| **Program 4.6: Dental Services** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | - | - | - | - |
| Special appropriations |  |  |  |  |
| *Dental Benefits Act 2008* | 326,797 | 307,820 | 315,500 | 329,170 |
| Program support | 1,556 | 1,566 | 2,318 | 2,306 |
| **Total program expenses** | **328,353** | **309,386** | **317,818** | **331,476** |
| **Program 4.7: Health Benefit Compliance** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 12,000 | 12,000 | 12,000 | 12,000 |
| Program support | 67,377 | 67,431 | 67,305 | 67,094 |
| **Total program expenses** | **79,377** | **79,431** | **79,305** | **79,094** |
| **Program 4.8: Targeted Assistance - Aids and Appliances** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 592 | 566 | 566 | 566 |
| Special appropriations |  |  |  |  |
| *National Health Act 1953* |  |  |  |  |
| - aids and appliances | 354,493 | 353,791 | 358,557 | 374,563 |
| Program support | 2,847 | 2,846 | 2,867 | 2,857 |
| **Total program expenses** | **357,932** | **357,203** | **361,990** | **377,986** |

1. Actual expenses for 2015-16 are not supplied due to a change in the outcome and program structure for 2016-17. Details of the revised outcome structure can be found in Table 1.4.2 on page 34 of the   
   *2016-17 Health Portfolio Budget Statements*.

Performance Criteria for Outcome 41

Table 2.4.4 below details changes to performance criteria for programs associated with Outcome 4, all other performance criteria remains unchanged – refer to page 90 of the *2016-17 Health Portfolio Budget Statements*. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

Table 2.4.4: Performance Criteria for Program 4.3

| Outcome | 4: Access to cost-effective medicines, medical, dental and hearing services, and improved choice in health services, including through the Pharmaceutical Benefits Scheme, Medicare, targeted assistance strategies and private health insurance | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Purpose | Lead and shape Australia’s health and aged care systems and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation. | | | | | |
| Program | 4.3: Pharmaceutical Benefits  The Australian Government provides reliable, timely and affordable access to cost‑effective, high quality medicines and sustainable pharmaceutical services by subsidising the cost of medicines through the Pharmaceutical Benefits Scheme (PBS) and Life Saving Drugs Program (LSDP), community pharmacy programs, and by supporting the provision of aids and appliances. | | | | | |
| Delivery | Program activities, intended to benefit the Australian community through affordable access to cost-effective medicines, will be delivered under the following program objectives:  A. Supporting timely access to medicines and pharmacy services  B. Listing cost-effective, innovative, clinically effective medicines on the PBS  C. Increasing the sustainability of the PBS  D. Providing access to new and existing medicines for patients with life threatening conditions  E. Undertaking post-market surveillance  F. Monitoring the use of diagnostics, therapeutics and pathology | | | | | |
| Changes to performance criteria | | | | | | |
| A. Supporting timely access to medicines and pharmacy services | | | | | | |
| Quantitative performance criteria | | 2015-16 Target | 2016-17 Target | 2017-18 Target | 2018-19 Target | 2019-20 Target |
| Average cost per subsidised script funded by the PBS.2 | | $30.04 | $28.17 | $27.73 | $27.55 | $26.79 |
| Average cost per script paid by consumers for PBS medicines.3 | | $9.76 | $10.15 | $10.31 | $10.58 | $10.84 |

1. Changes to performance criteria only affect Program 4.3 – Objective A.
2. The footnote for this performance criterion has been updated to provide clarity to better reflect what data is being captured in this criterion. The footnote has been updated to: This is the average across subsidised PBS prescriptions, including Government and patient co-payment contributions.
3. The footnote for this performance criterion has been updated to provide clarity to better reflect what data is being captured in this criterion. The footnote has been updated to: This is the average across all PBS prescriptions, including under co-payment prescriptions.

2.5 Budgeted Expenses and Performance

Outcome 5 – Regulation, Safety and Protection

Outcome 5: Protection of the health and safety of the Australian community and preparedness to respond to national health emergencies and risks, including through immunisation, initiatives, and regulation of therapeutic goods, chemicals, gene technology, and blood and organ products

Table 2.5.1: Resource Summary – Outcome 5

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 5.1: Protect the Health and Safety of the Community Through Regulation** | | | | |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | - | - | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 11,328 | 11,941 | 613 | - |
| to special accounts | (11,328) | (10,522) | 806 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | - | - | - | - |
| Special accounts |  |  |  |  |
| OGTR4 | 7,996 | 7,973 | - | 23 |
| NICNAS5 | 19,676 | 19,676 | - | - |
| TGA6 | 155,119 | 154,313 | - | 806 |
| Expense adjustment7 | (9,258) | (9,254) | 4 | - |
| **Total for Program 5.1** | **173,533** | **174,127** | **1,423** | **829** |
| **Program 5.2: Health Protection and Emergency Response8** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 86,016 | 88,699 | 2,683 | - |
| Non cash expenses9 | 17,577 | 21,515 | 3,938 | - |
| Special accounts |  |  |  |  |
| Human Pituitary Hormones - s78 |  |  |  |  |
| PGPA Act | 160 | 160 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 19,827 | 19,827 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 615 | 615 | - | - |
| **Total for Program 5.2** | **124,195** | **130,816** | **6,621** | **-** |

Table 2.5.1: Resource Summary – Outcome 5 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 5.3: Immunisation8** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 96,185 | 95,735 | (450) | - |
| to Australian Childhood Immunisation |  |  |  |  |
| Special Account | (5,913) | (5,913) | - | - |
| Special accounts |  |  |  |  |
| Australian Childhood Immunisation |  |  |  |  |
| Register - s78 PGPA Act | 9,650 | 9,650 | - | - |
| Special appropriations |  |  |  |  |
| *National Health Act 1943* |  |  |  |  |
| - essential vaccines | 279,548 | 279,548 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 8,688 | 8,688 | - | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 204 | 204 | - | - |
| **Total for Program 5.3** | **388,362** | **387,912** | **(450)** | **-** |
| **Outcome 5 totals by appropriation type** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 182,201 | 184,434 | 2,233 | - |
| to Special accounts | (5,913) | (5,913) | - | - |
| Non cash expenses9 | 17,577 | 21,515 | 3,938 | - |
| Special accounts | 9,810 | 9,810 | - | - |
| Special appropriations | 279,548 | 279,548 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 39,843 | 40,456 | 613 | - |
| to special accounts | (11,328) | (10,522) | 806 | - |
| Expenses not requiring appropriation |  |  | - | - |
| in the budget year3 | 819 | 819 | - | - |
| Special accounts | 173,533 | 172,708 | - | 825 |
| **Total expenses for Outcome 5** | **686,090** | **692,855** | **7,590** | **825** |
|  |  |  |  |  |
|  | **2016-17 Budget** | **2016-17 Revised** |  |  |
| **Average staffing level (number)** | 1,010 | 1,010 |  |  |

1. Appropriation (Bill No. 1 & 3) 2016-17.
2. Departmental appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources (s74)’.
3. Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.
4. Office of the Gene Technology Regulator (OGTR) Special Account.
5. National Industrial Chemicals Notification and Assessment Scheme (NICNAS) Special Account.
6. Therapeutic Goods Administration (TGA) Special Account.
7. Special accounts are reported on a cash basis. This adjustment reflects the differences between expense and cash, and eliminates inter-entity transactions between the core department and TGA.
8. Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations Framework. National Partnerships are listed in Section 2 of the *2016-17 Health Portfolio Budget Statements* under each program, for updated estimates refer to the *2016-17 Mid-Year Economic and Fiscal Outlook*.
9. ‘Non cash expenses’ relate to the write down of drug stockpile inventory due to expiration, consumption and distribution.

Table 2.5.2: Variations Table – Outcome 5

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 5.1: Protect the Health and Safety of the Community Through Regulation** | | | |  |
| **Changes to departmental appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Regulation of Medicinal Cannabis - charging | |  |  |  |
| arrangements | 613 | 912 | 908 | 910 |
|  | **613** | **912** | **908** | **910** |
| **Program 5.2: Health Protection and Emergency Response** | |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure -** Management of Per- and Poly-Fluorinated |  |  |  |  |
| Alkyl Substances at Defence bases | 2,233 | 6,497 | 600 | 400 |
| Reallocation from Program 5.3 | 450 | - | - | - |
| Price parameter adjustments1 | - | (237) | (167) | (250) |
|  | **2,683** | **6,260** | **433** | **150** |
| **Program 5.3: Immunisation** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Improving Immunisation Coverage Rates - reprofile | - | 2,378 | 74 | 1,531 |
| of funding |  |  |  |  |
| Reallocation to Program 5.2 | (450) | - | - | - |
| Price parameter adjustments1 | - | (98) | (97) | (145) |
|  | **(450)** | **2,280** | **(23)** | **1,386** |

