

Portfolio Additional Estimates Statements 2018-19

Defence Portfolio
(Department of Veterans' Affairs)

Explanations of Additional Estimates 2018-19

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ISBN 978-0-6482602-4-0

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The Hon Darren Chester MP

Minister for Veterans' Affairs

Minister for Defence Personnel

Minister Assisting the Prime Minister for the Centenary of ANZAC

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President of the Senate
Australian Senate
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Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Additional Estimates Statements in support of the 2018-19 Additional Estimates for the Department of Veterans' Affairs Portfolio.

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

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

Yours sincerely



DARREN CHESTER

Abbreviations and conventions

The following notation may be used:

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nfp	not for publication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

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

ENQUIRIES

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

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

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

USER GUIDE

The purpose of the 2018-19 Portfolio Additional Estimates Statements (PAES), like that of the Portfolio Budget Statements (PB Statements), is to inform Senators and Members of Parliament of the proposed allocation of resources to Government outcomes by entities within the portfolio. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by outcome(s) since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in *Appropriation Bills (Nos. 3 and 4) 2018-19*. In this sense the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Whereas the *Mid-Year Economic and Fiscal Outlook (MYEFO) 2018-19* is a mid-year budget report which provides updated information to allow the assessment of the Government's fiscal performance against its fiscal strategy, the PAES update the most recent budget appropriations for entities within the portfolio.

Structure of the Portfolio Additional Estimates Statements

The PAES are presented in three parts with subsections.

User Guide

Provides a brief introduction explaining the purpose of the PAES.

Portfolio Overview

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

Entity Additional Estimates Statements

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

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 <i>Appropriation Bills Nos. 3 and 4</i> .
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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.
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Section 3: Special Account Flows and Budgeted Financial Statements	This section contains updated explanatory tables on special account flows and revisions to the budgeted financial statements.
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Glossary	Explains key terms relevant to the portfolio.
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PORTFOLIO OVERVIEW

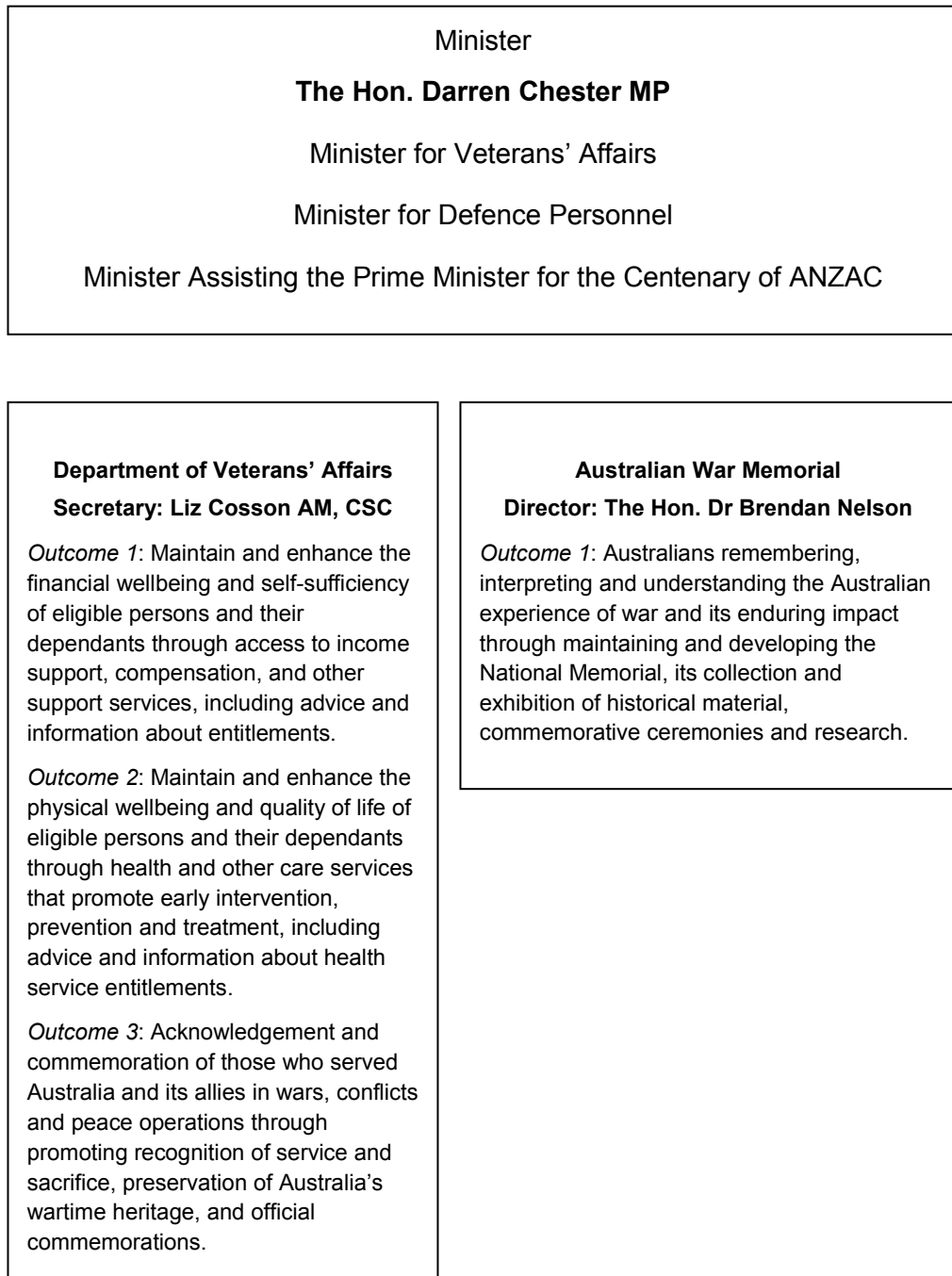
PORTFOLIO OVERVIEW

MINISTER AND PORTFOLIO RESPONSIBILITIES

There has been no change in the Department's role, planned outcomes or programs structure since the 2018-19 Portfolio Budget Statements. A full outline of the Department of Veterans' Affairs (DVA) Portfolio Overview can be found in the 2018-19 Portfolio Budget Statements.

The portfolio is seeking, for the Department of Veterans' Affairs, net additional funding of \$564.6 million, including \$25.6 million for departmental expenses and \$539.0 million for administered expenses. The new appropriation funding of \$11,176.1 million being sought will provide the Department with \$10,760.4 million in administered expenses and \$415.7 million in total departmental expenses.

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



ENTITY ADDITIONAL ESTIMATES STATEMENTS

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DEPARTMENT OF VETERANS' AFFAIRS

ENTITY RESOURCES AND PLANNED PERFORMANCE

DEPARTMENT OF VETERANS' AFFAIRS

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DEPARTMENT OF VETERANS' AFFAIRS

Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION

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

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

There has been no change in the Department's role, planned outcomes or programs structure since the 2018-19 Portfolio Budget Statements. A full outline of DVA's strategic direction can be found in the 2018-19 Portfolio Budget Statements.

Administered expenses

The additional administered funding of \$539.0 million is required for new measures and other estimate variations as set out in Table 1.1, 1.2, 1.3, pages 12 to 20.

Departmental expenses

The additional departmental funding of \$25.6 million is required for new measures and other estimate variations as set out in Table 1.1, 1.2, and 1.3, pages 12 to 20.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for the Department of Veterans' Affairs at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2018-19 Budget year, including variations through Appropriation Bills No. 3 and No. 4, Special Appropriations and Special Accounts.

**Table 1.1: Department of Veterans' Affairs Resource Statement
Additional Estimates for 2018-19 as at Additional Estimates February 2019**

	<i>Total available appropriation</i>	<i>Estimate as at + Budget</i>	<i>Proposed Additional = Estimates</i>	<i>Total estimate at Additional Estimates</i>
	<i>2017-18 \$'000</i>	<i>2018-19 \$'000</i>	<i>2018-19 \$'000</i>	<i>2018-19 \$'000</i>
Departmental				
Annual appropriations - ordinary annual services ^a				
Prior year departmental appropriation ^b	-	26,120	51,829	77,949
Departmental appropriation	381,980	366,606	8,172	374,778
s74 Retained Revenue Receipts ^c	6,358	6,176	134	6,310
Departmental Capital Budget ^d	13,634	13,601	11,249	24,850
Annual appropriations - other services - non operating				
Equity injections ^e	12,526	9,874	6,206	16,080
Total departmental annual appropriations	414,498	422,377	77,590	499,967
Special Accounts				
Opening balance ^f	2,642	2,500	698	3,198
Appropriation Receipts ^g	120	120	-	120
Non-Appropriation receipts to Special Accounts	38,542	37,800	-	37,800
Total special account	41,304	40,420	698	41,118
<i>less departmental appropriations drawn from annual/special appropriations and credited to special accounts</i>	<i>62,140</i>	<i>120</i>	<i>-</i>	<i>120</i>
Total departmental resourcing	393,662	462,677	78,288	540,965
Administered				
Annual appropriations - ordinary annual services				
Outcome 1	53,726	52,181	4,396	56,577
Outcome 2	12,212	9,601	1,074	10,675
Outcome 3	53,883	41,305	7,544	48,849
Payments to corporate entities ^h	53,040	50,904	-	50,904
Annual appropriations - other services - non operating				
Payments to corporate entities - non-operating ^h	8,980	11,429	-	11,429
Annual appropriations - other services - Specific purpose payments to states, ACT, NT and local government ⁱ	-	-	-	4,000
Total available annual appropriations	181,841	165,420	13,014	182,434

Continued on next page

Table 1.1: Department of Veterans' Affairs Resource Statement – Additional Estimates for 2018-19 as at Additional Estimates February 2019 (continued)

