

Department of the Treasury

Entity resources and planned performance

DEPARTMENT OF THE TREASURY

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DEPARTMENT OF THE TREASURY

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Department of the Treasury (the Treasury) provides policy advice and assists Treasury Ministers in the administration of their responsibilities and the administration of government decisions across a range of policy and programme areas.

The Treasury provides macroeconomic policy advice based on careful monitoring and analysis of economic conditions and prospects both in Australia and overseas, including assessment of key risks to the outlook as discussed in detail in Budget Paper No. 1, *Budget Strategy and Outlook 2015-16*.

The Treasury will continue to support the Government's fiscal strategy through advice on effective Government spending, taxation and retirement income arrangements, as well as debt management policy.

The Treasury will continue to advise the Government on infrastructure, industry, regional, agriculture, environment, defence and national security issues, and social policy including income support, disability support, education, health, aged care, skills, employment, labour market, social services, Indigenous and immigration matters. The Treasury will also advise on federal financial relations arrangements, including working with state and territory Governments.

In 2015-16, the Treasury will assist the Government to implement its tax agenda. This will involve consulting with stakeholders, analysing the regulatory impact as well as the economic and social effects of taxation policy proposals, and providing revenue forecasts and costings of taxation policies. The Treasury will also instruct parliamentary counsel on the design of taxation laws and support the passage of legislation through Parliament.

The Treasury will continue to support the Government in its preparation of a tax White Paper. The Government's objective is to achieve a better tax system that delivers taxes that are lower, simpler and fairer. The Treasury will assist the Government in preparing an options (green) paper in the second half of 2015, and a white paper prior to the next election, as well as stakeholder engagement and communications activities.

The Treasury will advise the Government on its response to the Competition Policy Review and assist with the implementation. Advice will also be provided on policy affecting small businesses and on Australia's corporation, competition and consumer law frameworks. The Treasury will also contribute to the forthcoming review of the Australian Consumer Law through its involvement in Consumer Affairs Australia New Zealand.

The Treasury will continue to implement the Government's deregulation agenda and will manage the portfolio's contribution to the Government's red tape reduction target by focusing on eliminating inefficient or unnecessary regulation that imposes unwarranted burdens on business, individuals and the community.

The Treasury will continue to monitor international developments and prudential frameworks applying to banks, insurers and superannuation funds. Advice will be provided on appropriate regulatory frameworks for securities markets, financial advice, disclosure requirements, corporate governance and funds management arrangements. The Treasury will assist the Government in implementing its response to the Financial System Inquiry.

The Treasury will work with the Government and the Foreign Investment Review Board to maintain the right balance between protecting Australia's national interest and ensuring that Australia remains an attractive destination for foreign capital. In particular, the Treasury will assist the Government to implement the improvements to the foreign investment framework announced on 2 May 2015.

Following on from Australia's 2014 G20 Presidency, the Treasury will continue its involvement with the G20 Finance Ministers' and Central Bank Governors' meetings as a member of the G20 Troika (past, current and future Presidencies). This will allow the Treasury to continue to help shape the international economic agenda, as well as influencing the implementation of key G20 initiatives.

A key outcome of Australia's 2014 G20 Presidency was the establishment of the Global Infrastructure Hub, designed to drive progress on the G20 infrastructure agenda and to move engagement with the private sector beyond business as usual. The Hub will work to address data gaps, lower barriers to investment, increase the availability of investment-ready projects, help match potential investors with projects and improve policy delivery.

The Hub is a not for profit company limited by guarantee with the Secretary to the Treasury as the Chair of the Board and strong links to the G20. Supporting the Hub in its inaugural year will be an important area of strategic focus for the department over the coming year. The Hub is headquartered in Sydney.

The Treasury supports ongoing reform of international financial institutions (IFIs) and close engagement with regional financial forums. The Treasury will continue its bilateral cooperation with a number of strategically important regional partners in the Indo-Pacific region.

The Treasury will also continue with its ongoing programme of organisational reform through its response to the Australian Public Service Commission Capability Review.

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A key organisational focus over the coming year is to continue the establishment of a Treasury office in Sydney. The Sydney office will help the Treasury to supplement the current skills of the department.