1 See explanation in Portfolio Glossary

Table 2.5.3: Program Expenses Table – Outcome 51

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 5.1: Protect the Health and Safety of the Community Through Regulation** | | | | |
| Administered expenses |  |  |  |  |
| Ordinary annual services | - | - | - | - |
| Departmental appropriation | 11,941 | 10,079 | 10,016 | 10,019 |
| to special accounts | (10,522) | (8,361) | (8,302) | (8,303) |
| Special accounts |  |  |  |  |
| OGTR | 7,973 | 7,671 | 7,635 | 7,635 |
| NICNAS | 19,676 | 16,938 | 14,456 | 14,356 |
| TGA | 154,313 | 148,759 | 145,671 | 146,315 |
| Expense adjustment | (9,254) | (2,224) | 6,251 | 5,836 |
| **Total program expenses** | **174,127** | **172,862** | **175,727** | **175,858** |
| **Program 5.2: Health Protection and Emergency Response** | | |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 88,699 | 86,391 | 42,796 | 42,560 |
| Non cash expenses | 21,515 | 29,926 | 24,661 | 12,788 |
| Special accounts |  |  |  |  |
| Human Pituitary Hormones |  |  |  |  |
| - s78 PGPA Act | 160 | 170 | 170 | - |
| Program support | 20,442 | 20,438 | 20,596 | 20,506 |
| **Total program expenses** | **130,816** | **136,925** | **88,223** | **75,854** |
| **Program 5.3: Immunisation** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 95,735 | 35,366 | 24,670 | 26,106 |
| to Australian Childhood Immunisation |  |  |  |  |
| Special Account | (5,913) | (5,966) | (5,966) | (5,966) |
| Special accounts |  |  |  |  |
| Australian Childhood Immunisation |  |  |  |  |
| Register - s78 PGPA Act | 9,650 | 9,820 | 9,820 | 9,820 |
| Special appropriations |  |  |  |  |
| *National Health Act 1943* |  |  |  |  |
| - essential vaccines | 279,548 | 279,823 | 279,821 | 279,748 |
| Program support | 8,892 | 8,647 | 8,652 | 8,623 |
| **Total program expenses** | **387,912** | **327,690** | **316,997** | **318,331** |

1 The 2015-16 actual expense is not supplied due to a change in the outcome and program structure for 2016-17. Details of the revised outcome structure can be found in Table 1.4.2 on page 34 of the   
*2016-17 Health Portfolio Budget Statements*.

Performance Criteria for Outcome 5

Table 2.5.4 details changes to performance criteria for each program associated with Outcome 5. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

Table 2.5.4: Performance Criteria for Outcome 5

There have been no changes to performance information for Outcome 5 since the 2016‑17 Budget which require new or modified performance criteria. Refer to page 116 of the *2016-17 Health Portfolio Budget Statements* for current performance information.

2.6 Budgeted Expenses and Performance

Outcome 6 – Ageing and Aged Care

**Outcome 6: Improved wellbeing for older Australians through targeted support, access to quality care and related information services**

Table 2.6.1: Resource Summary – Outcome 6

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 6.1: Access and Information** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 195,875 | 195,875 | - | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 45,385 | 56,371 | 10,986 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 1,106 | 1,106 | - | - |
| **Total for Program 6.1** | **242,366** | **253,352** | **10,986** | **-** |
| **Program 6.2: Home Support and Care4** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 2,324,521 | 2,282,547 | - | 41,974 |
| Special appropriations |  |  |  |  |
| *Aged Care Act 1997* |  |  |  |  |
| - Home Care Packages | 1,725,382 | 1,726,419 | 1,037 | - |
| *National Health Act 1953* |  |  |  |  |
| - continence aids |  |  |  |  |
| payments | 86,661 | 83,980 | - | 2,681 |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 59,863 | 62,610 | 2,747 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 1,414 | 1,414 | - | - |
| **Total for Program 6.2** | **4,197,841** | **4,156,970** | **3,784** | **44,655** |

Table 2.6.1: Resource Summary – Outcome 6 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Program 6.3: Residential and Flexible Care** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1,5 | 107,546 | 107,546 | - | - |
| Zero Real Interest Loans |  |  |  |  |
| - appropriation | 67,040 | 67,040 | - | - |
| - expense adjustment6 | (53,727) | (47,451) | 6,276 | - |
| Special appropriations |  |  |  |  |
| *Aged Care Act 1997* |  |  |  |  |
| - residential care | 10,774,303 | 10,783,921 | 9,618 | - |
| *Aged Care Act 1997* |  |  |  |  |
| - flexible care | 423,863 | 431,209 | 7,346 | - |
| *Aged Care (Accommodation* |  |  |  |  |
| *Payment Security) Act 2006* | - | 801 | 801 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 27,840 | 36,888 | 9,048 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 675 | 675 | - | - |
| **Total for Program 6.3** | **11,347,540** | **11,380,629** | **33,089** | **-** |
| **Program 6.4: Aged Care Quality** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 133,603 | 131,432 | - | 2,171 |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 58,745 | 63,703 | 4,958 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 1,436 | 1,436 | - | - |
| **Total for Program 6.4** | **193,784** | **196,571** | **4,958** | **2,171** |

Table 2.6.1: Resource Summary – Outcome 6 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Outcome 6 totals by appropriation type** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services1 | 2,828,585 | 2,784,440 | - | 44,145 |
| - expense adjustment6 | (53,727) | (47,451) | 6,276 | - |
| Special appropriations | 13,010,209 | 13,026,330 | 16,121 | - |
| Departmental expenses |  |  |  |  |
| Departmental appropriation2 | 191,833 | 219,572 | 27,739 | - |
| Expenses not requiring appropriation |  |  |  |  |
| in the budget year3 | 4,631 | 4,631 | - | - |
| **Total expenses for Outcome 6** | **15,981,531** | **15,987,522** | **50,136** | **44,145** |
|  |  |  |  |  |
|  | **2016-17 Budget** | **2016-17 Revised** |  |  |
| **Average staffing level (number)** | 1,207 | 1,207 |  |  |

1. Appropriation (Bill No. 1 & 3) 2016-17.
2. Departmental appropriation combines ‘Ordinary annual services (Appropriation Bill No. 1)’ and ‘Revenue from independent sources (s74)’.
3. Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.
4. Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations Framework. National Partnerships are listed in Section 2 of the *2016-17 Health Portfolio Budget Statements* under each program, for updated estimates refer to the *2016-17 Mid-Year Economic and Fiscal Outlook*.
5. Ordinary annual services (Bill 1) against Program 6.3 excludes amounts appropriated in Bill 1 for Zero Real Interest Loans as this funding is not accounted for as an expense.
6. Payments under the Zero Real Interest Loans program are a loan to aged care providers and not accounted for as an expense. The concessional loan discount is the expense and represents the difference between an estimate of the market rate of interest, and that recovered under the loan agreement, over the life of the loan. This adjustment recognises the difference between the appropriation and the concessional loan discount expense.

Table 2.6.2: Variations Table – Outcome 6

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 6.1: Access and Information** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Price parameter adjustments1 | - | (599) | (819) | (1,273) |
| **Changes to departmental appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Transfer from capital to operational funding | 10,986 | - | - | - |
|  | **10,986** | **(599)** | **(819)** | **(1,273)** |
| **Program 6.2: Home Support and Care** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Continuity of Support model - variation to reflect |  |  |  |  |
| demand and commencement date | (41,974) | (5,349) | 25,899 | 2,809 |
| Price parameter adjustments1 | - | (11,477) | (14,489) | (20,245) |
| **Changes to departmental appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| Transfer from capital to operational funding | 2,747 | - | - | - |
|  | **(39,227)** | **(16,826)** | **11,410** | **(17,436)** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Program 6.3: Residential and Flexible Care** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Specialist Dementia Care Units |  |  |  |  |
| - establishment | - | - | 2,191 | 11,139 |
| Zero Real Interest Loans - reprofile of funding and |  |  |  |  |
| model updates | 6,276 | 8,751 | 6,024 | - |
| Price parameter adjustments1 | - | (672) | (957) | (1,117) |
| **Changes to departmental appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Specialised Dementia Care Units |  |  |  |  |
| - establishment | 248 | 99 | 196 | 196 |
| Transfer from capital to operational funding | 8,800 | - | - | - |
|  | **15,324** | **8,178** | **7,454** | **10,218** |

Table 2.6.2: Variations Table – Outcome 6 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 6.4: Aged Care Quality** |  |  |  |  |
| **Changes to administered appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Aged Care Provider Funding - addressing |  |  |  |  |
| growth in residential aged care | (539) | (9,696) | (10,036) | (11,337) |
| **Measure -** Specialist Dementia Care Units |  |  |  |  |
| - establishment | (1,632) | 12 | 116 | 286 |
| Price parameter adjustments1 | - | (371) | (500) | (771) |
| **Changes to departmental appropriations** |  |  |  |  |
| *Appropriation Bill No. 3* |  |  |  |  |
| **Measure** - Aged Care Provider Funding - addressing |  |  |  |  |
| growth in residential aged care | 4,958 | 1,601 | 93 | 93 |
|  | **2,787** | **(8,454)** | **(10,327)** | **(11,729)** |

1 See explanation in Portfolio Glossary.

Table 2.6.3: Program Expenses Table – Outcome 61

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 6.1: Access and Information** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 195,875 | 201,975 | 207,257 | 214,578 |
| Program support | 57,477 | 47,143 | 48,110 | 51,439 |
| **Total program expenses** | **253,352** | **249,118** | **255,367** | **266,017** |
| **Program 6.2: Home Support and Care** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 2,282,547 | 2,561,158 | 2,846,867 | 2,951,554 |
| Special appropriations |  |  |  |  |
| *Aged Care Act 1997* |  |  |  |  |
| - Home Care Packages | 1,726,419 | 1,967,125 | 2,293,309 | 2,654,165 |
| *National Health Act 1953* |  |  |  |  |
| - continence aids payments | 83,980 | 86,674 | 83,476 | 72,406 |
| Program support | 64,024 | 61,512 | 65,624 | 68,622 |
| **Total program expenses** | **4,156,970** | **4,676,469** | **5,289,276** | **5,746,747** |
| **Program 6.3: Residential and Flexible Care** | |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services2 | 107,546 | 100,333 | 102,551 | 113,533 |
| Zero Real Interest Loans |  |  |  |  |
| - appropriation | 67,040 | 34,200 | 17,960 | - |
| - expense adjustment3 | (47,451) | (22,866) | (11,936) | - |
| Special appropriations |  |  |  |  |
| *Aged Care Act 1997* |  |  |  |  |
| - residential care | 10,783,921 | 11,355,140 | 11,993,712 | 12,802,831 |
| *Aged Care Act 1997* |  |  |  |  |
| - flexible care | 431,209 | 472,175 | 499,685 | 540,715 |
| *Aged Care (Accommodation* |  |  |  |  |
| *Payment Security) Act 2006* | 801 | - | - | - |
| Program support3 | 37,563 | 26,516 | 27,357 | 27,300 |
| **Total program expenses** | **11,380,629** | **11,965,498** | **12,629,329** | **13,484,379** |