	<i>Total available appropriation</i>	<i>Estimate as at + Budget</i>	<i>Proposed Additional = Estimates</i>	<i>Total estimate at Additional Estimates 2018-19</i>
	<i>2017-18 \$'000</i>	<i>2018-19 \$'000</i>	<i>2018-19 \$'000</i>	<i>2018-19 \$'000</i>
Special appropriations				
Outcome 1				
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>	27	13	15	28
<i>Veterans' Entitlements Act 1986 (VEA)</i>	5,134,962	4,947,569	2,495	4,950,064
<i>Compensation (Japanese Internment) Act 2001</i>	25	25	-	25
<i>Defence Service Homes Act 1918</i>	635	638	-	638
<i>Safety, Rehabilitation and Compensation (Defence- related Claims) Act 1988</i>	162,059	153,986	56,712	210,698
<i>Military Rehabilitation and Compensation Act 2004</i>	598,839	453,010	512,905	965,915
Total Outcome 1	5,896,547	5,555,241	572,127	6,127,368
Outcome 2				
<i>Veterans' Entitlements Act 1986 (VEA)</i>	4,302,045	4,363,858	(46,094)	4,317,764
<i>Safety, Rehabilitation and Compensation (Defence- related Claims) Act 1988</i>	43,779	41,229	-	41,229
<i>Military Rehabilitation and Compensation Act 2004</i>	129,904	113,206	-	113,206
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	6,831	44,763	-	44,763
<i>Public Governance, Performance and Accountability Act 2013 - s77 Repayments</i>	100	5	-	5
Total Outcome 2	4,482,659	4,563,061	(46,094)	4,516,967
Total administered special appropriations	10,379,206	10,118,302	526,033	10,644,335
<i>less payments to corporate entities from annual/special appropriations</i>	62,020	62,333	-	62,333
Total administered resourcing	10,499,027	10,221,389	539,047	10,764,436
Total resourcing for DVA	10,892,689	10,684,066	617,335	11,305,401
			<i>2017-18</i>	<i>2018-19</i>
Average Staffing Level			1,876	1,769

DVA Additional Estimates Statements

- a) *Appropriation Act (No. 1) 2018-19 and Appropriation Bill (No. 3) 2018-19.*
- b) Estimated adjusted balance carried from previous year for annual appropriations
- c) Estimated retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability (PGPA) Act 2013*.
- d) Departmental capital budgets are not separately identified in Appropriation Act (No.1) and form part of ordinary annual services items. Please refer to Table 3.6 for further details.
- e) *Appropriation Act (No. 2) 2018-19 and Appropriation Bill (No. 4) 2018-19.*
- f) Estimated opening balance for special accounts (less 'Special Public Money' held in a *Services for Other Entities and Trust Monies Special Accounts (SOETM)*). For further information on Special Accounts see Table 3.1.
- g) Appropriation receipts credited into DSHIS special account included in total departmental appropriation. For further information, see Table 3.1. (Note: Non-appropriation receipts other than those of the DSHIS special account are excluded as these represent Special Public Monies).
- h) 'Corporate Entities' are Corporate Commonwealth Entities and Commonwealth Companies as defined under the *PGPA Act 2013*.
- i) Relates to appropriations sought for payment to the States, ACT, NT and local governments in Appropriation Bill (No. 4) 2018-19.

Reader note: All figures are GST exclusive.

Table 1.1: Department of Veterans' Affairs Resource Statement – Additional Estimates for 2018-19 as at Additional Estimates February 2019 (continued)**Third Party Payments from and on Behalf of Other Entities**

	<i>Actual payments</i>	<i>Estimate as at Budget</i>	<i>+ Proposed Additional Estimates</i>	<i>= Total estimate at Additional Estimates</i>
	<i>2017-18 \$'000</i>	<i>2018-19 \$'000</i>	<i>2018-19 \$'000</i>	<i>2018-19 \$'000</i>
Receipts received from the Department of Defence for the provision of services	7,540	7,255	50	7,305
Payments made to corporate entities within the Portfolio				
Australian War Memorial - Bill 1	53,040	50,904	-	50,904
Australian War Memorial - Bill 2	8,980	11,429	-	11,429
Payments made on behalf of Department of Social Services				
<i>Social Security (Administration) Act 1999</i>	43,884	44,338	(404)	43,934
Payments made on behalf of Department of Social Services				
<i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	2	-	-	-
Payments made on behalf of Department of Social Services for the provision of services	152	151	(2)	149
Payments made by the Department of Human Services (DHS) on behalf of DVA				
<i>Veterans' Entitlements Act 1986,</i>	3,209,544	3,286,365	(54,434)	3,231,931
<i>Military Rehabilitation and Compensation Act 2004</i>	71,893	78,461	3,351	81,812
<i>Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988</i>	13,886	11,385	2,835	14,220
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>	6,790	44,763	-	44,763
Payments made to DHS for processing payment of health care provider treatment accounts and the provision of IT services	64,345	80,370	403	80,773
Payments made to DSS for the Community Grants Hub	1,763	2,290	428	2,718

1.3 ENTITY MEASURES TABLE

Table 1.2 summarises new Government measures taken since the 2018-19 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: Entity 2018-19 Measures since Budget

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Expense measures					
Outcome 1					
Retaining the Energy Supplement ^(a)	1.1-1.3 & 1.6				
Administered expenses		2,739	5,106	4,835	4,654
Departmental expenses		—	—	—	—
Total		2,739	5,106	4,835	4,654
Improved Access to Health Care for Australian Civilian Surgical and Medical Team members who worked in Vietnam between 1964 and 1972 ^(b)	1.2				
Administered expenses		—	33	32	29
Departmental expenses		—	—	—	—
Total		—	33	32	29
Australian Veterans' Wellbeing Package	1.6				
Administered expenses		—	12	25	35
Departmental expenses		—	—	—	—
Total		—	12	25	35
Total Outcome 1					
Administered expenses		2,739	5,151	4,892	4,718
Departmental expenses		—	—	—	—
Total		2,739	5,151	4,892	4,718
Outcome 2					
Guaranteeing Medicare - strengthening primary care ^(c)	2.1				
Administered expenses		174	696	729	800
Departmental expenses		—	—	—	—
Total		174	696	729	800

Continued on next page

Table 1.2: Entity 2018-19 Measures since Budget (continued)

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Outcome 2					
Guaranteeing Medicare - expansion of Medicare eligibility for magnetic resonance imaging ^(c)	2.1				
Administered expenses		175	361	332	320
Departmental expenses		—	—	—	—
Total		175	361	332	320
Guaranteeing Medicare - Medicare Benefits Schedule Review ^(d)	2.1				
Administered expenses		—	(985)	(1,022)	(1,048)
Departmental expenses		—	—	—	—
Total		—	(985)	(1,022)	(1,048)
Improving Access to Medicines - Pharmaceutical Benefits Scheme - new and amended listings ^(c)	2.1 & 2.3				
Administered expenses		9,396	7,831	5,756	5,968
Departmental expenses		—	—	—	—
Total		9,396	7,831	5,756	5,968
Australian Veterans' Wellbeing Package	2.5 & 2.6				
Administered expenses		1,170	2,526	2,761	1,278
Departmental expenses		—	—	—	—
Total		1,170	2,526	2,761	1,278
Improved Access to Health Care for Australian Civilian Surgical and Medical Team members who worked in Vietnam between 1964 and 1972 ^(b)	2.2				
Administered expenses		—	4,649	4,586	4,508
Departmental expenses		362	4,334	465	344
Total		362	8,983	5,051	4,852
Repatriation Pharmaceutical Benefits Scheme - new listing and price amendments	2.3				
Administered expenses		6	6	6	6
Departmental expenses		—	—	—	—
Total		6	6	6	6

Continued on next page

Table 1.2: Entity 2018-19 Measures since Budget (continued)

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Strengthening Aged Care - more places, lower fees, better access ^(c)	2.4				
Administered expenses		425	1,437	1,439	1,309
Departmental expenses		—	—	—	—
Total		425	1,437	1,439	1,309
Strengthening Aged Care - improved access and compliance ^(c)	2.4				
Administered expenses		18	152	485	422
Departmental expenses		—	—	—	—
Total		18	152	485	422
More Choices for a Longer Life - healthy ageing and high quality care ^(d)	2.4				
Administered expenses		23,485	—	—	—
Departmental expenses		—	—	—	—
Total		23,485	—	—	—
Total Outcome 2					
Administered expenses		34,849	16,673	15,072	13,563
Departmental expenses		362	4,334	465	344
Total		35,211	21,007	15,537	13,907
Outcome 3					
Australian Veterans' Wellbeing Package	3.2				
Administered expenses		—	—	—	—
Departmental expenses		5,113	2,926	2,946	130
Total		5,113	2,926	2,946	130
Total Outcome 3					
Administered expenses		—	—	—	—
Departmental expenses		5,113	2,926	2,946	130
Total		5,113	2,926	2,946	130
Total expense measures					
Administered		37,588	21,824	19,964	18,281
Departmental		5,475	7,260	3,411	474
Total		43,063	29,084	23,375	18,755

Continued on next page

Table 1.2: Entity 2018-19 Measures since Budget (continued)

	Program	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Capital Measures					
Outcome 2					
Improved Access to Health Care for Australian Civilian Surgical and Medical Team members who worked in Vietnam between 1964 and 1972 ^(b)	2.2				
Administered Capital		–	–	–	–
Departmental Capital		–	311	–	–
Total		–	311	–	–
Total Outcome 2					
Administered Capital		–	–	–	–
Departmental Capital		–	311	–	–
Total		–	311	–	–
Total capital measures					
Administered		–	–	–	–
Departmental		–	311	–	–
Total		–	311	–	–

Prepared on a Government Finance Statistics (fiscal) basis.