1.2 ENTITY RESOURCE STATEMENT

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

Table 1.1: Department of the Treasury resource statement — Budget estimates for 2015-16 as at Budget May 2015

	<i>Actual Available Appropriation 2014-15 \$'000</i>	Estimate of prior year amounts available in 2015-16 \$'000	Proposed at 2015-16 Budget \$'000	Total 2015-16 estimate \$'000
Ordinary annual services (a)				
Departmental appropriation				
Prior year appropriations (b)	-	62,240	-	62,240
Departmental appropriation (c)	178,140	-	164,653	164,653
s74 Retained revenue receipts (d)	10,117	-	10,521	10,521
Total	188,257	62,240	175,174	237,414
Administered expenses				
Outcome 1	50,368	-	36,724	36,724
Total	50,368	-	36,724	36,724
Total ordinary annual services [A]	238,625	62,240	211,898	274,138
Other services (e)				
Departmental non-operating				
Equity injections	-	-	1,700	1,700
Total	-	-	1,700	1,700
Total other services [B]	-	-	1,700	1,700
Total available annual appropriations [A+B]	238,625	62,240	213,598	275,838

Table 1.1: Department of the Treasury resource statement — Budget estimates for 2015-16 as at Budget May 2015 (continued)

	<i>Actual Available Appropriation 2014-15 \$'000</i>	<i>Estimate of prior year amounts available in 2015-16 \$'000</i>	<i>Proposed at 2015-16 Budget \$'000</i>	<i>Total 2015-16 estimate \$'000</i>
Special appropriations				
<i>Asian Development Bank (Additional Subscription) Act 2009</i>	16,979	-	28,030	28,030
<i>Federal Financial Relations Act 2009</i>	73,248,732	-	77,033,023	77,033,023
<i>International Monetary Agreements Act 1947</i>	135,910	-	1,994,862	1,994,862
<i>PGPA Act 2013 - s77 repayments</i>	3,874	-	1,000	1,000
Total special appropriations [C]	73,405,495	-	79,056,915	79,056,915
Total appropriations excluding special accounts	73,644,120	62,240	79,270,513	79,332,753
Special accounts				
Opening balance (f)	870,846	2,921,446	-	2,921,446
Appropriation receipts	2,000,000	-	-	-
Non-appropriation receipts to Special Accounts	12,267,561	-	13,033,492	13,033,492
Total special accounts [D]	15,138,407	2,921,446	13,033,492	15,954,938
Total resourcing [A+B+C+D]	88,782,527	2,983,686	92,304,005	95,287,691
Less appropriations drawn from annual or special appropriations above and credited to special accounts	2,000,000	-	-	-
Total net resourcing for the Treasury	86,782,527	2,983,686	92,304,005	95,287,691

(a) Appropriation Bill (No.1) 2015-16.

(b) Estimated adjusted balance carried forward from previous year.

(c) Includes an amount of \$5.4 million in 2015-16 for the Departmental Capital Budget (refer to Table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

(d) Estimated Retained revenue receipts under section 74 of the PGPA Act.

(e) Appropriation Bill (No.2) 2015-16.

(f) Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for other Government and Non-agency Bodies accounts (SOG), or Services for Other Entities and Trust Monies accounts (SOETM)). For further information on special accounts see Table 3.1.2.

Reader note: All figures are GST exclusive.

Third Party Payments from and on behalf of other entities

	2014-15 \$'000	2015-16 \$'000
Payments made on behalf of other entities		
Finance	-	68,182
Health	650,154	239,678
Infrastructure and Regional Development	255,680	179,920
Social Services	135,220	107,716

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the Treasury are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Entity 2015-16 Budget measures

Part1: Measures announced since the 2014-15 MYEFO

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Revenue measures						
Administered revenue						
Developing Northern Australia – Northern Australia Infrastructure Facility						
Administered revenue	1.3	-	-	61,323	122,274	182,815
GST – compliance programme - three year extension						
Administered revenue	1.4	-	-	92,600	88,300	84,600
Total revenue measures		-	-	153,923	210,574	267,415
Administered		-	-	153,923	210,574	267,415
Expense measures						
A New Remote Indigenous Housing Strategy						
Administered expenses	1.9	-	-	-	-	-
Asia Pacific Project Preparation Facility - Australia contribution						
Administered expenses	1.2	-	5,000	5,000	-	-
Commonwealth contribution to the East West Link Project						
Administered expenses	1.9	(100,000)	(300,000)	(600,000)	-	(500,000)
Community engagement campaign on economic issues						
Administered expenses	1.1	6,200	-	-	-	-