Table 2.6.3: Program Expenses Table – Outcome 61 (continued)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17 Revised Budget**  $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3**  $'000 |
| **Program 6.4: Aged Care Quality** |  |  |  |  |
| Administered expenses |  |  |  |  |
| Ordinary annual services | 131,432 | 115,637 | 116,650 | 118,856 |
| Program support | 65,139 | 61,035 | 60,476 | 53,987 |
| **Total program expenses** | **196,571** | **176,672** | **177,126** | **172,843** |

1. 2015-16 actual expenses are not supplied due to a change in the outcome and program structure for 2016-17. Details of the revised outcome structure can be found in Table 1.4.2 on page 34 of the *2016-17 Health Portfolio Budget Statements*.
2. Ordinary annual services (Bill 1) against Program 6.3 excludes amounts appropriated in Bill 1 for Zero Real Interest Loans as this funding is not accounted for as an expense.
3. Payments under the zero real interest loans program are a loan to aged care providers and not accounted for as an expense. The concessional loan discount is the expense and represents the difference between an estimate of the market rate of interest, and that recovered under the loan agreement, over the life of the loan. This adjustment recognises the difference between the appropriation and the concessional loan discount expense.

Performance Criteria for Outcome 6

Table 2.6.4 below details changes to the performance criteria for programs associated with Outcome 6, all other performance criteria remains unchanged – refer to page 134 of the *2016-17 Health Portfolio Budget Statements*. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

Table 2.6.4: Performance Criteria for Outcome 6

| Outcome | 6: Improved wellbeing for older Australians through targeted support, access to quality care and related information services | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Purpose | Lead and shape Australia’s health and aged care systems and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation. | | | | | |
| Program | 6.3: Residential and Flexible Care  The Australian Government provides a range of high quality and sustainable aged care options and accommodation, for older people who are unable to continue living independently in their own homes, on both a permanent and short term basis. | | | | | |
| Delivery | Program activities, which are intended to benefit older Australians and their families and carers, will be delivered under the following program objectives:  A. Providing a range of residential and flexible care options and accommodation for older people who are unable to continue living independently in their own homes  B. Administering the Accommodation Payment Guarantee Scheme | | | | | |
| **Changes to performance criteria1** | | | | | | |
| A. Providing a range of residential and flexible care options and accommodation for older people who are unable to continue living independently in their own homes | | | | | | |
| Quantitative performance criteria | | 2015-16 Target | 2016-17 Target | 2017-18 Target | 2018-19 Target | 2019-20 Target |
| Number of operational Residential Aged care places available by 30 June each year. | | 191,695 | 206,7002 | TBA | TBA | TBA |

1. Changes to performance criteria only affect Program 6.3 – Objective A.
2. The 2016-17 target has been included following the previous years’ stocktake of places. This performance criterion includes mainstream residential care places and residential places under the National Aboriginal and Torres Strait Islander Flexible Aged Care Program, the Multi-Purpose Services (MPS) Program, and the Innovative Pool Program. The expected number of places is based on existing operational places and the number of provisionally allocated places expected to become operational by 30 June 2017.

Section 3: Special Account Flows and Budgeted Financial Statements

3.1 Special Account Flows

Estimates of Special Account Flows

Special accounts provide a means to set aside and record amounts used for specified purposes. Table 3.1.1 shows the expected additions (receipts) and reductions (payments) for each account used by the Department of Health.

Table 3.1.1: Estimates of Special Account Flows and Balances

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Outcome | Opening balance **2016-17** *2015-16* $'000 | Other receipts **2016-17** *2015-16* $'000 | Appropriation receipts **2016-17** *2015-16* $'000 | Payments  **2016-17** *2015-16* $'000 | Closing balance **2016-17** *2015-16* $'000 |
| Australian Childhood | 5 | **3,876** | **3,736** | **5,913** | **9,650** | **3,875** |
| Immunisation Register (A) |  | *2,258* | *4,060* | *7,270* | *9,712* | *3,876* |
| Health and Hospitals | 1 | **-** | **-** | **-** | **-** | **-** |
| Fund Health Portfolio (A)1 |  | *-* | *54,984* | *-* | *54,984* | *-* |
| Human Pituitary | 5 | **2,570** | **-** | **-** | **160** | **2,410** |
| Hormones (A) |  | *2,675* | *-* | *-* | *105* | *2,570* |
| Medical Research | 1 | **-** | **60,876** | **-** | **60,876** | **-** |
| Future Fund (A) |  | *-* | *-* | *-* | *-* | *-* |
| National Industrial |  |  |  |  |  |  |
| Chemicals Notification and | 5 | **14,806** | **15,854** | **3,762** | **19,676** | **14,746** |
| Assessment Scheme (D) |  | *10,503* | *16,302* | *3,874* | *15,873* | *14,806* |
| Office of the Gene | 5 | **7,872** | **132** | **7,641** | **7,973** | **7,672** |
| Technology Regulator (D) |  | *7,585* | *152* | *7,734* | *7,599* | *7,872* |
| Services for Other | various |  |  |  |  |  |
| Entities and Trust |  | **18,773** | **3,548** | **1,105** | **4,634** | **18,792** |
| Moneys (S) |  | *13,849* | *12,609* | *11,870* | *19,555* | *18,773* |
| Sport and Recreation (A) | 3 | **624** | **407** | **-** | **407** | **624** |
|  |  | *714* | *331* | *-* | *421* | *624* |
| Therapeutic Goods | 5 | **66,039** | **138,384** | **2,574** | **154,313** | **52,684** |
| Administration (D) |  | *61,059* | *134,552* | *4,177* | *133,749* | *66,039* |
| **Total special accounts** |  |  |  |  |  |  |
| **2016-17 estimate** |  | **114,560** | **222,937** | **20,995** | **257,689** | **100,803** |
| *Total special accounts* |  |  |  |  |  |  |
| *2015-16 actual* |  | *98,643* | *222,990* | *34,925* | *241,998* | *114,560* |

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

1 The Health and Hospitals Fund Health Portfolio Special Account ceased from 29 October 2015.

3.2 Budgeted Financial Statements

3.2.1 Analysis of Budgeted Financial Statements

Departmental

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

*2015 Administrative Arrangements Order (AAO) changes*

The actuals in 2015-16 reflect a part year effect of the Ageing and Aged Care functions transferred from the Department of Social Services, and of the Medicare Provider Compliance function transferred from the Department of Human Services as a result of the AAO changes. Full year financial impacts are reflected in the outyears.

Comprehensive Income Statement

Measures affecting the departmental appropriation are provided in Table 1.2, and other variations since Budget 2016-17 are provided in the variation tables for each outcome and the cross outcome variations in Table 2.

Balance Sheet

The changes in the current and outyears reflect the full impact of the AAO changes as mentioned above.

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

Cash Flow

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

Administered

Major estimate changes

*2015 Administrative Arrangements Order (AAO) changes*

The actuals in 2015-16 reflect a part year effect of the Ageing and Aged Care functions transferred from the Department of Social Services as a result of the AAO changes. Full year financial impacts are reflected in the outyears.

Schedule of Budgeted Income and Expense

Revenue estimates include pharmaceutical and Medicare recoveries and medical indemnity levies.

Personal Benefits expenses include the Pharmaceutical Benefits Scheme, Medicare, Dental Benefits and the Private Health Insurance Rebate. Estimated expenses grow over the forward estimates due to anticipated growth in price and demand. Subsidies mainly include payments for the Ageing and Aged Care functions.

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

Schedule of budgeted assets and liabilities

The 30 June 2017 projected balance sheet reflects assets and liabilities incorporating the major changes referred to above including the addition of receivables for concessional loans provided to aged care providers.

Personal Benefit liabilities are expected to grow consistent with the growth in prices and demand as referred to above.

Schedule of Administered Capital Budget

Capital includes amounts provided for the replenishment and enhancement of the medical stockpile and intangible assets. Capital spending includes $250 million for investments of the Biomedical Translation Fund.