- The lead agency for this measure is the Department of Social Services (DSS). The full measure description and package details appear in Mid Year Economic and Fiscal Outlook (MYEFO).
- This measure relates to the decision taken post Mid Year Economic and Fiscal Outlook (MYEFO).
- The lead agency for this measure is the Department of Health. The full measure description and package details appear in Mid Year Economic and Fiscal Outlook (MYEFO).
- This measure relates to the decision taken post Mid Year Economic and Fiscal Outlook (MYEFO) and the lead agency is the Department of Health.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for Department of Veterans' Affairs at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates and variations resulting from new measures and other variations since the 2018-19 Budget in *Appropriation Bills Nos. 3 and 4*.

Table 1.3: Additional Estimates and Other Variations to Outcomes Since 2018-19 Budget

	Program impacted	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Outcome 1					
Administered					
Annual appropriations					
Australian Veterans' Wellbeing Package	1.6	–	12	25	35
Change in price & wage indices	1.1-1.6	–	(70)	(93)	(77)
Program specific - beneficiary or rate changes	1.1-1.6	2,742	–	–	–
Program Specific - other variations	1.1-1.6	1,650	149	168	(197)
Special appropriations					
Retaining the Energy Supplement	1.1-1.3&1.6	2,739	5,106	4,835	4,654
Improved Access to Health Care for Australian Civilian surgical and Medical Team members who worked in Vietnam between 1964 and 1972	1.2	–	33	32	29
Change in price & wage indices	1.1-1.6	(1,062)	(1,591)	3,751	4,737
Program Specific - other variations	1.1-1.6	548,209	284,968	319,126	426,252
Legislative delays	1.1-1.6	82	–	–	–
Net impact on appropriations for Outcome 1 (administered)		554,360	288,607	327,844	435,433
Departmental					
Annual appropriations					
Program Specific - other variations	1.4	385	237	128	128
Net impact on appropriations for Outcome 1 (departmental)		385	237	128	128

Continued on next page

Table 1.3: Additional Estimates and Other Variations to Outcomes Since 2018-19 Budget (continued)

	Program impacted	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Outcome 2					
Administered					
Annual appropriation					
Australian Veterans' Wellbeing Package	2.5 & 2.6	1,170	2,526	2,761	1,278
Change in price & wage indices	2.1-2.6	–	4	3	7
Special appropriations					
Guaranteeing Medicare - strengthening primary care	2.1	174	696	729	800
Guaranteeing Medicare - expansion of Medicare eligibility for magnetic resonance imaging	2.1	175	361	332	320
Guaranteeing Medicare - Medicare Benefits Schedule Review	2.1	–	(985)	(1,022)	(1,048)
Improving Access to Medicines - Pharmaceutical Benefits Scheme - new and amended listings	2.1 & 2.3	9,396	7,831	5,756	5,968
Improved Access to Health Care for Australian Civilian surgical and Medical Team members who worked in Vietnam between 1964 and 1972	2.2	–	4,649	4,586	4,508
Repatriation Pharmaceutical Benefits Scheme - new listing and price amendments	2.3	6	6	6	6
Strengthening Aged Care - more places, lower fees, better access	2.4	425	1,437	1,439	1,309
Strengthening Aged Care - improved access and compliance	2.4	18	152	485	422
More Choices for a Longer Life - healthy ageing and high quality care	2.4	23,485			
Change in price & wage indices	2.1-2.6	(110)	1,201	2,394	4,016
Program Specific - other variations	2.1-2.6	3,881	4,381	4,761	4,882
Self Balancing Transfer within same financial year	2.1-2.6	(83,030)	(77,500)	(77,500)	(77,500)
Net impact on appropriations for Outcome 2 (administered)		(45,580)	(57,767)	(58,031)	(56,310)

Continued on next page

Table 1.3: Additional Estimates and Other Variations to Outcomes Since 2018-19 Budget (continued)

	Program impacted	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Outcome 2					
Departmental					
Annual appropriations					
Improved Access to Health Care for Australian Civilian surgical and Medical Team members who worked in Vietnam between 1964 and 1972	2.2	362	4,334	465	344
Application of efficiency dividend	2.1-2.6	–	–	–	–
Self Balancing Transfer within same financial year	2.1-2.6	3,497	14	14	14
Other Variations	2.1-2.6	–	–	–	–
Net impact on appropriations for Outcome 2 (departmental)		3,859	4,348	479	358
Outcome 3					
Administered					
Annual appropriation					
Approved movement of funds between years	3.1	7,544	–	–	–
Change in price & wage indices	3.1-3.2	–	(66)	(92)	(95)
Net impact on appropriations for Outcome 3 (administered)		7,544	(66)	(92)	(95)
Departmental					
Annual appropriations					
Australian Veterans' Wellbeing Package	3.2	5,113	2,926	2,946	130
Self balancing transfers between same year		–	–	–	–
Net impact on appropriations for Outcome 3 (departmental)		5,113	2,926	2,946	130

Prepared on a Government Financial Statistics (fiscal balance)

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

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

Table 1.4: Appropriation Bill (No. 3) 2018-19

	2017-18 Available \$'000	2018-19 Budget \$'000	2018-19 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
ADMINISTERED ITEMS					
Outcome 1	50,501	52,181	56,577	4,396	–
Outcome 2	10,695	9,601	10,675	1,074	–
Outcome 3	42,301	41,305	48,849	7,544	–
Total	103,497	103,087	116,101	13,014	–
DEPARTMENTAL PROGRAMS					
Outcome 1	243,260	244,325	252,194	7,869	–
Outcome 2	99,675	105,366	110,957	5,591	–
Outcome 3	39,045	30,516	36,477	5,961	–
Total	381,980	380,207	399,628	19,421	–
Total administered and departmental	485,477	483,294	515,729	32,435	–

Table 1.5: Appropriation Bill (No. 4) 2018-19

	2017-18 Available \$'000	2018-19 Budget \$'000	2018-19 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
DEPARTMENTAL PROGRAMS					
Equity Injections	9,806	9,874	16,080	6,206	–
Total Departmental	9,806	9,874	16,080	6,206	–

Section 2: Revisions to Entity Outcomes and Planned Performance

2.1 RESOURCES AND PERFORMANCE INFORMATION

There has been no change in the Department's role, planned outcomes or programs structure since the 2018-19 Portfolio Budget Statements. Therefore, the objectives, deliverables and targets have not been altered. Complete details of the Department's resources and performance information can be found in the 2018-19 Portfolio Budget Statements.

OUTCOME 1

Outcome 1 Strategy

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

Table 2.1.1: Budgeted Expenses for Outcome 1

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Outcome 1:					
Program 1.1: Veterans' Income Support and Allowances					
Administered Expenses					
Special Appropriations	2,166,369	2,112,164	2,063,957	1,991,296	1,963,178
Administered total	2,166,369	2,112,164	2,063,957	1,991,296	1,963,178
Departmental Expenses					
Departmental appropriation ^a	70,511	70,661	71,252	53,180	52,998
Expenses not requiring appropriation in the Budget year ^a	4,722	4,434	5,128	4,716	4,344
Departmental total	75,233	75,095	76,380	57,896	57,342
Total expenses for program 1.1	2,241,602	2,187,259	2,140,337	2,049,192	2,020,520
Program 1.2: Veterans' Disability Support					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	20,880	23,246	20,705	20,165	20,494
Special Appropriations	1,509,192	1,485,962	1,504,174	1,541,223	1,573,555
Administered total	1,530,072	1,509,208	1,524,879	1,561,388	1,594,049
Departmental Expenses					
Departmental appropriation ^a	51,816	51,917	52,347	39,073	38,940
Expenses not requiring appropriation in the Budget year ^a	3,470	3,259	3,769	3,465	3,192
Departmental total	55,286	55,176	56,116	42,538	42,132
Total expenses for program 1.2	1,585,358	1,564,384	1,580,995	1,603,926	1,636,181

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Table 2.1.1: Budgeted Expenses for Outcome 1 (continued)

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Outcome 1:					
Program 1.3: Assistance to Defence Widow/ers and Dependants					
Administered Expenses					
Special Appropriations	1,457,006	1,358,016	1,256,892	1,174,483	1,151,019
Administered total	1,457,006	1,358,016	1,256,892	1,174,483	1,151,019
Departmental Expenses					
Departmental appropriation ^a	14,392	14,438	14,558	10,866	10,829
Expenses not requiring appropriation in the Budget year ^b	964	906	1,048	964	888
Departmental total	15,356	15,344	15,606	11,830	11,717
Total expenses for program 1.3	1,472,362	1,373,360	1,272,498	1,186,313	1,162,736
Program 1.4: Assistance and Other Compensation for Veterans and Dependants					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	7,506	10,842	8,690	8,908	9,034
Special Appropriations	11,445	9,780	8,437	7,315	6,371
Administered total	18,951	20,622	17,127	16,223	15,405
Departmental Expenses					
Departmental appropriation ^a	30,619	30,696	30,950	23,102	23,023
Expenses not requiring appropriation in the Budget year ^b	2,051	1,927	2,228	2,049	1,887
Special Accounts	33,384	37,920	39,394	38,940	40,625
Departmental total	66,054	70,543	72,572	64,091	65,535
Total expenses for program 1.4	85,005	91,165	89,699	80,314	80,940
Program 1.5: Veterans' Children Education Scheme					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	13,555	14,645	14,472	14,339	14,227
Administered total	13,555	14,645	14,472	14,339	14,227
Departmental Expenses					
Departmental appropriation ^a	4,436	4,434	4,470	3,337	3,326
Expenses not requiring appropriation in the Budget year ^b	297	278	322	296	273
Departmental total	4,733	4,712	4,792	3,633	3,599
Total expenses for program 1.5	18,288	19,357	19,264	17,972	17,826