Table 1.2: Entity 2015-16 Budget measures

Part1: Measures announced since the 2014-15 MYEFO (continued)

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Developing Northern Australia - improving northern cattle supply chains						
Administered expenses	1.9	-	-	35,000	35,000	30,000
Developing Northern Australia - Northern Australia Infrastructure Facility						
Administered expenses	1.3	-	-	386,800	386,800	386,800
Departmental expenses	1.1	-	1,000	1,500	2,000	2,000
Developing Northern Australia - Northern Australia Insurance Premiums Taskforce - establishment						
Departmental expenses	1.1	-	1,396	-	-	-
Families Package - Child Care - National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care						
Administered expenses	1.9	-	-	2,600	1,300	-
Families Package - National Partnership Agreement on Universal Access to Early Childhood Education - extension						
Administered expenses	1.9	-	124,505	418,005	297,484	-

Table 1.2: Entity 2015-16 Budget measures

Part1: Measures announced since the 2014-15 MYEFO (continued)

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
GST – applying to digital products and services imported by consumers						
Administered expenses	1.4	-	-	-	150,000	200,000
GST – compliance programme - three year extension						
Administered expenses	1.4	-	-	493,500	612,300	710,300
GST – not proceeding with a reverse charge for going concerns and farmland						
Administered expenses	1.4	-	*	*	*	*
Improving Immunisation Coverage Rates						
Administered expenses	1.9	-	-	1,823	1,859	1,888
Indigenous Advancement Strategy - remote Indigenous internet training						
Administered expenses	1.9	-	(2,191)	(2,237)	(2,284)	-
Infrastructure Investment Programme - savings						
Administered expenses	1.9	(62,450)	(27,500)	(5,000)	(5,000)	(5,000)
Infrastructure Investment Programme - Victoria - reallocation						
Administered expenses	1.9	-	-	-	-	-
Mechanical Fuel Load Reduction Trial						
Administered expenses	1.9	-	1,000	500	-	-
Municipal and Essential Services - transition arrangements for South Australia						
Administered expenses	1.9	15,000	-	-	-	-

Table 1.2: Entity 2015-16 Budget measures

Part1: Measures announced since the 2014-15 MYEFO (continued)

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
National Disability Insurance Scheme - Sector Development Fund transfer						
Administered expenses	1.9	-	2,584	-	-	-
National Immunisation Programme - new and amended listings						
Administered expenses	1.9	-	51	709	1,600	1,551
National Partnership Agreement on Homelessness - extension						
Administered expenses	1.9	-	115,000	115,000	-	-
National Partnership Agreement on the Northern Territory Remote Aboriginal Investment						
Administered expenses	1.9	-	147,713	(10,314)	(11,940)	(12,641)
National Partnership on Legal Assistance Services - continuation						
Administered expenses	1.9	-	40,021	42,222	30,122	30,582
Pharmaceutical Benefits Scheme - price changes	1.9	103	422	452	457	461
Serious Financial Crime taskforce – addressing financial and tax fraud	1.4	-	100	600	1,100	1,400
Strengthening Australia's foreign investment framework						
Administered expenses	1.3	-	2,692			
Departmental expenses	1.1	-	8,243	7,743	7,523	7,602

Table 1.2: Entity 2015-16 Budget measures

Part1: Measures announced since the 2014-15 MYEFO (continued)

	Programme	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Strengthening the Integrity of Welfare Payments						
Administered expenses	1.9	-	724	738	752	765
Supporting Drought Affected Communities - local infrastructure and management of pest impact						
Administered expenses	1.9	-	15,000	4,000	4,000	2,000
Tasmanian Irrigation Tranche II - contribution						
Administered expenses	1.9	-	34,428	18,000	-	7,572
Western Australian Infrastructure Projects						
Administered expenses	1.9	499,057	-	-	-	-
World Bank Global Infrastructure Facility & Australian contribution						
Administered expenses	1.2	-	12,500	12,500	-	-
Total expense measures		357,910	170,188	916,641	1,513,073	865,280
Administered		357,807	171,527	918,846	1,501,993	853,817
Departmental		-	10,639	9,243	9,523	9,602
Capital measures						
Strengthening Australia's foreign investment framework						
Departmental capital	1.1	-	1,700	-	-	-
Strengthening the Integrity of Welfare Payments						
Administered capital	1.9	-	-	-	-	-
Total capital measures		-	1,700	-	-	-
Administered		-	-	-	-	-
Departmental		-	1,700	-	-	-

Prepared on a Government Finance Statistics (fiscal) basis

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

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

The Treasury's outcome is described below together with its related programmes, specifying the performance indicators and targets used to assess and monitor the performance of the Treasury in achieving Government outcomes.