Cash Flow

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

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget**   $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 464,527 | 542,396 | 540,855 | 550,136 | 545,410 |
| Supplier expenses | 304,416 | 274,745 | 237,749 | 219,825 | 216,441 |
| Depreciation and amortisation | 23,984 | 28,821 | 29,122 | 33,428 | 30,262 |
| Write-down and impairment of |  |  |  |  |  |
| assets | 2,745 | - | - | - | - |
| Other expenses | 1,105 | 11,900 | 4,000 | 4,000 | 4,000 |
| **Total expenses** | **796,777** | **857,862** | **811,726** | **807,389** | **796,113** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Revenue** |  |  |  |  |  |
| Sale of goods and rendering of |  |  |  |  |  |
| services | 174,561 | 173,130 | 175,986 | 182,837 | 183,333 |
| Interest | - | - | 2,110 | 2,154 | 2,154 |
| Other revenue | 2,063 | 2,428 | 2,450 | 2,473 | 2,498 |
| **Total revenue** | **176,624** | **175,558** | **180,546** | **187,464** | **187,985** |
| **Gains** |  |  |  |  |  |
| Sale of assets | 78 | **-** | - | - | - |
| Other | 370 | **-** | - | - | - |
| **Total gains** | **448** | **-** | **-** | **-** | **-** |
| **Total own-source income** | **177,072** | **175,558** | **180,546** | **187,464** | **187,985** |
| **Net cost of (contribution by)** |  |  |  |  |  |
| **services** | **619,705** | **682,304** | **631,180** | **619,925** | **608,128** |
| Revenue from Government | 594,997 | 654,585 | 607,304 | 598,325 | 589,852 |
| **Surplus (Deficit)** | **(24,708)** | **(27,719)** | **(23,876)** | **(21,600)** | **(18,276)** |
| **Surplus (Deficit) attributable to** |  |  |  |  |  |
| **the Australian Government** | **(24,708)** | **(27,719)** | **(23,876)** | **(21,600)** | **(18,276)** |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation |  |  |  |  |  |
| reserves | - | **-** | - | - | - |
| **Total other comprehensive** |  |  |  |  |  |
| **income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income** |  |  |  |  |  |
| **attributable to the** |  |  |  |  |  |
| **Australian Government** | **(24,708)** | **(27,719)** | **(23,876)** | **(21,600)** | **(18,276)** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Note: Reconciliation of comprehensive income attributable to the entity** | | | | |  |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget**   $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **Total comprehensive income** |  |  |  |  |  |
| **(loss) attributable to the** |  |  |  |  |  |
| **Australian Government** | **(24,708)** | **(27,719)** | **(23,876)** | **(21,600)** | **(18,276)** |
| plus non-appropriated expenses |  |  |  |  |  |
| including depreciation |  |  |  |  |  |
| and amortisation expenses | 19,358 | 27,719 | 23,876 | 21,600 | 18,276 |
| **Total comprehensive income (loss)** | |  |  |  |  |
| **attributable to the agency** | **(5,350)** | **-** | **-** | **-** | **-** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget**   $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 90,672 | 77,057 | 71,029 | 77,080 | 82,716 |
| Receivables | 137,120 | 117,835 | 114,099 | 113,799 | 113,799 |
| Other | 8,649 | 8,649 | 8,649 | 8,649 | 8,649 |
| **Total financial assets** | **236,441** | **203,541** | **193,777** | **199,528** | **205,164** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 53,278 | 49,571 | 47,627 | 40,144 | 33,478 |
| Property, plant and equipment | 6,316 | 7,397 | 8,345 | 8,745 | 9,053 |
| Intangibles | 106,146 | 121,836 | 118,384 | 108,880 | 106,674 |
| Other | 11,729 | 11,229 | 11,229 | 11,229 | 11,229 |
| **Total non-financial assets** | **177,469** | **190,033** | **185,585** | **168,998** | **160,434** |
| **Total assets** | **413,910** | **393,574** | **379,362** | **368,526** | **365,598** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 61,620 | 49,813 | 55,701 | 55,270 | 64,951 |
| Other payables | 45,196 | 43,685 | 40,360 | 37,037 | 33,772 |
| **Total payables** | **106,816** | **93,498** | **96,061** | **92,307** | **98,723** |
| **Provisions** |  |  |  |  |  |
| Employees | 152,143 | 168,015 | 165,826 | 166,718 | 163,802 |
| Other provisions | 28,560 | 27,665 | 27,291 | 30,153 | 26,653 |
| **Total provisions** | **180,703** | **195,680** | **193,117** | **196,871** | **190,455** |
| **Total liabilities** | **287,519** | **289,178** | **289,178** | **289,178** | **289,178** |
| **Net Assets** | **126,391** | **104,396** | **90,184** | **79,348** | **76,420** |
| **EQUITY** |  |  |  |  |  |
| Contributed equity | 246,925 | 252,649 | 262,313 | 273,077 | 288,425 |
| Reserves | 30,436 | 30,436 | 30,436 | 30,436 | 30,436 |
| Accumulated deficits | (150,970) | (178,689) | (202,565) | (224,165) | (242,441) |
| **Total equity** | **126,391** | **104,396** | **90,184** | **79,348** | **76,420** |

Table 3.2.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget Year 2016-17)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Retained earnings** $'000 | **Asset revaluation reserve** $'000 | **Contributed equity/ capital** $'000 | **Total  equity** $'000 |
| **Opening balance as at 1 July 2016** |  |  |  |  |
| Balance carried forward from |  |  |  |  |
| previous period | (150,970) | 30,436 | 246,925 | **126,391** |
| Surplus (deficit) for the period | (27,719) | - | - | **(27,719)** |
| Equity injection - appropriations | - | - | 6,651 | **6,651** |
| Departmental capital budget | - | - | 9,828 | **9,828** |
| Transfer to operational Bill 1 funding | - | - | (10,755) | **(10,755)** |
| **Estimated closing balance** |  |  |  |  |
| **as at 30 June 2017** | **(178,689)** | **30,436** | **252,649** | **104,396** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget**   $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Goods and services | 161,373 | 217,816 | 217,986 | 223,837 | 223,333 |
| Appropriations | 678,390 | 652,377 | 609,051 | 597,236 | 588,651 |
| Interest | - | - | 2,110 | 2,154 | 2,154 |
| Net GST received | 25,816 | 24,810 | 24,010 | 20,570 | 20,000 |
| Other cash received | 2,063 | 1,782 | 1,380 | 1,403 | 1,428 |
| **Total cash received** | **867,642** | **896,785** | **854,537** | **845,200** | **835,566** |
| **Cash used** |  |  |  |  |  |
| Employees | 471,954 | 426,734 | 455,400 | 469,480 | 456,045 |
| Suppliers | 339,331 | 385,181 | 323,309 | 298,957 | 300,398 |
| Cash to the Official Public |  |  |  |  |  |
| Account | 58,550 | 65,147 | 64,980 | 64,192 | 62,000 |
| Other | 1,105 | 7,932 | 1,866 | 452 | 5,151 |
| **Total cash used** | **870,940** | **884,994** | **845,555** | **833,081** | **823,594** |
| **Net cash from (or used by)** |  |  |  |  |  |
| **operating activities** | **(3,298)** | **11,791** | **8,982** | **12,119** | **11,972** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from sales of |  |  |  |  |  |
| property, plant and equipment | 9,210 | - | - | - | - |
| **Total cash received** | **9,210** | **-** | **-** | **-** | **-** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant |  |  |  |  |  |
| and equipment | 35,438 | 41,885 | 24,674 | 16,841 | 21,698 |
| **Total cash used** | **35,438** | **41,885** | **24,674** | **16,841** | **21,698** |
| **Net cash from (or used by)** |  |  |  |  |  |
| **investing activities** | **(26,228)** | **(41,885)** | **(24,674)** | **(16,841)** | **(21,698)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations - contributed |  |  |  |  |  |
| equity | 40,567 | 16,479 | 9,664 | 10,773 | 15,362 |
| **Total cash received** | **40,567** | **16,479** | **9,664** | **10,773** | **15,362** |
| **Net cash from (or used by)** |  |  |  |  |  |
| **financing activities** | **40,567** | **16,479** | **9,664** | **10,773** | **15,362** |
| **Net increase (or decrease)** |  |  |  |  |  |
| **in cash held** | **11,041** | **(13,615)** | **(6,028)** | **6,051** | **5,636** |
| Cash and cash equivalents at the |  |  |  |  |  |
| beginning of the reporting period | 79,631 | 90,672 | 77,057 | 71,029 | 77,080 |
| **Cash and cash equivalents at the** |  |  |  |  |  |
| **end of the reporting period** | **90,672** | **77,057** | **71,029** | **77,080** | **82,716** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget**   $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 2 | 32,290 | 6,651 | 1,866 | 1,866 | 1,866 |
| Capital budget - Bill 1 (DCB) | 7,621 | 9,828 | 7,798 | 8,898 | 13,482 |
| **Total capital appropriations** | **39,911** | **16,479** | **9,664** | **10,764** | **15,348** |
| **Total new capital appropriations** |  |  |  |  |  |
| **represented by:** |  |  |  |  |  |
| Purchase of non-financial |  |  |  |  |  |
| assets | 39,911 | 16,479 | 9,664 | 10,764 | 15,348 |
| **Total items** | **39,911** | **16,479** | **9,664** | **10,764** | **15,348** |
| **PURCHASE OF NON-FINANCIAL** |  |  |  |  |  |
| **ASSETS** |  |  |  |  |  |
| Funded by capital |  |  |  |  |  |
| appropriations - equity injection1 | 11,113 | 6,261 | 5,404 | 2,166 | 1,866 |
| Funded by capital |  |  |  |  |  |
| appropriation - DCB2 | 13,411 | 11,284 | 7,798 | 8,898 | 13,482 |
| Funded internally from |  |  |  |  |  |
| departmental resources | 10,410 | 24,340 | 11,472 | 5,777 | 6,350 |
| **Total acquisitions of** |  |  |  |  |  |
| **non-financial assets** | **34,934** | **41,885** | **24,674** | **16,841** | **21,698** |
| **RECONCILIATION OF CASH USED** |  |  |  |  |  |
| **TO ACQUIRE ASSETS TO** |  |  |  |  |  |
| **ASSET MOVEMENT TABLE** |  |  |  |  |  |
| Total purchases | 34,934 | 41,885 | 24,674 | 16,841 | 21,698 |
| **Total cash used to acquire** |  |  |  |  |  |
| **assets** | **34,934** | **41,885** | **24,674** | **16,841** | **21,698** |

1. Includes both current Appropriation Bill No. 2 and prior Act 2/4/6 appropriations.
2. Includes purchases from current and previous years’ Departmental Capital Budgets (DCB).