Continued on next page

Table 2.1.1: Budgeted Expenses for Outcome 1 (continued)

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Outcome 1:					
Program 1.6: Military Rehabilitation and Compensation Acts Payments - Income Support and Compensation					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	6,359	7,891	8,588	8,946	9,176
Special Appropriations	753,860	1,177,731	910,875	966,740	1,030,778
Special Accounts	628	360	60	150	30
Administered total	760,847	1,185,982	919,523	975,836	1,039,984
Departmental Expenses					
Departmental appropriation ^a	71,252	71,396	71,987	53,733	53,549
Expenses not requiring appropriation in the Budget year ^b	4,772	4,482	5,183	4,765	4,390
Departmental total	76,024	75,878	77,170	58,498	57,939
Total expenses for program 1.6	836,871	1,261,860	996,693	1,034,334	1,097,923
Program 1.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Income Support and Compensation					
Administered Expenses					
Expenses not requiring appropriation in the Budget year	1,459,700	163,600	356,700	368,700	377,500
Administered total	1,459,700	163,600	356,700	368,700	377,500
Total expenses for program 1.7	1,459,700	163,600	356,700	368,700	377,500
Outcome 1 Totals by appropriation type					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	48,300	56,624	52,455	52,358	52,931
Special Appropriations	5,897,871	6,143,653	5,744,335	5,681,057	5,724,901
Special Accounts	628	360	60	150	30
Expenses not requiring appropriation in the Budget year	1,459,700	163,600	356,700	368,700	377,500
Administered total	7,406,499	6,364,237	6,153,550	6,102,265	6,155,362
Departmental Expenses					
Departmental appropriation ^a	243,026	243,542	245,564	183,291	182,665
Expenses not requiring appropriation in the Budget year ^b	16,277	15,286	17,678	16,255	14,974
Special Accounts	33,384	37,920	39,394	38,940	40,625
Departmental total	292,687	296,748	302,636	238,486	238,264
Total Expenses for Outcome 1	7,699,186	6,660,985	6,456,186	6,340,751	6,393,626

Continued on next page

Table 2.1.1: Budgeted Expenses for Outcome 1 (continued)

	2017-18	2018-19
Average Staffing Level (number)	1,202	1,137

- a) Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1 & 3)' and 'Retained Revenue Receipts (s74)'.
- b) Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense, Audit Fees and Australian Tax Office data matching services.

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

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

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Income support pensions	2,163,669	2,105,811	2,058,844	1,986,207	1,958,109
Other allowances	3,838	6,353	5,113	5,089	5,069
Program support	70,511	70,661	71,252	53,180	52,998
Expenses not requiring appropriation in the Budget year	4,722	4,434	5,128	4,716	4,344
Total program expenses	2,242,740	2,187,259	2,140,337	2,049,192	2,020,520

Program 1.2: Veterans' Disability Support

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1 & 3)					
Medical examinations, fares and expenses	20,364	22,420	19,951	19,464	19,775
Vehicle Assistance Scheme	462	826	754	701	719
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Disability pensions	1,507,618	1,484,316	1,502,672	1,539,841	1,572,283
Loss of earnings	321	391	401	417	427
Recreation transport allowance	1,254	1,255	1,101	965	845
Program support	51,816	51,917	52,347	39,073	38,940
Expenses not requiring appropriation in the Budget year	3,470	3,259	3,769	3,465	3,192
Total program expenses	1,585,305	1,564,384	1,580,995	1,603,926	1,636,181

Program 1.3: Assistance to Defence Widow/ers and Dependants

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
War & Defence Widows pension	1,457,006	1,358,016	1,256,892	1,174,483	1,151,019
Program support	14,392	14,438	14,558	10,866	10,829
Expenses not requiring appropriation in the Budget year	964	906	1,048	964	888
Total program expenses	1,472,362	1,373,360	1,272,498	1,186,313	1,162,736

Program 1.4: Assistance and Other Compensation for Veterans and Dependants

	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Revised	Forward	Forward	Forward
	expenses	budget	year 1	year 2	year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1 & 3)					
Compensation and Legal Expenses	1,007	1,622	1,757	1,802	1,827
Defective Administration	502	2,988	255	261	264
Payments to ESOs (BEST & TIP)	5,375	5,039	5,425	5,560	5,638
Veterans' Access to Community Information	563	1,128	1,186	1,215	1,233
Act of Grace	58	65	67	70	72
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Funeral benefits	7,439	6,623	5,927	5,305	4,747
POW (E)	2,794	2,111	1,609	1,226	934
Compensation payments for BCAL veterans	350	355	305	263	228
Energy Assistance Payment	187	-	-	-	-
<i>Compensation (Japanese Interment) Act 2001</i>					
POW (J)	25	25	25	25	25
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>					
PNG pensions	27	28	28	28	28
<i>Defence Service Homes Act 1918</i>					
Interest subsidy	624	638	543	468	409
Special Account expenses:					
DSHIS	33,384	37,920	39,394	38,940	40,625
Program support	30,619	30,696	30,950	23,102	23,023
Expenses not requiring appropriation in the Budget year	2,051	1,927	2,228	2,049	1,887
Total program expenses	85,005	91,165	89,699	80,314	80,940

Program 1.5: Veterans' Children Education Scheme

	2017-18	2018-19	2019-20	2020-21	2021-22
	Actual	Revised	Forward	Forward	Forward
	expenses	budget	year 1	year 2	year 3
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1 & 3)					
Veterans' Children Education Scheme	13,555	14,645	14,472	14,339	14,227
Program support	4,436	4,434	4,470	3,337	3,326
Expenses not requiring appropriation in the Budget year	297	278	322	296	273
Total program expenses	18,288	19,357	19,264	17,972	17,826

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

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1 & 3)					
Other income support and compensation-related payments - DRCA	3,083	4,222	4,502	4,684	4,801
Other income support and compensation-related payments - MRCA	3,276	3,669	4,086	4,262	4,375
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988</i>					
Permanent impairment	81,053	118,409	62,239	59,028	56,052
Benefits for eligible dependants	12,614	14,627	13,552	15,819	16,342
Incapacity payments	66,531	65,472	63,708	62,451	57,173
Medical examinations	598	3,400	3,200	3,104	3,156
Death payments	1,752	2,635	2,473	2,370	2,448
Other income support and compensation-related payments	761	6,606	346	361	370
<i>Military Rehabilitation and Compensation Act 2004</i>					
Permanent impairment	409,245	746,268	560,120	598,257	648,084
Benefits for eligible dependants	16,090	18,280	9,174	9,565	9,863
Income maintenance payments	160,518	184,141	176,741	194,940	214,916
Medical examinations	4,544	17,400	18,800	20,300	21,815
Other income support and compensation-related payments	154	493	522	545	559
Special Account Expenses:					
Military death claim compensation	628	360	60	150	30
Program support	71,252	71,396	71,987	53,733	53,549
Expenses not requiring appropriation in the Budget year	4,772	4,482	5,183	4,765	4,390
Total program expenses	836,871	1,261,860	996,693	1,034,334	1,097,923

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

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Administered Expenses:					
Expenses not requiring appropriation in the Budget year	1,459,700	163,600	356,700	368,700	377,500
Total program expenses	1,459,700	163,600	356,700	368,700	377,500

OUTCOME 2

Outcome 2 Strategy

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

Table 2.2.1: Budgeted Expenses for Outcome 2

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Program 2.1: General Medical Consultations and Services					
Administered Expenses					
Special Appropriations	773,431	763,668	739,685	719,871	716,513
Administered total	773,431	763,668	739,685	719,871	716,513
Departmental Expenses					
Departmental appropriation ^a	10,714	10,725	10,813	8,071	8,044
Expenses not requiring appropriation in the Budget year ^b	718	673	779	716	659
Departmental total	11,432	11,398	11,592	8,787	8,703
Total expenses for program 2.1	784,863	775,066	751,277	728,658	725,216
Program 2.2: Veterans' Hospital Services					
Administered Expenses					
Special Appropriations	1,375,296	1,358,336	1,306,830	1,251,885	1,243,653
Administered total	1,375,296	1,358,336	1,306,830	1,251,885	1,243,653
Departmental Expenses					
Departmental appropriation ^a	6,901	6,897	6,954	5,191	5,173
Expenses not requiring appropriation in the Budget year ^b	462	433	501	460	424
Departmental total	7,363	7,330	7,455	5,651	5,597
Total expenses for program 2.2	1,382,659	1,365,666	1,314,285	1,257,536	1,249,250
Program 2.3: Veterans' Pharmaceuticals Benefits					
Administered Expenses					
Special Appropriations	320,884	332,039	319,460	307,695	307,690
Administered total	320,884	332,039	319,460	307,695	307,690
Departmental Expenses					
Departmental appropriation ^a	4,162	4,169	4,203	3,137	3,127
Expenses not requiring appropriation in the Budget year ^b	279	262	303	278	256
Departmental total	4,441	4,431	4,506	3,415	3,383
Total expenses for program 2.3	325,325	336,470	323,966	311,110	311,073

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Table 2.2.1: Budgeted Expenses for Outcome 2 (continued)