Outcome 1: Informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations

Outcome 1 strategy

The Treasury contributes to this outcome by providing a range of policy advice to Treasury Ministers. More specifically the Treasury provides advice on:

- macroeconomic policy, based on careful monitoring and analysis of economic conditions in Australia and overseas;
- fiscal strategy, budget priorities and measures, and debt and balance sheet management, as well as a budget coordination role;
- Commonwealth-State financial policy, industry, environment, defence and, social and income support policy;
- policies that promote competitive, efficient markets and that work to improve consumer wellbeing, a secure financial system and sound corporate practices;
- policy settings to support a well-regulated, competitive and efficient small business sector;
- taxation and retirement income arrangements consistent with the Government's reform priorities;

- policies that help to improve Australia's productivity by reducing the regulatory burden imposed on businesses, individuals and the community;
- a range of international economic policy issues, including furthering Australia's multilateral and bilateral economic priorities and shaping the evolution of the international and regional economic architecture; and
- the administration of a range of payments which are reported in Programmes 1.2 to 1.9.

Outcome expense statement

Table 2.1 provides an overview of the total expenses for outcome 1, by programme.

Table 2.1: Budgeted expenses for Outcome 1

Outcome 1: Informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations	2014-15 Estimated actual expenses \$'000	2015-16 Estimated expenses \$'000
Programme 1.1: Department of the Treasury		
Departmental expenses		
Departmental appropriation (a)	180,906	167,456
Special accounts	1,629	1,803
Expenses not requiring appropriation in the Budget year (b)	13,777	11,717
Administered expenses		
Other services (Appropriation Bill No. 1)	36,671	3,230
Special appropriations	3,874	1,000
Expenses not requiring appropriation (b)	-	168
Total for Programme 1.1	236,857	185,374
Programme 1.2: Payments to International Financial Institutions		
Administered expenses		
Other services (Appropriation Bill No. 1)	37,972	17,500
Special appropriations	4,341	2,783
Expenses not requiring appropriation (b)	246,858	-
Total for Programme 1.2	289,171	20,283
Programme 1.3: Support for Markets and Business		
Administered expenses		
Other services (Appropriation Bill No. 1 and No. 5)	11,925	15,994
Total for Programme 1.3	11,925	15,994
Programme 1.4: General Revenue Assistance		
Administered expenses		
Special appropriations	54,000,000	57,050,000
Special accounts	1,178,135	698,882
Total for Programme 1.4	55,178,135	57,748,882

Table 2.1: Budgeted expenses for Outcome 1 (continued)

Outcome 1: Informed decisions on the development and implementation of policies to improve the wellbeing of the Australian people, including by achieving strong, sustainable economic growth, through the provision of advice to government and the efficient administration of federal financial relations	2014-15 Estimated actual expenses \$'000	2015-16 Estimated expenses \$'000
Programme 1.5: Assistance to the states for Healthcare Services		
Administered expenses		
Special appropriations	15,459,388	16,440,882
Total for Programme 1.5	15,459,388	16,440,882
Programme 1.6: Assistance to the states for Skills and Workforce Development		
Administered expenses		
Special appropriations	1,435,176	1,455,484
Total for Programme 1.6	1,435,176	1,455,484
Programme 1.7: Assistance to the states for Disability Services		
Administered expenses		
Special appropriations	1,393,690	1,442,205
Total for Programme 1.7	1,393,690	1,442,205
Programme 1.8: Assistance to the states for Affordable Housing		
Administered expenses		
Special appropriations	1,305,771	1,324,052
Total for Programme 1.8	1,305,771	1,324,052
Programme 1.9: National Partnership Payments to the states		
Administered expenses		
Special accounts	9,443,507	10,546,992
Total for Programme 1.9	9,443,507	10,546,992
Outcome 1 Totals by appropriation type		
Administered expenses		
Other services (Appropriation Bill No. 1)	86,568	36,724
Special appropriations	73,602,240	77,716,406
Special accounts	10,621,642	11,245,874
Expenses not requiring appropriation	246,858	168
Departmental expenses		
Departmental appropriation (a)	180,906	167,456
Special accounts	1,629	1,803
Expenses not requiring appropriation	13,777	11,717
Total expenses for Outcome 1	84,753,620	89,180,148
	2014-15	2015-16
Average staffing level (number)	815	833