Table 3.2.6: Statement of Asset Movements (Budget year 2016-17)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Buildings** $'000 | **Other property, plant and equipment** $'000 | **Intangibles** $'000 | **Total** $'000 |
| **As at 1 July 2016** |  |  |  |  |
| Gross book value | 60,676 | 8,564 | 225,870 | **295,110** |
| Accumulated depreciation/amortisation |  |  |  |  |
| and impairment | (7,398) | (2,248) | (119,724) | **(129,370)** |
| **Opening net book balance** | **53,278** | **6,316** | **106,146** | **165,740** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |
| **Estimated expenditure on new or** |  |  |  |  |
| **replacement assets** |  |  |  |  |
| By purchase - appropriation equity | - | 80 | 6,181 | **6,261** |
| By purchase - appropriation ordinary |  |  |  |  |
| annual services | 2,195 | 539 | 8,550 | **11,284** |
| By purchase - other | 2,555 | 3,160 | 18,625 | **24,340** |
| **Sub-total** | **4,750** | **3,779** | **33,356** | **41,885** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | (8,457) | (2,698) | (17,666) | **(28,821)** |
| **Total other movements** | **(8,457)** | **(2,698)** | **(17,666)** | **(28,821)** |
| **As at 30 June 2017** |  |  |  |  |
| Gross book value | 65,426 | 12,343 | 259,226 | **336,995** |
| Accumulated depreciation/amortisation |  |  |  |  |
| and impairment | (15,855) | (4,946) | (137,390) | **(158,191)** |
| **Closing net book balance** | **49,571** | **7,397** | **121,836** | **178,804** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget**   $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **EXPENSES** |  |  |  |  |  |
| Suppliers | 676,768 | 558,406 | 555,795 | 522,656 | 530,446 |
| Subsidies | 9,290,201 | 13,059,049 | 13,917,933 | 14,899,749 | 16,115,688 |
| Personal benefits | 39,507,641 | 41,542,342 | 41,516,979 | 43,011,730 | 44,502,595 |
| Grants | 5,818,319 | 7,725,822 | 8,002,311 | 8,464,611 | 8,531,306 |
| Depreciation and amortisation | 20,383 | 963 | 963 | 963 | 963 |
| Write down and impairment |  |  |  |  |  |
| of assets | 107,326 | 21,515 | 29,926 | 24,661 | 12,788 |
| Payments to corporate entities | 328,658 | 405,074 | 404,204 | 274,486 | 250,740 |
| Other expenses | 10,149 | 19,589 | 11,334 | 6,024 | - |
| **Total expenses administered** |  |  |  |  |  |
| **on behalf of Government** | **55,759,445** | **63,332,760** | **64,439,445** | **67,204,880** | **69,944,526** |
| **INCOME** |  |  |  |  |  |
| **Revenue** |  |  |  |  |  |
| **Taxation revenue** |  |  |  |  |  |
| Other taxes | 17,799 | 15,300 | 15,600 | 15,900 | 16,300 |
| **Total taxation revenue** | **17,799** | **15,300** | **15,600** | **15,900** | **16,300** |
| **Non-taxation revenue** |  |  |  |  |  |
| Interest | 4,757 | 10,874 | 13,694 | 15,348 | 15,408 |
| Medical Research Future Fund | 54,984 | 60,876 | 121,565 | 214,913 | 386,373 |
| Other revenue | 2,754,072 | 2,790,819 | 2,464,913 | 2,145,808 | 1,769,654 |
| **Total non-taxation revenue** | **2,813,813** | **2,862,569** | **2,600,172** | **2,376,069** | **2,171,435** |
| **Total own-source revenue** |  |  |  |  |  |
| **administered on behalf** |  |  |  |  |  |
| **of Government** | **2,831,612** | **2,877,869** | **2,615,772** | **2,391,969** | **2,187,735** |
| **Gains** |  |  |  |  |  |
| Other gains | - | - | - | - | - |
| **Total gains administered** |  |  |  |  |  |
| **on behalf of Government** | **-** | **-** | **-** | **-** | **-** |
| **Total revenue administered** |  |  |  |  |  |
| **on behalf of Government** | **2,831,612** | **2,877,869** | **2,615,772** | **2,391,969** | **2,187,735** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget**   $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **ASSETS ADMINISTERED ON** |  |  |  |  |  |
| **BEHALF OF GOVERNMENT** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 171,579 | 171,578 | 171,578 | 171,578 | 171,578 |
| Receivables | 1,373,517 | 1,583,024 | 1,421,893 | 1,390,493 | 1,307,642 |
| Investments | 380,117 | 589,110 | 589,110 | 589,110 | 589,110 |
| **Total financial assets** | **1,925,213** | **2,343,712** | **2,182,581** | **2,151,181** | **2,068,330** |
| **Non-financial assets** |  |  |  |  |  |
| Land and buildings | 33,197 | 32,234 | 31,271 | 30,308 | 29,345 |
| Intangibles | 48,823 | - | - | - | - |
| Inventories | 111,265 | 115,287 | 85,361 | 60,700 | 47,912 |
| **Total non-financial assets** | **193,285** | **147,521** | **116,632** | **91,008** | **77,257** |
| **Total assets administered** |  |  |  |  |  |
| **on behalf of Government** | **2,118,498** | **2,491,233** | **2,299,213** | **2,242,189** | **2,145,587** |
| **LIABILITIES ADMINISTERED ON** |  |  |  |  |  |
| **BEHALF OF GOVERNMENT** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 9,881 | 9,762 | 9,762 | 9,762 | 9,762 |
| Subsidies | 263,538 | 278,709 | 307,923 | 323,822 | 339,756 |
| Personal benefits payable | 898,425 | 1,067,570 | 1,046,465 | 1,082,116 | 1,074,020 |
| Grants | 378,070 | 398,365 | 398,222 | 398,455 | 399,743 |
| **Total payables** | **1,549,914** | **1,754,406** | **1,762,372** | **1,814,155** | **1,823,281** |
| **Provisions** |  |  |  |  |  |
| Subsidies | 425,000 | 425,000 | 425,000 | 425,000 | 425,000 |
| Personal benefits | 1,280,045 | 1,280,045 | 1,280,045 | 1,280,045 | 1,280,045 |
| **Total payables** | **1,705,045** | **1,705,045** | **1,705,045** | **1,705,045** | **1,705,045** |
| **Total liabilities administered** |  |  |  |  |  |
| **on behalf of Government** | **3,254,959** | **3,459,451** | **3,467,417** | **3,519,200** | **3,528,326** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget**   $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Interest | 3,130 | 7,108 | 8,465 | 9,563 | 8,835 |
| Taxes | 17,799 | 15,300 | 15,600 | 15,900 | 16,300 |
| GST received | 359,467 | 485,529 | 489,514 | 501,335 | 494,536 |
| Special account receipts | 54,984 | 60,876 | 121,565 | 214,913 | 386,373 |
| Other | 2,087,477 | 2,613,439 | 2,627,683 | 2,165,680 | 1,825,996 |
| **Total cash received** | **2,522,857** | **3,182,252** | **3,262,827** | **2,907,391** | **2,732,040** |
| **Cash used** |  |  |  |  |  |
| Grants | 5,823,759 | 7,713,387 | 8,004,121 | 8,462,362 | 8,528,232 |
| Subsidies | 9,180,994 | 13,037,959 | 13,882,761 | 14,882,045 | 16,101,792 |
| Personal benefits | 39,280,955 | 41,367,927 | 41,538,848 | 42,976,127 | 44,510,439 |
| Suppliers | 685,001 | 584,070 | 555,795 | 522,656 | 530,446 |
| Payments to corporate |  |  |  |  |  |
| entities | 328,658 | 405,074 | 404,204 | 274,486 | 250,740 |
| GST paid | 380,296 | 485,529 | 489,514 | 501,335 | 494,536 |
| **Total cash used** | **55,679,663** | **63,593,946** | **64,875,243** | **67,619,011** | **70,416,185** |
| **Net cash from (or used by)** | |  |  |  |  |
| **operating activities** | **(53,156,806)** | **(60,411,694)** | **(61,612,416)** | **(64,711,620)** | **(67,684,145)** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Repayment of advances | 16,402 | 18,953 | 26,318 | 29,116 | 33,082 |
| **Total cash used** | **16,402** | **18,953** | **26,318** | **29,116** | **33,082** |
| **Cash used** |  |  |  |  |  |
| Advances made | 22,298 | 67,040 | 34,200 | 17,960 | - |
| Purchase of PP&E | 31,626 | - | - | - | - |
| Purchase of investment | - | 250,000 | - | - | - |
| **Total cash used** | **53,924** | **317,040** | **34,200** | **17,960** | **-** |
| **Net cash from (or used by)** |  |  |  |  |  |
| **investing activities** | **(37,522)** | **(298,087)** | **(7,882)** | **11,156** | **33,082** |
| **Net increase (or decrease)** |  |  |  |  |  |
| **in cash held** | **(53,194,328)** | **(60,709,781)** | **(61,620,298)** | **(64,700,464)** | **(67,651,063)** |
| Cash at beginning of |  |  |  |  |  |
| reporting period | 336,648 | 171,577 | 171,578 | 171,578 | 171,578 |
| Cash from Official Public |  |  |  |  |  |
| Account for: |  |  |  |  |  |
| - appropriations | 55,105,285 | 63,213,638 | 64,297,957 | 66,920,316 | 69,534,869 |
| - capital injections | 33,202 | 150,537 | - | - | - |
| - GST appropriations | 380,296 | 485,529 | 489,514 | 501,335 | 494,536 |
| Cash to the Official Public |  |  |  |  |  |
| Account |  |  |  |  |  |
| - return of GST | (354,421) | (485,529) | (489,514) | (501,335) | (494,536) |
| - other | (2,135,105) | (2,654,393) | (2,677,659) | (2,219,852) | (1,883,806) |
| **Cash at end of reporting** |  |  |  |  |  |
| **period** | **171,577** | **171,578** | **171,578** | **171,578** | **171,578** |