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Outcome 2:					
Program 2.4: Veterans' Community Care and Support					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	3,504	3,304	3,509	3,561	3,626
Special Appropriations	1,210,357	1,212,246	1,137,975	1,128,582	1,051,718
Administered total	1,213,861	1,215,550	1,141,484	1,132,143	1,055,344
Departmental Expenses					
Departmental appropriation ^a	19,917	19,971	20,136	15,030	14,979
Expenses not requiring appropriation in the Budget year ^b	1,334	1,254	1,450	1,333	1,228
Departmental total	21,251	21,225	21,586	16,363	16,207
Total expenses for program 2.4	1,235,112	1,236,775	1,163,070	1,148,506	1,071,551
Program 2.5: Veterans' Counselling and Other Health Services					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	8,541	7,467	7,955	8,785	6,667
Other services (Appropriation Bill No. 2 & 4)	-	4,000	2,700	-	-
Special Appropriations	606,421	683,173	675,148	686,748	709,722
Administered total	614,962	694,640	685,803	695,533	716,389
Departmental Expenses					
Departmental appropriation ^a	39,932	40,018	40,349	30,118	30,015
Expenses not requiring appropriation in the Budget year ^b	2,674	2,512	2,905	2,671	2,461
Departmental total	42,606	42,530	43,254	32,789	32,476
Total expenses for program 2.5	657,568	737,170	729,057	728,322	748,865
Program 2.6: Military Rehabilitation and Compensation Acts - Health and Other Care Services					
Administered Expenses					
Special Appropriations	174,768	154,443	152,608	150,400	152,964
Administered total	174,768	154,443	152,608	150,400	152,964
Departmental Expenses					
Departmental appropriation ^a	22,700	22,737	22,926	17,112	17,054
Expenses not requiring appropriation in the Budget year ^b	1,520	1,427	1,651	1,517	1,398
Departmental total	24,220	24,164	24,577	18,629	18,452
Total expenses for program 2.6	198,988	178,607	177,185	169,029	171,416

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Table 2.2.1: Budgeted Expenses for Outcome 2 (continued)

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Outcome 2:					
Program 2.7: Adjustment to the Military Rehabilitation and Compensation Acts Liability Provision - Health and Other Care Services					
Administered Expenses					
Expenses not requiring appropriation in the Budget year	838,300	276,800	262,300	270,300	279,400
Administered total	838,300	276,800	262,300	270,300	279,400
Total expenses for program 2.7	838,300	276,800	262,300	270,300	279,400
Outcome 2 Totals by appropriation type					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	12,045	10,771	11,464	12,346	10,293
Special Appropriations	4,461,158	4,503,905	4,331,706	4,245,181	4,182,260
Expenses not requiring appropriation in the Budget year	838,300	276,800	262,300	270,300	279,400
Administered total	5,311,503	4,791,476	4,605,470	4,527,827	4,471,953
Departmental Expenses					
Departmental appropriation ^a	104,326	104,517	105,381	78,659	78,392
Expenses not requiring appropriation in the Budget year ^b	6,987	6,561	7,589	6,975	6,426
Departmental total	111,313	111,078	112,970	85,634	84,818
Total expenses for Outcome 2	5,422,816	4,902,554	4,718,440	4,613,461	4,556,771

	2017-18	2018-19
Average Staffing Level (number)	587	551

- a) Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1 & 3)' and 'Retained Revenue Receipts (s74)'.
- b) Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense, Audit Fees and Australian Tax Office data matching services.

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

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

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
LMO consultations	142,499	143,918	139,369	135,030	136,762
Specialist consultations	131,500	134,371	132,043	129,769	131,064
Medical services	415,194	406,560	392,846	381,458	374,016
Dental	84,238	78,819	75,427	73,614	74,671
Program support	10,714	10,725	10,813	8,071	8,044
Expenses not requiring appropriation in the Budget year	718	673	779	716	659
Total program expenses	784,863	775,066	751,277	728,658	725,216

Program 2.2: Veterans' Hospital Services

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Public hospitals	584,729	593,066	573,283	549,442	559,031
Private hospitals	783,067	758,355	726,625	695,500	677,569
Nursing homes (POW)	7,500	6,915	6,922	6,943	7,053
Program support	6,901	6,897	6,954	5,191	5,173
Expenses not requiring appropriation in the Budget year	462	433	501	460	424
Total program expenses	1,382,659	1,365,666	1,314,285	1,257,536	1,249,250

Program 2.3: Veterans' Pharmaceuticals Benefits

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Pharmaceutical services	320,884	332,039	319,460	307,695	307,690
Program support	4,162	4,169	4,203	3,137	3,127
Expenses not requiring appropriation in the Budget year	279	262	303	278	256
Total program expenses	325,325	336,470	323,966	311,110	311,073

Program 2.4: Veterans' Community Care and Support

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1 & 3)					
Grants-In-Aid	137	145	145	145	145
Community Care Grants	630	637	714	729	741
Joint Venture Grants	1,086	1,125	1,221	1,247	1,267
JV Day Clubs	439	394	427	437	444
Supporting Younger Veterans Grants Program	1,213	1,003	1,002	1,003	1,029
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Residential care	984,753	961,644	883,876	870,919	789,059
Community nursing	116,178	134,800	136,610	138,558	141,649
Veterans' Home Care	98,187	100,369	102,049	103,378	105,032
In-home respite	10,345	14,009	13,995	14,232	14,460
Carer and volunteer support	894	1,419	1,440	1,490	1,513
<i>Public Governance, Performance and Accountability Act 2013 (PGPA)</i>					
Section 77 Repayments	-	5	5	5	5
Program support	19,917	19,971	20,136	15,030	14,979
Expenses not requiring appropriation in the Budget year	1,334	1,254	1,450	1,333	1,228
Total program expenses	1,235,112	1,236,775	1,163,070	1,148,506	1,071,551

Program 2.5: Veterans' Counselling and Other Health Services

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Annual Administered Expenses:					
Ordinary annual services (Appropriation Bill No. 1 & 3)					
Counselling support & children's assistance	5,135	4,031	4,398	3,664	2,195
Compensation and legal expenses	4	57	61	63	64
Veterans' Vocational Rehabilitation Scheme	740	783	704	2,204	1,508
Health & medical research	2,302	2,596	2,792	2,854	2,900
Other services (Appropriation Bill No.2 & 4)					
Specific purpose payment - Concord Hospital/Fussell House	-	4,000	2,700	-	-
Special Appropriations:					
<i>Veterans' Entitlements Act 1986 (VEA)</i>					
Travel for treatment	152,593	154,000	161,700	169,785	178,457
Subsistence	7,274	6,621	6,776	7,130	7,308
Veterans and veterans' families counselling services	38,064	51,348	52,678	54,107	55,604
Non-institutional care - services	198,355	193,233	179,208	187,047	195,415
Non-institutional care - products	54,482	49,368	47,785	47,057	47,592
Rehabilitation appliances	140,794	175,919	178,734	177,521	180,538
Health treatment for BCAL veterans	7,941	7,921	8,072	8,518	8,656
<i>Australian Participants in British Nuclear Tests (Treatment) Act 2006</i>					
Nuclear test health care payments	7,278	44,763	40,195	35,583	36,152
Program support	39,932	40,018	40,349	30,118	30,015
Expenses not requiring appropriation in the Budget year	2,674	2,512	2,905	2,671	2,461
Total program expenses	657,568	737,170	729,057	728,322	748,865

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

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Special Appropriations:					
<i>Safety, Rehabilitation and Compensation(Defence-related Claims) Act 1988</i>					
Medical services	26,867	25,100	25,400	25,850	26,264
Rehabilitation services	7,933	7,713	7,347	7,094	7,212
Other services	8,977	8,417	8,072	7,949	8,076
<i>Military Rehabilitation and Compensation Act 2004</i>					
Medical services	100,030	85,600	81,700	80,358	81,643
Rehabilitation services	26,886	23,488	25,799	24,619	25,069
Other services	4,075	4,125	4,290	4,530	4,700
Program support	22,700	22,737	22,926	17,112	17,054
Expenses not requiring appropriation in the Budget year	1,520	1,427	1,651	1,517	1,398
Total program expenses	198,988	178,607	177,185	169,029	171,416

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

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Administered Expenses					
Expenses not requiring appropriation in the Budget year	838,300	276,800	262,300	270,300	279,400
Total program expenses	838,300	276,800	262,300	270,300	279,400

OUTCOME 3

Outcome 3 Strategy

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

Table 2.3.1: Budgeted Expenses for Outcome 3

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Program 3.1: War Graves					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	23,641	21,693	19,109	19,875	20,372
Special Accounts	60	72	72	72	72
Administered total	23,701	21,765	19,181	19,947	20,444
Departmental Expenses					
Departmental appropriation ^a	28,939	11,845	9,210	8,885	8,937
Expenses not requiring appropriation in the Budget year ^b	1,938	805	835	782	719
Departmental total	30,877	12,650	10,045	9,667	9,656
Total expenses for program 3.1	54,578	34,415	29,226	29,614	30,100
Program 3.2: Commemorative Activities					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	21,460	27,156	11,033	11,364	11,562
Special Accounts	14,350	6,380	926	-	-
Administered total	35,810	33,536	11,959	11,364	11,562
Departmental Expenses					
Departmental appropriation ^a	1,897	18,809	14,625	14,109	14,192
Expenses not requiring appropriation in the Budget year ^b	127	1,278	1,325	1,241	1,141
Departmental total	2,024	20,087	15,950	15,350	15,333
Total expenses for program 3.2	37,834	53,623	27,909	26,714	26,895

Continued on next page

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

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Outcome 3 Totals by appropriation type					
Administered Expenses					
Ordinary annual services (Appropriation Bill No. 1 & 3)	45,101	48,849	30,142	31,239	31,934
Special Accounts	14,410	6,452	998	72	72
Administered total	59,511	55,301	31,140	31,311	32,006
Departmental Expenses					
Departmental appropriation ^a	30,836	30,654	23,835	22,994	23,129
Expenses not requiring appropriation in the Budget year ^b	2,065	2,083	2,160	2,023	1,860
Departmental total	32,901	32,737	25,995	25,017	24,989
Total expenses for Outcome 3	92,412	88,038	57,135	56,328	56,995
Movement of administered funds between years^c					
	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Outcome 3					
Program 3.1 War Graves	(3,253)	3,253	-	-	-
Program 3.2 Commemorative Activities	(4,291)	4,291	-	-	-
Total movement of administered funds	(7,544)	7,544	-	-	-
Average Staffing Level (number)					
	2017-18 87	2018-19 82			

a) Departmental Appropriation combines 'Ordinary annual services (Appropriation Bills No. 1 & 3)' and 'Retained Revenue Receipts (s74)'.