(a) Departmental Appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s 74).

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, audit fees and foreign exchange losses.

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

Contributions to Outcome 1

Programme 1.1: Department of the Treasury

Programme objective

The objectives of the Treasury are:

- promoting a sound macroeconomic environment by monitoring and assessing economic conditions and prospects both in Australia and overseas, and providing advice on macroeconomic policy including fiscal and monetary policy;
- promoting effective government spending arrangements that contribute to overall fiscal outcomes, influence strong sustainable economic growth and improve the wellbeing of Australians;
- developing effective taxation and retirement income arrangements consistent with the Government's reform priorities; and
- promoting well-functioning markets that encourage competitive and efficient markets and contribute to consumer and investor confidence; a secure and competitive financial system and sound corporate practices; a reduced regulatory burden on businesses, individuals and the community; and a well regulated, competitive and efficient small business sector.

Programme expenses

Changes in estimates for the forward years predominantly reflect the impact of budget measures.

Table 2.2: Programme 1.1 expenses

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Departmental expenses					
Departmental items	182,535	169,259	163,493	164,516	165,898
Expenses not requiring appropriation (a)	13,777	11,717	9,358	9,408	9,445
Total departmental expenses	196,312	180,976	172,851	173,924	175,343
Administered expenses					
Community Engagement (b)	36,200	-	-	-	-
Foreign investment					
Communications	-	2,692	-	-	-
Other	471	538	-	-	-
Expenses not requiring appropriation (a)	-	168	600	1,074	1,583
PGPA s77 - repayments	3,874	1,000	1,000	1,000	1,000
Total administered expenses	40,545	4,398	1,600	2,074	2,583
Total programme expenses	236,857	185,374	174,451	175,998	177,926

(a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses and audit fees.

(b) The Treasury was allocated \$36.2 million in the 2014-15 Portfolio Supplementary Additional Estimates Statements to engage with the community on economic challenges.

Programme 1.1 deliverables

Macroeconomic Group

In 2015-16, Macroeconomic Group will provide advice on:

- domestic and international developments affecting the Australian economy and forecasts of the direction of the Australian and international economies; and
- the setting of sound macroeconomic policies and assessments of government policies.

Macroeconomic Group will continue its involvement with G20 Finance Ministers' and Central Bank Governors' meetings as a member of the G20 troika. Macroeconomic Group will also maintain its close engagement with regional financial forums and support reform of the international financial institutions.

Macroeconomic Group will continue its bilateral cooperation with a number of strategically important regional partners in the Indo-Pacific region.

Macroeconomic Group will also maintain an economic modelling capacity to provide support in the development of government policy, and to support other departments in the development and assessment of various policy initiatives.

Fiscal Group

In 2015-16, Fiscal Group will provide advice on:

- fiscal strategy, with the aim of ensuring fiscal sustainability over the economic cycle;
- effective government spending arrangements which contribute to improving the wellbeing of Australians;
- strategies that address intergenerational challenges, including social, fiscal and environmental sustainability;
- a range of policy issues including disability support, education funding, health, aged care, skills, employment and policies to support regional industry structural adjustment; and
- Commonwealth-State financial relations.

Fiscal Group will also coordinate the preparation of the Commonwealth Budget and other documents required under the *Charter of Budget Honesty Act 1998* and support Commonwealth-State relationships through the coordination and delivery of various Commonwealth-State forums.