Table 3.2.10: Administered Capital Budget Statement (for the period ended 30 June)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget**   $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Administered assets | 33,202 | 150,537 | - | - | - |
| **Total capital appropriations** | **33,202** | **150,537** | **-** | **-** | **-** |
| **Total new capital appropriations** |  |  |  |  |  |
| **represented by:** |  |  |  |  |  |
| Purchase of non-financial assets | 33,202 | 25,537 | - | - | - |
| Purchase of investments | - | 125,000 | - | - | - |
| **Total items** | **33,202** | **150,537** | **-** | **-** | **-** |
| **ACQUISITION OF NON-FINANCIAL** |  |  |  |  |  |
| **ASSETS** |  |  |  |  |  |
| Non-financial assets | 33,202 | 25,537 | - | - | - |
| **Total acquisition of** |  |  |  |  |  |
| **non-financial assets** | **33,202** | **25,537** | **-** | **-** | **-** |

Table 3.2.11: Statement of Administered Asset Movements (Budget year 2016‑17)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Land** $'000 | **Buildings** $'000 | **Intangibles** $'000 | **Total** $'000 |
| **As at 1 July 2016** |  |  |  |  |
| Gross book value | 1,895 | 33,228 | 123,170 | **158,293** |
| Accumulated depreciation/amortisation |  |  |  |  |
| and impairment | - | (1,926) | (74,347) | **(76,273)** |
| **Opening net book balance** | **1,895** | **31,302** | **48,823** | **82,020** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |
| **Estimated expenditure on new or** |  |  |  |  |
| **replacement assets** |  |  |  |  |
| By purchase or internally |  |  |  |  |
| developed | - | - | - | **-** |
| **Sub-total** | **-** | **-** | **-** | **-** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | - | (963) | - | **(963)** |
| Restructuring |  |  | (48,823) | **(48,823)** |
| **As at 30 June 2017** |  |  |  |  |
| Gross book value | 1,895 | 33,228 | - | **35,123** |
| Accumulated depreciation/amortisation |  |  |  |  |
| and impairment | - | (2,889) | - | **(2,889)** |
| **Closing net book balance** | **1,895** | **30,339** | **-** | **32,234** |

Australian Aged Care Quality Agency

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**Australian Aged Care Quality Agency**

Section 1: Entity Overview and Resources

Strategic Direction Statement

The Australian Aged Care Quality Agency (AACQA) is a statutory agency established under the *Australian Aged Care Quality Agency Act 2013*. AACQA was established in January 2014, as the accreditation body for residential aged care and for the quality review of care in the home services.

For a full outline of AACQA’s Strategic Direction, refer page 164 of the *2016-17 Health Portfolio Budget Statements*.

1.2 Entity Resource Statement

The Entity Resource Statement details the resourcing for AACQA at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2016-17 Budget year, including variations through Appropriation Bills No. 3 and No. 4, special appropriations and special accounts.

Table 1.1: Australian Aged Care Quality Agency Resource Statement – Additional Estimates for 2016-17 as at Additional Estimates February 2017

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Actual available appropriation 2015-16** $'000 | **Estimate  as at  Budget 2016-17** $'000 | **Proposed Additional Estimate 2016-17** $'000 | **Total estimate at AEs 2016-17** $'000 |
| **DEPARTMENTAL** |  |  |  |  |
| Prior year appropriation available1 | 32,388 | 6,755 | - | 6,755 |
| **Annual appropriations** |  |  |  |  |
| Ordinary annual services |  |  |  |  |
| Departmental appropriation2 | 27,842 | 28,317 | - | 28,317 |
| s74 retained revenue receipts3 | 10,368 | 6,893 | - | 6,893 |
| Departmental capital budget4 | 1,085 | 1,195 | - | 1,195 |
| Other services5 |  |  |  |  |
| Equity injection | - | - | 18,496 | 18,496 |
| **Total departmental** |  |  |  |  |
| **annual appropriations** | **39,295** | **36,405** | **18,496** | **54,901** |
| **Total resourcing for AACQA** | **71,683** | **43,160** | **18,496** | **61,656** |

All figures are GST exclusive.

1. The estimate at Budget has been updated to reflect the Department’s *2015-16 Annual Report*.
2. Appropriation Bill (No. 1 & 3) 2016-17.
3. Estimated retained revenue receipts under section 74 of the PGPA Act 2013.
4. Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.2.5 for further details. For accounting purposes, this amount has been designated as a ‘contribution by owner’.
5. Appropriation Bill (No. 2 & 4) 2016-17.

1.3 Entity Measures Since the 2016-17 Budget

Table 1.2 summarises new Government measures taken since the 2016-17 Budget.

Table 1.2: Australian Aged Care Quality Agency 2016-17 Measures Since Budget

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program** | **2016-17**  $'000 | **2017-18**  $'000 | **2018-19**  $'000 | **2019-20** $'000 |

**Aged Care Provider Funding - addressing growth in residential aged care**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Australian Aged Care Quality Agency |  |  |  |  |  |
| Departmental revenues | 1.1 | - | (10,791) | - | - |
| **Total** |  | **-** | **(10,791)** | **-** | **-** |

1.4 Additional Estimates and Variations

The following table details the changes to the resourcing for the Australian Aged Care Quality Agency at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2016-17 Budget in Appropriation Bills No. 3 and No. 4.

Table 1.3: Additional Estimates and Variations to Outcomes from Measures and Other Variations Since the Budget 2016-17

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Program 1.1: Accrediting, Monitoring and Promoting High Quality Care Through Information, Education and Training for Australian Government Funded Aged Care Homes and Community Care Providers** | | | | |  |
| **Changes to departmental appropriations** |  |  |  |  |
| *Appropriation Bill No.3 and No. 4* |  |  |  |  |
| **Measure** - Aged Care Provider Funding |  |  |  |  |
| - addressing growth in residential aged care | - | 10,791 | - | - |
| Equity Injection - to cover liability | 18,496 | - | - | - |
| Price parameter adjustments | - | (87) | (114) | (153) |
| Efficiency dividend adjustments | - | (273) | (499) | (602) |
|  | **18,496** | **10,611** | **(613)** | **(755)** |

1.5 Breakdown of Additional Estimates by   
 Appropriation Bill

The following tables detail the Additional Estimates sought for the Australian Aged Care Quality Agency through Appropriation Bills No. 3 and No. 4.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Available** $'000 | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Departmental** |  |  |  |  |  |
| **Outcome 1** |  |  |  |  |  |
| Australian Aged Care Quality Agency | 28,927 | 29,512 | 29,512 | - | - |
| **Total Appropriation Bill No. 3** |  |  |  |  |  |
| **departmental** | **28,927** | **29,512** | **29,512** | **-** | **-** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Available** $'000 | **2016-17 Budget** $'000 | **2016-17 Revised** $'000 | **Additional estimates** $'000 | **Reduced estimates** $'000 |
| **Departmental** |  |  |  |  |  |
| **Outcome 1** |  |  |  |  |  |
| Australian Aged Care Quality Agency | - | - | 18,496 | 18,496 | - |
| **Total Appropriation Bill No. 4** |  |  |  |  |  |
| **departmental** | **-** | **-** | **18,496** | **18,496** | **-** |

Section 2: Revisions to Outcomes and Planned Performance

2.1 Budgeted Expenses and Performance

Outcome 1

Outcome 1: High-quality care for persons receiving Australian Government subsidised residential aged care and aged care in the community through the accreditation of residential aged care services, the quality review of aged care services including services provided in the community, and the provision of information, education and training to the aged care sector

Table 2.1.1: Budgeted Expenses and Resources

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual**  $'000 | **2016-17 Revised Budget** $'000 | **2017-18 Forward Year 1** $'000 | **2018-19 Forward Year 2** $'000 | **2019-20 Forward Year 3** $'000 |
| **Program 1.1: Accrediting, Monitoring and Promoting High Quality Care Through Information, Education and Training for Australian Government Funded Aged Care Homes and Community Care Providers** | | | | | |
| Departmental expenses |  |  |  |  |  |
| Departmental appropriation1 | 38,210 | 35,210 | 45,840 | 41,633 | 42,027 |
| Expenses not requiring appropriation | |  |  |  |  |
| in the budget year2 | 957 | 1,196 | 1,195 | 1,193 | 1,198 |
| Operating deficit (surplus) | (139) | - | - | - | - |
| **Total program expenses** | **39,028** | **36,406** | **47,035** | **42,826** | **43,225** |
|  |  |  |  |  |  |
|  | **Actual 2015-16** | **Budget 2016-17** |  |  |  |
| **Average staffing level (number)** | 243 | 248 |  |  |  |

1. Departmental appropriation combines ‘Ordinary annual services (Appropriation Bill Nos. 1 & 3)’ and ‘Revenue from independent sources (s74)’.
2. Expenses not requiring appropriation in the budget year are made up of depreciation expenses, amortisation expenses, makegood expenses and audit fees.