b) Expenses not requiring appropriation in the Budget year are made up of Depreciation Expense, Amortisation Expense, Audit Fees and Australian Tax Office data matching services.

c) Figures displayed as negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

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

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

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1 & 3)					
War graves care & maintenance	22,509	20,659	17,968	18,688	19,155
OAWG refurbishment, reconstruction & relocation	1,132	1,029	1,136	1,182	1,212
Compensation and legal expenses	-	5	5	5	5
Special Account Expenses:					
Services for Other Entities and Trust Moneys Special Account	60	72	72	72	72
Program support	28,939	11,845	9,210	8,885	8,937
Expenses not requiring appropriation in the Budget year	1,938	805	835	782	719
Total program expenses	54,578	34,415	29,226	29,614	30,100

Program 3.2: Commemorative Activities

	2017-18 Actual expenses \$'000	2018-19 Revised budget \$'000	2019-20 Forward year 1 \$'000	2020-21 Forward year 2 \$'000	2021-22 Forward year 3 \$'000
Annual administered expenses:					
Ordinary annual services (Appropriation Bill No. 1 & 3)					
Veterans' commemorative activities	24,545	27,156	11,033	11,364	11,562
Special Account Expenses:					
Anzac Centenary Public Fund	14,350	6,380	926	-	-
Program support	1,897	18,809	14,625	14,109	14,192
Expenses not requiring appropriation in the Budget year	127	1,278	1,325	1,241	1,141
Total program expenses	37,834	53,623	27,909	26,714	26,895

Section 3: Special Account Flows and Budgeted Financial Statements

3.1 SPECIAL ACCOUNT FLOWS

Estimates of Special Account Flows

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

Table 3.1: Estimates of Special Account Flows and Balances

		Opening balance 2018-19 2017-18 \$'000	Receipts 2018-19 2017-18 \$'000	Payments 2018-19 2017-18 \$'000	Closing balance 2018-19 2017-18 \$'000
	Outcome				
Military Death Claim	1	112	705	790	27
Compensation Special Account (A)		79	1,761	1,728	112
Defence Service Homes	1	3,198	37,920	37,920	3,198
Insurance Account (D)		2,642	74,051	73,495	3,198
Anzac Centenary Public Fund		16,353	5,690	6,380	15,663
Special Account (A)	3	20,866	9,837	14,350	16,353
Services for Other Entities and Trust Moneys Special Account (A)	3	197	73	72	198
		170	87	60	197
Total Special Accounts					
2018-19 Budget estimate		19,860	44,388	45,162	19,086
<i>Total Special Accounts</i>					
<i>2017-18 actual</i>		23,757	85,736	89,633	19,860

(A) = Administered
(D) = Departmental

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

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

Departmental (DVA excluding DSHIS)

Budgeted Departmental Income Statement

The Department is budgeting for a breakeven operating result in 2018-19.

Budgeted Departmental Balance Sheet

The Department's net asset (equity) position for the 2018-19 financial year is projected to be \$55.3 million, which is an increase of \$15.2 million from the estimated Budget figure of \$40.1 million. This change in equity is mainly due to approved movement of funds for \$13.0 million capital funding.

3.2.2 Budgeted Financial Statements

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

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2017-18	2018-19	2019-20	2020-21	2021-22
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSE					
Employee benefits	198,771	170,661	165,778	165,369	165,297
Supplier expenses	185,910	218,607	130,481	126,039	123,825
Depreciation and amortisation	23,865	27,584	25,677	23,376	20,417
Insurance claims	27,739	31,499	33,524	33,075	34,704
Other expenses	869	-	-	-	-
Total expenses	437,154	448,351	355,460	347,859	344,243
LESS:					
OWN-SOURCE INCOME					
Revenue					
Net premium revenue	36,125	37,029	38,522	37,660	38,593
Rendering of services	6,866	6,310	6,342	6,458	6,582
Resources received free of charge	728	727	727	727	727
Other revenue	4,409	4,550	4,700	4,800	4,900
Total revenue	48,128	48,616	50,291	49,645	50,802
Total own-source income	48,128	48,616	50,291	49,645	50,802
Net cost of services	389,026	399,735	305,169	298,214	293,441
Revenue from Government	368,346	374,778	281,715	276,625	274,020
Surplus (Deficit) before income tax	(20,680)	(24,957)	(23,454)	(21,589)	(19,421)

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

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2017-18	2018-19	2019-20	2020-21	2021-22
	\$'000	\$'000	\$'000	\$'000	\$'000
Income tax expense	372	-	-	-	-
Surplus (Deficit) after income tax	(21,052)	(24,957)	(23,454)	(21,589)	(19,421)
OTHER COMPREHENSIVE INCOME					
Changes in assets revaluation reserve	654	-	-	-	-
Total other comprehensive income	(20,398)	-	-	-	-
Total comprehensive income/ (loss) attributable to the Australian Government	(20,398)	(24,959)	(23,454)	(21,591)	(19,421)
Note: Reconciliation of operating result attributable to the agency					
	2017-18	2018-19	2019-20	2020-21	2021-22
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	(20,398)	(24,959)	(23,454)	(21,591)	(19,421)
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	23,865	27,584	25,677	23,376	20,417
Total Comprehensive Income (loss) Attributable to the agency	3,467	2,625	2,223	1,785	996

Prepared on Australian Accounting Standards basis

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

	Actual 2017-18 \$'000	Revised budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
ASSETS					
Financial assets					
Cash and equivalents	7,974	7,154	7,042	6,951	6,792
Trade and other receivables	21,291	21,256	21,337	21,488	21,655
Appropriation receivables	69,975	60,565	58,801	57,589	56,756
Investments	64,297	66,849	68,997	70,709	71,700
Total financial assets	163,537	155,824	156,177	156,737	156,903
Non-financial assets					
Land and buildings	19,694	27,231	34,375	33,751	30,769
Infrastructure, plant and equipment	588	771	1,501	2,155	2,809
Intangibles	78,217	83,843	64,542	54,975	50,893
Other non-financial assets	5,356	5,402	5,448	5,495	5,544
Assets held for sale	1,350	-	-	-	-
Total non-financial assets	105,205	117,247	105,866	96,376	90,015
Total assets	268,742	273,071	262,043	253,113	246,918
LIABILITIES					
Payables					
Supplier payables	73,555	70,694	68,785	67,715	66,652
Other payables	32,850	33,403	34,882	35,718	36,391
Total payables	106,405	104,097	103,667	103,433	103,043
Provisions					
Employee provisions	63,192	56,371	55,655	55,384	55,598
Other provisions	16,444	15,278	14,603	13,928	13,323
Total provisions	79,636	71,649	70,258	69,312	68,921
Total liabilities	186,041	175,746	173,925	172,745	171,964
Net assets	82,701	97,325	88,118	80,368	74,954
Equity*					
Contributed equity	276,853	317,784	332,033	345,868	359,875
Asset revaluation reserve	9,634	9,634	9,634	9,634	9,634
Retained surplus (accumulated deficit)	(203,786)	(230,093)	(253,549)	(275,134)	(294,555)
Total equity	82,701	97,325	88,118	80,368	74,954

Prepared on Australian Accounting Standards basis

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

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

	Actual 2017-18 \$'000	Revised budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	346,756	391,850	291,387	286,000	283,287
Sale of goods and services	50,197	51,672	53,583	52,870	54,008
Net GST received	11,505	7,954	7,534	7,590	7,646
Other	6,403	4,785	4,700	4,800	4,901
Total cash received	414,861	456,261	357,204	351,260	349,842
Cash used					
Employees	199,927	178,022	167,028	165,588	165,541
Suppliers	141,420	220,787	131,709	126,429	124,210
Net GST paid	14,177	7,734	7,534	7,593	7,647
Other	46,239	49,876	49,437	50,569	52,152
Total cash used	401,763	456,419	355,708	350,179	349,550
Net cash from or (used by) operating activities	13,098	(158)	1,496	1,081	292
INVESTING ACTIVITIES					
Cash received					
Investments	24,364	-	-	-	-
Proceeds from sales of property, plant and equipment	-	1,350	-	-	-
Proceeds from sales of financial Investments realised	-	6,000	6,000	6,000	6,000
Total cash received	24,364	7,350	6,000	6,000	6,000
Cash used					
Purchase of property, plant and equipment, and intangibles	35,569	40,930	14,249	13,835	14,007
Purchase of investments	26,492	8,552	8,148	7,712	6,991
Total cash used	62,061	49,482	22,397	21,547	20,998
Net cash from or (used by) investing activities	(37,697)	(42,132)	(16,397)	(15,547)	(14,998)
FINANCING ACTIVITIES					
Cash received					
Equity Injections	26,160	40,930	14,249	13,835	14,007
Total cash received	26,160	40,930	14,249	13,835	14,007
Net cash from or (used by) financing activities	26,160	40,930	14,249	13,835	14,007
Net increase or (decrease) in cash held	1,561	(1,360)	(652)	(631)	(699)
Cash and cash equivalents at the beginning of the reporting period	6,413	7,974	6,614	5,962	5,331
Cash and cash equivalents at the end of the reporting period	7,974	6,614	5,962	5,331	4,632