Revenue Group

In 2015-16, Revenue Group will provide advice on:

- the regulatory effects and costs of taxation policy proposals;
- implementation of the Government's taxation and retirement income reform agenda including decisions in the Government's 2015-16 Budget;
- the Government's tax White Paper process to achieve a better tax system;
- the impacts of the tax system and retirement income proposals including on government finances, economic growth, and their distributional impact and overall efficiency and effectiveness; and
- Australia's participation in international forums, including the Organisation for Economic Co-operation and Development, in relation to the base erosion and profit shifting project and international exchange of tax information.

Markets Group

In 2015-16, Markets Group will provide advice on:

- the implementation of the Government's election and budget commitments in relation to the small business sector (including the implementation of the Small Business and Jobs Package and the establishment of the Australian Small Business and Family Enterprise Ombudsman);
- Australia's financial system and services regulatory policy framework including supporting the Government in implementing appropriate recommendations from the Financial System Inquiry;
- the competition and consumer policy framework, including the Government's response to the Competition Policy Review;
- the Government's deregulation agenda;
- actuarial matters through the Australian Government Actuary which provides actuarial services to the Government, the Treasury and other agencies; and
- foreign investment issues including assessing foreign investment proposals and implementing the Government's commitment to strengthen the framework, particularly around residential real estate and agricultural investments.

Markets Group will also provide secretariat support to the North Australia Premiums Insurance Taskforce.

Corporate Services and Strategy Group

In 2015-16, Corporate Services and Strategy Group will:

- continue to deliver high quality and valued corporate advice and services to the department and to Treasury Ministers;
- assist in setting and delivering the corporate strategic direction; and
- continue to improve behavioural and organisational change through the Australian Public Service Commission Capability Review and Workplace Inclusivity agendas.

Programme 1.1 key performance indicators

The Treasury has the following key performance indicators:

- advice meets the Government's needs in administering its responsibilities and making and implementing decisions. Advice is timely, of high quality, and is based on an objective and thorough understanding of issues and a whole-of-government

perspective. The degree of client satisfaction with the quality and timeliness of the advice provided is assessed through formal and informal feedback mechanisms;

- timely, high-quality, accurate and transparent Budget, Mid-Year Economic and Fiscal Outlook and Final Budget Outcome documents that meet the expectations of the Government, the Parliament and the public. The budget preparation and coordination process is subject to an annual evaluation;
- published reports and other information stimulate and inform government and public debate through robust analysis, modelling and research. Publications are timely, high quality and widely available to the public; and
- legislation progressed by the Treasury is in accordance with the principles of good law design and is delivered according to Government priorities.

Programme 1.2: Payments to International Financial Institutions

Programme objective

Payments are made to the International Monetary Fund (IMF), under the *International Monetary Agreements Act 1947*, to promote international monetary cooperation, stability of the international financial system and orderly exchange arrangements; to foster economic growth and high levels of employment; and to provide temporary financial assistance to countries to help ease balance of payments adjustments.

Payments are also made to multilateral development banks to which Australia is a member, specifically the World Bank Group, the Asian Development Bank and the European Bank for Reconstruction and Development, as required, to facilitate the achievement of government objectives in international forums, including support for development objectives through the multilateral development banks, and multilateral debt relief.

Programme expenses

Only expense items are recorded in Table 2.3. Substantial payments are also made to the international financial institutions as administered capital. These payments are shown in Tables 1.1 and 3.2.10.

Table 2.3: Programme 1.2 expenses

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Administered expenses					
Annual appropriations					
Contribution to the Poverty Reduction and Growth Trust	37,972	-	-	-	-
Global Infrastructure Facility	-	12,500	12,500	-	-
Asia Pacific Project Preparation Facility	-	5,000	5,000	-	-
Special appropriations					
<i>International Monetary Agreements Act 1947</i>	4,341	2,783	2,819	2,827	2,834
Expenses not requiring appropriation (a)	246,858	-	-	-	-
Total program expenses	289,171	20,283	20,319	2,827	2,834

(a) Expenses not requiring appropriation in relates to net foreign exchange loss.

Programme 1.2 deliverables

Payments to international financial institutions, including the IMF, are made with due regard to minimising cost and risk for Australia.

Programme 1.2 key performance indicators

Financial transactions with the international financial institutions, including the IMF, are timely and accurate.

Programme 1.3: Support for Markets and Business

Programme objective

To provide funding to support markets and business as outlined below.