Performance Criteria for AACQA

Table 2.1.2 details changes to performance criteria for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

Table 2.1.2: Performance Criteria for AACQA

There have been no changes to performance information for AACQA since the 2016‑17 Budget which require new or modified performance criteria. Refer to page 169 of the *2016-17 Health Portfolio Budget Statements* for current performance information.

Section 3: Special Account Flows and Budgeted Financial Statements

3.1 Special Account Flows

Estimates of Special Account Flows

The Australian Aged Care Quality Agency does not manage any special accounts.

**3.2 Budgeted Financial Statements**

An analysis of Australian Aged Care Quality Agency (AACQA) budgeted financial statements for 2016-17 is provided below.

**3.2.1 Analysis of Budgeted Financial Statements**

Departmental

Income and Expenses

The AACQA is budgeting for a break-even position in 2016-17 and the forward years after adjusting for depreciation and amortisation expenses.

Total own-source revenue for 2016-17 is expected to be $6.9 million. Revenue from Government is expected to be $28.3 million.

Total expenses for 2016-17 are expected to be $36.4 million, compared to $39.0 million for 2015-16.

The 2016-17 MYEFO measure *Aged Care Provider Funding - addressing growth in residential aged* *care* will provide $10.8 million in Government funding in 2017-18 for unannounced compliance site visits.

Balance Sheet

AACQA has a budgeted net asset position of $19.4 million in 2016-17. This is a result of the assets and liabilities of Aged Care Standards and Accreditation Agency Ltd becoming the assets and liabilities of the Commonwealth, through AACQA, on 1 January 2014 and surpluses from subsequent financial years. Cash transferred from the Aged Care Standards and Accreditation Agency Ltd has been returned to the official public account and an equivalent amount re-appropriated to AACQA through *Appropriation Bill (No.4) 2016-17*.

Total assets for 2016-17 are estimated to be $29.0 million, comprising $26.3 million of financial assets (cash and receivables) and $2.7 million in non-financial assets.

Total liabilities for 2016-17 are estimated to be $9.6 million made up of accrued employee entitlements $6.6 million, suppliers payables $0.8 million, other payables $1.9 million and other provisions of $0.3 million.

3.2.2 Budgeted Financial Statements

Table 3.2.1: Comprehensive Income Statement (showing Net Cost of Service) for the period ended 30 June

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual**  $'000 | **2016-17 Revised Budget** $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **EXPENSES** |  |  |  |  |  |
| Employee benefits | 26,471 | 24,747 | 35,992 | 33,747 | 36,205 |
| Supplier expenses | 11,604 | 10,463 | 9,848 | 7,886 | 5,822 |
| Depreciation and amortisation | 919 | 1,196 | 1,195 | 1,193 | 1,198 |
| Other expenses | 34 | - | - | - | - |
| **Total expenses** | **39,028** | **36,406** | **47,035** | **42,826** | **43,225** |
| **LESS:** |  |  |  |  |  |
| **OWN-SOURCE INCOME** |  |  |  |  |  |
| **Revenue** |  |  |  |  |  |
| Sale of goods and rendering of |  |  |  |  |  |
| services | 10,264 | 6,893 | 18,581 | 23,510 | 23,887 |
| Other revenue | 104 | - | - | - | - |
| **Total revenue** | **10,368** | **6,893** | **18,581** | **23,510** | **23,887** |
| **Gains** |  |  |  |  |  |
| Other | 38 | - | - | - | - |
| **Total gains** | **38** | **-** | **-** | **-** | **-** |
| **Total own-source income** | **10,406** | **6,893** | **18,581** | **23,510** | **23,887** |
| **Net cost of (contribution by)** |  |  |  |  |  |
| **services** | **28,622** | **29,513** | **28,454** | **19,316** | **19,338** |
| Revenue from Government | 27,842 | 28,317 | 27,259 | 18,123 | 18,140 |
| **Surplus (Deficit)** | **(780)** | **(1,196)** | **(1,195)** | **(1,193)** | **(1,198)** |
| **Surplus (Deficit) attributable to** |  |  |  |  |  |
| **the Australian Government** | **(780)** | **(1,196)** | **(1,195)** | **(1,193)** | **(1,198)** |
|  |  |  |  |  |  |
| **OTHER COMPREHENSIVE INCOME** |  |  |  |  |  |
| Changes in asset revaluation |  |  |  |  |  |
| reserves | - | - | - | - | - |
| **Total other comprehensive** |  |  |  |  |  |
| **income** | **-** | **-** | **-** | **-** | **-** |
| **Total comprehensive income** |  |  |  |  |  |
| **attributable to the** |  |  |  |  |  |
| **Australian Government** | **(780)** | **(1,196)** | **(1,195)** | **(1,193)** | **(1,198)** |

Table 3.2.1: Comprehensive Income Statement (showing Net Cost of Service) for the period ended 30 June (continued)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget** $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **Note: Reconciliation of comprehensive income attributable to the entity** | | | | |  |
|  | **2015-16** $'000 | **2016-17** $'000 | **2017-18** $'000 | **2018-19** $'000 | **2019-20** $'000 |
| **Total comprehensive income** |  |  |  |  |  |
| **(loss) attributable to the** |  |  |  |  |  |
| **Australian Government** | (780) | (1,196) | (1,195) | (1,193) | (1,198) |
| plus non-appropriated expenses |  |  |  |  |  |
| depreciation and amortisation |  |  |  |  |  |
| expenses | 919 | 1,196 | 1,195 | 1,193 | 1,198 |
| **Total comprehensive income** |  |  |  |  |  |
| **(loss) attributable to the agency** | **139** | **-** | **-** | **-** | **-** |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget** $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **ASSETS** |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |
| Cash and cash equivalents | 21,147 | 2,275 | 2,212 | 2,212 | 2,212 |
| Receivables | 4,363 | 23,997 | 25,135 | 25,135 | 25,135 |
| **Total financial assets** | **25,510** | **26,272** | **27,347** | **27,347** | **27,347** |
| **Non-financial assets** |  |  |  |  |  |
| Property, plant and equipment | 1,393 | 1,428 | 1,440 | 1,677 | 1,630 |
| Intangibles | 654 | 681 | 707 | 1,131 | 1,140 |
| Other | 630 | 630 | 630 | 630 | 630 |
| **Total non-financial assets** | **2,677** | **2,739** | **2,777** | **3,438** | **3,400** |
| **Total assets** | **28,187** | **29,011** | **30,124** | **30,785** | **30,747** |
| **LIABILITIES** |  |  |  |  |  |
| **Payables** |  |  |  |  |  |
| Suppliers | 812 | 812 | 812 | 1,512 | 1,512 |
| Other payables | 2,180 | 1,867 | 1,867 | 1,867 | 1,867 |
| **Total payables** | **2,992** | **2,679** | **2,679** | **3,379** | **3,379** |
| **Provisions** |  |  |  |  |  |
| Employees | 6,670 | 6,670 | 6,670 | 6,670 | 6,670 |
| Other provisions | 280 | 280 | 280 | 280 | 280 |
| **Total provisions** | **6,950** | **6,950** | **6,950** | **6,950** | **6,950** |
| **Total liabilities** | **9,942** | **9,629** | **9,629** | **10,329** | **10,329** |
| **Net assets** | **18,245** | **19,382** | **20,495** | **20,456** | **20,418** |
| **EQUITY** |  |  |  |  |  |
| Contributed equity | 16,889 | 18,084 | 19,254 | 20,408 | 21,568 |
| Reserves | - | - | - | - | - |
| Retained surpluses or accumulated |  |  |  |  |  |
| deficits | 1,356 | 1,298 | 1,241 | 48 | (1,150) |
| **Total equity** | **18,245** | **19,382** | **20,495** | **20,456** | **20,418** |

Table 3.2.3: Departmental Statements of Changes in Equity – Summary of Movement (Budget Year 2016-17)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Retained earnings**   $'000 | **Asset revaluation reserve**  $'000 | **Contributed equity/ capital**  $'000 | **Total  equity**   $'000 |
| **Opening balance as at 1 July 2016** |  |  |  |  |
| Balance carried forward from |  |  |  |  |
| previous period | 1,356 | - | 16,889 | **18,245** |
| Surplus (deficit) for the period | (1,196) | - | - | **(1,196)** |
| Contribution of Equity | - | - | 18,496 | **18,496** |
| Capital budget - Bill 1 (DCB) | - | - | 1,195 | **1,195** |
| Other movements1 | - | - | (18,496) | **(18,496)** |
| Restructuring | 1,138 | - | - | **1,138** |
| **Estimated closing balance** |  |  |  |  |
| **as at 30 June 2017** | **1,298** | **-** | **18,084** | **19,382** |