Prepared on Australian Accounting Standards basis

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

	Actual	Revised	Forward	Forward	Forward
	2017-18	budget	estimate	estimate	estimate
	2017-18	2018-19	2019-20	2020-21	2021-22
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSE					
Employee benefits	195,360	167,161	162,178	161,669	161,497
Supplier expenses	183,498	215,963	128,034	123,697	121,527
Depreciation and amortisation	23,790	27,509	25,602	23,301	20,412
Other expenses	869	-	-	-	-
impairment of assets	1	-	-	-	-
Losses from sale of assets	869	-	-	-	-
Other goods and services	-	-	-	-	-
Total expenses	403,517	410,633	315,814	308,667	303,436
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Rendering of services	8,333	7,796	7,947	8,191	8,454
Resources received free of charge	670	670	670	670	670
Total own-source revenue	9,003	8,466	8,617	8,861	9,124
Total own-source income	9,003	8,466	8,617	8,861	9,124
Net cost of (contribution by) services	394,514	402,167	307,197	299,806	294,312
Revenue from Government	368,226	374,658	281,595	276,505	273,900
Surplus (Deficit) before income tax	(26,288)	(27,509)	(25,602)	(23,301)	(20,412)

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

	Actual 2017-18 \$'000	Revised budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
Income tax expense (competitive neutrality)	372	-	-	-	-
Surplus (Deficit) after income tax	(26,660)	(27,509)	(25,602)	(23,301)	(20,412)
OTHER COMPREHENSIVE INCOME					
Changes in assets revaluation reserve	654	-	-	-	-
Total other comprehensive income	654	-	-	-	-
Total comprehensive income/ (loss) attributable to the Australian Government	(26,006)	(27,509)	(25,602)	(23,301)	(20,412)
Note: Reconciliation of operating result attributable to agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total Comprehensive Income (loss) Attributable to the Australian Government	(26,006)	(27,509)	(25,602)	(23,301)	(20,412)
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	23,790	27,509	25,602	23,301	20,412
Total Comprehensive Income (loss) Attributable to the agency	(2,216)	-	-	-	-

Prepared on Australian Accounting Standards basis

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

	Actual 2017-18 \$'000	Revised budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,776	4,654	4,542	4,451	4,292
Trade and other receivables	6,923	6,502	6,583	6,734	6,901
Appropriation receivables	69,975	60,565	58,801	57,589	56,756
Investments	-	-	-	-	-
Total financial assets	81,674	71,721	69,926	68,774	67,949
Non-financial assets					
Land and buildings	19,694	27,231	34,375	33,751	30,769
Infrastructure, plant and equipment	588	771	1,501	2,155	2,809
Intangibles	77,987	83,688	64,462	54,970	50,893
Other non-financial assets	5,258	5,302	5,348	5,395	5,444
Assets held for sale	1,350	-	-	-	-
Total non-financial assets	104,877	116,992	105,686	96,271	89,915
Total assets	186,551	188,713	175,612	165,045	157,864
LIABILITIES					
Payables					
Supplier payables	69,029	65,940	63,931	62,761	61,598
Other payables	9,403	9,403	10,382	10,718	10,891
Total payables	78,432	75,343	74,313	73,479	72,489
Provisions					
Employees provisions	63,192	56,371	55,661	55,982	56,278
Other provisions	1,734	1,734	1,728	1,136	1,054
Total provisions	64,926	58,105	57,389	57,118	57,332
Total liabilities	143,358	133,448	131,702	130,597	129,821
Net assets	43,193	55,265	43,910	34,448	28,043
Equity*					
Contributed equity	276,853	317,784	332,033	345,868	359,875
Asset revaluation reserve	9,634	9,634	9,634	9,634	9,634
Retained surplus (accumulated deficit)	(243,294)	(272,153)	(297,757)	(321,054)	(341,466)
Total equity	43,193	55,265	43,910	34,448	28,043

Prepared on Australian Accounting Standards basis

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

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

	Actual 2017-18 \$'000	Revised budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	346,636	391,730	291,267	285,880	283,167
Sale of goods and services	8,494	7,747	7,866	8,043	8,287
Net GST received	11,281	7,977	7,534	7,590	7,646
Other	-	227	-	-	1
Total cash received	366,411	407,681	306,667	301,513	299,101
Cash used					
Employees	196,516	173,982	162,888	161,348	161,201
Suppliers	138,602	218,426	129,419	124,244	122,069
Net GST paid	14,177	7,734	7,534	7,593	7,647
Other	6,702	9,011	6,938	8,419	8,343
Total cash used	355,997	409,153	306,779	301,604	299,260
Net cash from (used by) operating activities	10,414	(1,472)	(112)	(91)	(159)
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment, and intangibles	35,569	40,930	14,249	13,835	14,007
Total cash used	35,569	40,930	14,249	13,835	14,007
Net cash from (used by) investing activities	(35,569)	(39,580)	(14,249)	(13,835)	(14,007)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	26,160	40,930	14,249	13,835	14,007
Total cash received	26,160	40,930	14,249	13,835	14,007
Net cash from (used by) financing activities	26,160	40,930	14,249	13,835	14,007
Net increase (decrease) in cash held	1,005	(122)	(112)	(91)	(159)
Cash and cash equivalents at the beginning of the reporting period	3,771	4,776	4,654	4,542	4,451
Cash and cash equivalents at the end of the reporting period	4,776	4,654	4,542	4,451	4,292

Prepared on Australian Accounting Standards basis

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

	Actual 2017-18 \$'000	Revised budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
EXPENSES					
Employee benefits	4,043	3,500	3,600	3,700	3,800
Supplier expenses	3,252	4,130	4,052	4,075	4,170
Depreciation and amortisation	75	75	75	75	5
Insurance claims	27,734	31,499	33,524	33,075	34,704
Total expenses	35,104	39,204	41,251	40,925	42,679
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Net premium revenue	36,125	37,029	38,522	37,660	38,593
Resources received free of charge	58	57	57	57	57
Other revenue	4,409	4,550	4,700	4,800	4,900
Total own-source revenue	40,592	41,636	43,279	42,517	43,550
Total own-source income	40,592	41,636	43,279	42,517	43,550
Net contribution by services	(5,488)	(2,432)	(2,028)	(1,592)	(871)
Revenue from Government	120	120	120	120	120
Surplus (Deficit) after income tax	5,608	2,552	2,148	1,712	991
Total comprehensive income/ (loss) attributable to the Australian Government	5,608	2,552	2,148	1,712	991
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total Comprehensive Income/ (loss) Attributable to the Australian Government	5,608	2,552	2,148	1,712	991
Plus non-appropriated expenses:					
Depreciation and amortisation expenses	75	75	75	75	5
Total Comprehensive Income/ (loss) Attributable to the agency	5,683	2,627	2,223	1,787	996

Prepared on Australian Accounting Standards basis

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

	Actual	Revised budget	Forward estimate	Forward estimate	Forward estimate
	2017-18	2018-19	2019-20	2020-21	2021-22
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	3,198	2,500	2,500	2,500	2,500
Trade and other receivables	16,114	16,500	16,500	16,500	16,500
Investments	64,297	66,849	68,997	70,709	71,700
Total financial assets	83,609	85,849	87,997	89,709	90,700
Non-financial assets					
Intangibles	230	155	80	5	-
Other non-financial assets	98	100	100	100	100
Total non-financial assets	328	255	180	105	100
Total assets	83,937	86,104	88,177	89,814	90,800
LIABILITIES					
Payables					
Supplier payables	6,272	6,500	6,600	6,700	6,800
Other payables	23,447	24,000	24,500	25,000	25,500
Total payables	29,719	30,500	31,100	31,700	32,300
Provisions					
Other provisions	14,710	13,544	12,869	12,194	11,589
Total provisions	14,710	13,544	12,869	12,194	11,589
Total liabilities	44,429	44,044	43,969	43,894	43,889
Net assets	39,508	42,060	44,208	45,920	46,911
Equity*					
Contributed equity	-	-	-	-	-
Asset revaluation reserve	-	-	-	-	-
Retained surplus	39,508	42,060	44,208	45,920	46,911
Total equity	39,508	42,060	44,208	45,920	46,911

Prepared on Australian Accounting Standards basis

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

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

	Actual 2017-18 \$'000	Revised budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	120	120	120	120	120
Sales of goods and services	43,000	45,411	47,322	46,560	47,593
Other	6,627	4,535	4,700	4,800	4,900
Total cash received	49,747	50,066	52,142	51,480	52,613
Cash used					
Employees	3,411	4,040	4,140	4,240	4,340
Suppliers	4,113	3,847	3,895	3,918	4,013
Other	39,539	40,865	42,499	42,150	43,809
Total cash used	47,063	48,752	50,534	50,308	52,162
Net cash from (used by) operating activities	2,684	1,314	1,608	1,172	451
INVESTING ACTIVITIES					
Cash received					
Investments realised	24,364	6,000	6,000	6,000	6,000
Total cash received	24,364	6,000	6,000	6,000	6,000
Cash used					
Purchase of investments	26,492	8,552	8,148	7,712	6,991
Total cash used	26,492	8,552	8,148	7,712	6,991
Net cash from (used by) investing activities	(2,128)	(2,552)	(2,148)	(1,712)	(991)
Net increase (decrease) in cash held	556	(1,238)	(540)	(540)	(540)
Cash and cash equivalents at the beginning of the reporting period	2,642	3,198	1,960	1,420	880
Cash and cash equivalents at the end of the reporting period	3,198	1,960	1,420	880	340

Prepared on Australian Accounting Standards basis

Table 3.5: Departmental Statement of Changes in Equity – Summary of Movement (Budget Year 2018-19)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018	(203,786)	9,634	276,853	82,701
Comprehensive income				
Comprehensive income attributable to the Australian Government	(24,957)	-	-	(24,957)
Total comprehensive income attributable to the Australian Government	(24,957)	-	-	(24,957)
Transactions with owners				
Distribution to owners:				
Contribution by owners:				
Appropriation (equity injection)	-	-	16,080	16,080
Departmental Capital Budget (DCBs)	-	-	24,850	24,850
Other	(1,350)	-	1	(1,349)
Sub-total transactions with owners	(1,350)	-	40,931	39,581
Estimated closing balance as at 30 June 2019	(230,093)	9,634	317,784	97,325

Prepared on Australian Accounting Standards

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

	Actual	Revised	Forward	Forward	Forward
	2017-18	budget	estimate	estimate	estimate
	\$'000	2018-19	2019-20	2020-21	2021-22
		\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 and Bill 3 (Departmental Capital Budget)	13,634	24,850	13,642	13,734	13,814
Equity injections - Bill 2 and Bill 4	12,526	16,080	607	101	193
Total capital appropriations	26,160	40,930	14,249	13,835	14,007
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	26,160	40,930	14,249	13,835	14,007
Total items	26,160	40,930	14,249	13,835	14,007
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^a	19,347	13,360	296	101	193
Funded by capital appropriations - Departmental Capital Budget ^b	23,822	26,674	13,953	13,734	13,814
Funded internally from Departmental resources	-	896	-	-	-
TOTAL	43,169	40,930	14,249	13,835	14,007
RECONCILIATION OF CASH					
USED TO ACQUIRE ASSETS					
TO ASSET MOVEMENT TABLE					
Total purchases	35,868	40,930	14,249	13,835	14,007
less additions by finance lease	-	-	-	-	-
less additions by creditors / borrowings	-	-	-	-	-
plus borrowing / finance costs	-	-	-	-	-
plus Annual finance lease costs	-	-	-	-	-
less Gifted assets	-	-	-	-	-
less s32 / restructuring	-	-	-	-	-
Total cash used to					
acquire assets	35,868	40,930	14,249	13,835	14,007

Prepared on Australian Accounting Standards basis

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

Table 3.7: Statement of Asset Movements (2018-19 Budget year)

	Land	Buildings	Other infrastructure, plant and equipment	Intangibles	L&B IP&E held for sale	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018						
Gross book value	-	20,283	3,561	229,346	1,350	254,540
Accumulated depreciation/ amortisation and impairment	-	(589)	(2,973)	(151,129)	-	(154,691)
Opening net book balance	-	19,694	588	78,217	1,350	99,849
CAPITAL ASSET ADDITIONS						
Estimated expenditure on new or replacement assets						
By purchase or internally developed:						
Appropriation ordinary annual services ^b	-	13,082	519	27,329	-	40,930
Total additions	-	13,082	519	27,329	-	40,930
Other movements						
Depreciation/amortisation expense	-	(5,546)	(336)	(21,702)	-	(27,584)
Disposals ^c	-	-	-	-	(1,350)	(1,350)
Total depreciation/amortisation	-	(5,546)	(336)	(21,702)	(1,350)	(28,934)
As at 30 June 2019						
Gross book value	-	33,366	4,080	256,674	-	294,120
Accumulated depreciation/ amortisation and impairment	-	(6,135)	(3,309)	(172,831)	-	(182,275)
Closing net book balance	-	27,231	771	83,843	-	111,845

Prepared on Australian Accounting Standards basis

- "Appropriation equity" refers to equity injections provided through Appropriation Bills (No. 2 & 4) 2018-19.
- "Appropriation ordinary annual services" refers to funding provided through Appropriation Bills (No. 1 & 3) 2018-19 for depreciation / amortisation expenses, DCBs or other operational expenses.
- Net proceeds may be returned to the OPA.

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

	Actual 2017-18 \$'000	Revised Budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Employee Benefits	8,071	9,407	9,651	9,912	10,187
Grants	14,403	16,649	12,348	8,803	8,946
Personal benefits	7,401,449	6,310,438	6,103,661	6,051,260	6,102,533
Health Care Payments	5,294,561	4,750,843	4,587,494	4,511,955	4,449,214
Payments to corporate entities	53,040	50,904	46,406	43,109	44,131
Other	44,934	120,865	78,648	79,251	88,339
Total expenses administered on behalf of government	12,816,458	11,259,106	10,838,208	10,704,290	10,703,350
LESS:					
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation revenue					
Other revenue	19,298	20,981	20,981	21,007	21,078
Total non-taxation revenue	19,298	20,981	20,981	21,007	21,078
Total revenues administered on behalf of government	19,298	20,981	20,981	21,007	21,078
Net Cost of (contribution by) services	12,797,160	11,238,125	10,817,227	10,683,283	10,682,272
Surplus (Deficit)	(12,797,160)	(11,238,125)	(10,817,227)	(10,683,283)	(10,682,272)

Prepared on Australian Accounting Standards basis

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

	Actual 2017-18 \$'000	Revised Budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	57,101	58,101	58,101	58,101	58,101
Other receivables	63,142	65,142	65,142	65,142	65,142
Other investments	1,463,316	1,474,245	1,509,498	1,553,580	1,592,603
Total financial assets	1,583,559	1,597,488	1,633,094	1,678,668	1,721,232
Non-financial assets					
Other	69,861	69,861	69,861	69,861	69,861
Total non-financial assets	69,861	69,861	69,861	69,861	69,861
Total assets administered on behalf of government	1,653,420	1,667,349	1,702,955	1,748,529	1,791,093
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Personal benefits payables	163,301	150,345	159,048	(24,086)	(12,274)
Grants payables	-	16	32	32	32
Health and other payables	81,487	81,487	81,487	81,487	81,487
Provisions					
Employee provisions	2,074	2,074	2,074	2,074	2,074
Personal benefits provisions	8,558,800	8,721,900	9,078,600	9,447,300	9,824,800
Health and other provisions	4,896,172	5,179,050	5,444,697	5,719,765	6,004,404
Total provisions and payables	13,701,834	14,134,872	14,765,938	15,226,572	15,900,523
Total liabilities administered on behalf of the government	13,701,834	14,134,872	14,765,938	15,226,572	15,900,523

Prepared on Australian Accounting Standards basis

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

	Actual 2017-18 \$'000	Revised budget 2018-19 \$'000	Forward estimate 2019-20 \$'000	Forward estimate 2020-21 \$'000	Forward estimate 2021-22 \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	51,000	48,000	48,000	48,000	48,000
Other	26,000	20,981	20,981	20,981	20,981
Total cash received	77,000	68,981	68,981	68,981	68,981
Cash used					
Personal benefits	5,934,000	6,159,794	5,738,258	5,865,694	5,713,221
Health Payments	4,528,000	4,542,343	4,370,194	4,284,655	4,221,914
Other	90,127	55,894	39,952	41,395	41,187
Grant payments	14,403	16,633	12,332	8,803	8,946
Net GST paid	-	48,000	48,000	48,000	48,000
Payments to Corporate Entities	53,040	50,904	46,406	43,109	44,131
Total cash used	10,619,570	10,873,568	10,255,142	10,291,656	10,077,399
Net cash from (used by) operating activities	(10,542,570)	(10,804,587)	(10,186,161)	(10,222,675)	(10,008,418)
INVESTING ACTIVITIES					
Cash used					
Payments to Corporate Entities	8,980	11,429	35,253	44,082	39,023
Total cash used	8,980	11,429	35,253	44,082	39,023
Net cash from (used) by investing activities	(8,980)	(11,429)	(35,606)	(45,548)	(42,467)
Net increase/decrease in cash held	(10,551,550)	(10,816,016)	(10,221,414)	(10,266,757)	(10,047,441)
Cash and cash equivalents at beginning of reporting period	77,960	58,101	58,101	58,101	58,101
Cash from Official Public Account	10,734,076	10,826,769	10,232,520	10,278,976	10,061,638
Cash to Official Public Account	(202,865)	(10,753)	(10,753)	(10,753)	(10,753)
Cash and cash equivalents at end of reporting period	57,621	58,101	58,101	58,101	58,101

Prepared on Australian Accounting Standards basis

Table 3.11: Statement of Administered Asset Movements (2018-19 Budget year)

	Land	Buildings	Other infrastructure, plant and equipment	Intangibles - Computer Software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	-	69,861	-	-	69,861
Opening net book balance	-	69,861	-	-	69,861
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase or internally developed:					
Appropriation equity ^a	-	-	-	-	-
Appropriation ordinary annual services ^b	-	-	-	-	-
Total additions	-	-	-	-	-
Other movements					
As at 30 June 2019					
Gross book value	-	69,861	-	-	69,861
Closing net book balance	-	69,861	-	-	69,861

Prepared on Australian Accounting Standards basis

- a) "Appropriation equity" refers to equity injections provided through Appropriation Bills (No.2 & 4) 2018-19.
- b) "Appropriation ordinary annual services" refers to funding provided through Appropriation Bills (No. 1 & 3) 2018-19 for DCBs or other operational expenses.

GLOSSARY

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

Glossary

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

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

Glossary

Special Account

Special Accounts allow money in the Consolidated Revenue Fund (CRF) to be acknowledged as set-aside (hypothecated) for a particular purpose. Amounts credited to a Special Account may only be spent for the purposes of the Special Account. Special Accounts can only be established by a written determination of the Finance Minister (section 78 of the *Public Governance, Performance and Accountability (PGPA) Act 2013*) or through an Act of Parliament (section 80 of the *PGPA Act 2013*).

Special Appropriations (including Standing Appropriations)

An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations, the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year.

Standing appropriations are a subcategory consisting of ongoing special appropriations — the amount appropriated will depend on circumstances specified in the legislation.