DCB = Department Capital Budget

1 Amount returned to the Official Public Account. This amount will be re-appropriated through Appropriation Bill (No.4) 2016-17.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget** $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **OPERATING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Appropriations | 35,538 | 27,179 | 26,121 | 18,123 | 18,140 |
| Goods and services | 7,203 | 6,580 | 18,581 | 23,510 | 23,887 |
| Net GST received | 1,007 | 1,138 | 1,138 | - | - |
| Other cash received | 139 | - | - | - | - |
| **Total cash received** | **43,887** | **34,897** | **45,840** | **41,633** | **42,027** |
| **Cash used** |  |  |  |  |  |
| Employees | 29,603 | 24,747 | 35,992 | 33,747 | 36,205 |
| Suppliers | 14,093 | 10,463 | 9,848 | 7,186 | 5,822 |
| Net GST paid | - | - | - | - | - |
| Other cash used | 16 | - | - | - | - |
| **Total cash used** | **43,712** | **35,210** | **45,840** | **40,933** | **42,027** |
| **Net cash from (or used by)** |  |  |  |  |  |
| **operating activities** | **175** | **(313)** | **-** | **700** | **-** |
| **INVESTING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Proceeds from the sale of property |  |  |  |  |  |
| plant and equipment | 2 | - | - | - | - |
| **Total cash received** | **2** | **-** | **-** | **-** | **-** |
| **Cash used** |  |  |  |  |  |
| Purchase of property, plant |  |  |  |  |  |
| and equipment | 703 | 1,258 | 1,233 | 1,854 | 1,160 |
| **Total cash used** | **703** | **1,258** | **1,233** | **1,854** | **1,160** |
| **Net cash from (or used by)** |  |  |  |  |  |
| **investing activities** | **(701)** | **(1,258)** | **(1,233)** | **(1,854)** | **(1,160)** |
| **FINANCING ACTIVITIES** |  |  |  |  |  |
| **Cash received** |  |  |  |  |  |
| Capital budget - Bill 1 (DCB) | 450 | 1,195 | 1,170 | 1,154 | 1,160 |
| **Total cash received** | **450** | **1,195** | **1,170** | **1,154** | **1,160** |
| **Cash used** |  |  |  |  |  |
| Other financing activity1 | - | 18,496 | - | - | - |
| **Total cash used** | **-** | **18,496** | **-** | **-** | **-** |
| **Net cash from (or used by)** |  |  |  |  |  |
| **financing activities** | **450** | **(17,301)** | **1,170** | **1,154** | **1,160** |
| **Net increase (or decrease)** |  |  |  |  |  |
| **in cash held** | **(76)** | **(18,872)** | **(63)** | **-** | **-** |
| Cash and cash equivalents at the |  |  |  |  |  |
| beginning of the reporting period | 21,223 | 21,147 | 2,275 | 2,212 | 2,212 |
| **Cash and cash equivalents at the** |  |  |  |  |  |
| **end of the reporting period** | **21,147** | **2,275** | **2,212** | **2,212** | **2,212** |

DCB = Departmental Capital Budget.

1 Amount returned to the Official Public Account. This amount will be re-appropriated through Appropriation Bill (No. 4) 2016-17.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2015-16 Actual** $'000 | **2016-17 Revised Budget** $'000 | **2017-18 Forward estimate** $'000 | **2018-19 Forward estimate** $'000 | **2019-20 Forward estimate** $'000 |
| **CAPITAL APPROPRIATIONS** |  |  |  |  |  |
| Equity injections - Bill 4 | - | 18,496 | - | - | - |
| Capital budget - Bill 1 (DCB) | 1,085 | 1,195 | 1,172 | 1,162 | 1,162 |
| **Total capital appropriations** | **1,085** | **19,691** | **1,172** | **1,162** | **1,162** |
| **Total new capital appropriations** |  |  |  |  |  |
| **represented by:** |  |  |  |  |  |
| Purchase of non-financial assets | 1,085 | 1,195 | 1,172 | 1,162 | 1,162 |
| Other items | - | 18,496 | - | - | - |
| **Total items** | **1,085** | **19,691** | **1,172** | **1,162** | **1,162** |
| **PURCHASE OF NON-FINANCIAL** |  |  |  |  |  |
| **ASSETS** |  |  |  |  |  |
| Funded by capital |  |  |  |  |  |
| appropriation - DCB1 | 450 | 1,195 | 1,196 | 1,197 | 1,205 |
| Funded internally from |  |  |  |  |  |
| departmental resources | 253 | 63 | - | - | - |
| **Total acquisitions of** |  |  |  |  |  |
| **non-financial assets** | **703** | **1,258** | **1,196** | **1,197** | **1,205** |
| **RECONCILIATION OF CASH USED** |  |  |  |  |  |
| **TO ACQUIRE ASSETS TO** |  |  |  |  |  |
| **ASSET MOVEMENT TABLE** |  |  |  |  |  |
| **Total purchases** | **703** | **1,258** | **1,233** | **1,854** | **1,160** |
| **Total cash used to acquire** |  |  |  |  |  |
| **assets** | **703** | **1,258** | **1,233** | **1,854** | **1,160** |

DCB = Departmental Capital Budget.

1 Does not include annual finance lease costs. Includes purchases from current and previous years’ Departmental Capital Budgets (DCB).

Table 3.2.6: Statement of Departmental Asset Movements (Budget Year 2016-17)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Buildings** $'000 | **Other property, plant and  equipment** $'000 | **Intangibles**   $'000 | **Total** $'000 |
| **As at 1 July 2016** |  |  |  |  |
| Gross book value | - | 3,745 | 3,789 | **7,534** |
| Accumulated depreciation |  |  |  |  |
| amortisation and impairment | - | (2,352) | (3,135) | **(5,487)** |
| **Opening net book balance** | **-** | **1,393** | **654** | **2,047** |
| **CAPITAL ASSET ADDITIONS** |  |  |  |  |
| **Estimated expenditure on new or** |  |  |  |  |
| **replacement assets** |  |  |  |  |
| By purchase - appropriation |  |  |  |  |
| ordinary annual services | - | 457 | 801 | **1,258** |
| **Total additions** | **-** | **457** | **801** | **1,258** |
| **Other movements** |  |  |  |  |
| Depreciation/amortisation expense | - | (422) | (774) | **(1,196)** |
| **Total other movements** | **-** | **(422)** | **(774)** | **(1,196)** |
| **As at 30 June 2017** |  |  |  |  |
| Gross book value | - | 4,202 | 4,590 | **8,792** |
| Accumulated depreciation |  |  |  |  |
| amortisation and impairment | - | (2,774) | (3,909) | **(6,683)** |
| **Closing net book balance** | **-** | **1,428** | **681** | **2,109** |

Portfolio Glossary

| **Accrual accounting** | System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid. |
| --- | --- |
| **Accumulated depreciation** | The aggregate depreciation recorded for a particular depreciating asset. |
| **Additional Estimates** | The Additional Estimates process updates estimates from the previous Budget update. |
| **Additional Estimates Bills or Acts** | 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. |
| **Administered items** | Expenses, revenues, assets or liabilities managed by entities on behalf of the Australian Government. Entities do not control administered items. Administered items include grants, subsidies and benefits (for example, funding for the Pharmaceutical Benefits Scheme). |
| **Annotated appropriation** | 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 *Public Governance, Performance and Accountability Act 2013.* |
| **Annual appropriation** | 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. |
| **Appropriation** | 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. |
| **ASL (Average Staffing Levels)** | 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. |
| **Assets** | Future economic benefits controlled by an entity as a result of past transactions or past events. |

| **Available appropriation** | 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) — section 51 withholdings – administrative quarantines+/- Machinery of Government transfers. |
| --- | --- |
| **Budget measure** | 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. See also cross-Portfolio budget measure**.** |
| **Capital Budget Statement** | A statement of the entities estimated capital funding, through Appropriation Act No. 1 Departmental Capital Budget funding or Appropriation Act No. 2 equity injection funding and the entities estimated expenditures on non-financial assets. |
| **Capital expenditure** | Expenditure by an entity on non-financial assets, for example purchasing a building. |
| **Cross-Portfolio Budget measure** | This is a Budget measure which affects outcomes administered in a number of Portfolios. |
| **Departmental Capital Budget** | 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. |
| **Departmental items** | Assets, liabilities, revenues and expenses which are controlled by the entity in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by entities in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred. |
| **Depreciation** | An expense recognised systematically for the purpose of allocating the depreciable amount of a depreciable asset over its useful life. |
| **Efficiency dividend** | An annual deduction of a percentage of running costs from an entity's budget, which acts as both an incentive to efficiency and a quantification of some of the efficiency gains made by an entity in the previous year. |
| **Equity or net Assets** | Residual interest in the assets of an entity after deduction of its liabilities. |
| **Expense** | The value of resources consumed or lost during the reporting period. |
| **Fair value** | Fair values are prices in arm’s lengths transactions between willing buyers and sellers in an active market. |
| **Forward estimates** | 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 year is added to the forward estimates. |

| **Historical cost** | The original cost of acquisition of an asset, including any costs associated with acquisition. Under AASB 116, *Property, Plant and Equipment* 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. |
| --- | --- |
| **Liabilities** | 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. |
| **MYEFO** | Mid-Year Economic and Fiscal Outlook |
| **Operating result** | Equals income less expenses. |
| **Outcomes** | 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 entities using the departmental expenses under their control, and with the administered expenses which entities 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. |
| **Performance indicators** | A concise list of indicators, which are used to measure entity effectiveness in achieving the Government’s outcomes. Indicators must be measurable, but may be qualitative or quantitative. Indicators in the Portfolio Budget Statement 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. |
| **PGPA Act** | *Public Governance, Performance and Accountability Act 2013*  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. |
| **Portfolio Budget Statements** | Statements prepared by Portfolios to explain the Budget appropriations in terms of outcomes and programs. |
| **PP&E** | Property, Plant and Equipment. |
| **Price parameter adjustment** | 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’. |

| **Programs** | Commonwealth programs deliver benefits, services or transfer payments to individuals, industry/business or the community as a whole and are the primary vehicles for Government entities to achieve the intended results of their outcome statements. Commencing from the 2009-10 Budget entities were required to report to Parliament by program. |
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| **Quality** | 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. |
| **Quantity** | 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. Entities report on actual quantities in their annual reports. |
| **Revenue** | Total value of resources earned or received during the reporting period. |
| **Special account** | 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 entity official bank account or by an outsider authorised in a manner consistent with the PGPA Act. |
| **Special appropriation** | 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. |