- Payments are made in respect of insurance claims arising from the residual Housing Loans Insurance Company Limited portfolio. The Housing Loans Insurance Company Limited pre-transfer contract portfolio will be managed to ensure all liabilities arising from claims under this portfolio are met and any related debts are recovered.
- Payments of assistance are also made to eligible HIH insurance policy holders under the HIH Claims Support Scheme. Payments are not classified as expenses and therefore do not appear in Table 2.4. The HIH Claims Support Scheme is now focused on winding-up the claims portfolio.

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- Contribution to the establishment and operation of the Global Infrastructure Hub (the Hub).
- Grants under the Australian Small Business Advisory Services programme are provided to eligible not-for profit small business advisory service providers, to improve their capacity to deliver low cost small business advisory and information services.
- The services of a single provider – Datacom Connect Pty Ltd – are procured to deliver:
 - The Small Business Support Line initiative, which aims to provide small business owners with a single point of contact to access information and referral services.
 - The Australian Small Business Commissioner’s Information Line, which provides information and assistance to small businesses, including referral to dispute resolution services.
- The Australian Government has announced a Northern Australia Infrastructure Facility to provide up to \$5 billion in concessional loans to promote private sector participation in infrastructure. The concessional loans facility will be available to support significant infrastructure projects that the private sector would not be able to fund or finance without government assistance.
 - The Commonwealth will partner with the Queensland, Western Australian or Northern Territory governments and the private sector to meet infrastructure investment needs. Loans will be negotiated with the aim of supporting projects that are able to return at least the Government bond rate over the term of the loan.

Programme expenses

Due to the 23 December 2014 changes to the Administrative Arrangements Order, administered funding for the following small business programmes is now held by the Treasury:

- Australian Small Business Advisory Services;
- Small Business Support Line; and
- Australian Small Business Commissioner’s Information Line.

Table 2.4: Programme 1.3 expenses

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Administered expenses					
Annual appropriations					
Centre for International Finance and Regulation	1,000	-	-	-	-
Housing Loan Company Limited - payments in respect of insurance claims	675	675	675	-	-
Global Infrastructure Hub	3,400	7,700	6,800	6,800	3,400
Small Business Advisory Services	6,008	6,319	6,014	6,306	5,994
Small Business Support Line	842	1,300	-	-	-
Expenses not requiring appropriation (a)	-	-	386,766	386,766	386,766
Total program expenses	11,925	15,994	400,255	399,872	396,160

(a) These amounts represent the concessional expense component of the loans proposed under the Northern Australia Infrastructure Facility.

Programme 1.3 deliverables

Payments of claims arising from the Housing Loans Insurance Company Limited old book and assistance under the HIH Claims Support Scheme are made according to agreed schedules.

Payments to Australian Small Business Advisory Services providers are made according to funding agreements with the Commonwealth of Australia managed by the Department of Industry and Science on behalf of the Treasury.

Payments to the Hub are made in accordance with the grant agreement.

Payments to Datacom Connect Pty Ltd regarding the Australian Small Business Advisory Services and the Australian Small Business Commissioner's Information Line are made according to the Contact Centre procurement contract managed by the Department of Industry and Science on behalf of the Treasury.

Programme 1.3 key performance indicators

Payments of claims arising from the Housing Loans Insurance Company Limited old book and assistance under the HIH Claims Support Scheme are accurately determined and are made according to agreed schedules.

Payments to the Hub are made according to the grant agreement.

The key performance indicators for the Australian Small Business Advisory Services and the Small Business Support Line are set out below:

<i>Programme</i>	<i>Key performance indicator</i>	<i>2014-15 Revised estimate</i>	<i>2015-16 Budget</i>	<i>2016-17 Forward estimate</i>	<i>2017-18 Forward estimate</i>
Australian Small Business Advisory Services	Number of additional services provided to enterprising people through the Australian Small Business Advisory Services	6,000	25,000	25,000	20,000
Small Business Support Line	Number of clients accessing the Small Business Support Line	26,000	26,700	-	-

Programme 1.4: General revenue assistance

Programme objective

The Government will make general revenue assistance payments to the states and territories.

Under the *Intergovernmental Agreement on Federal Financial Relations*, the states are entitled to receive payments from the Commonwealth equivalent to the revenue received from the GST. This funding is provided to the states without conditions, to spend according to their own budget priorities.

In addition, the Government will make payments of other general revenue assistance to the states, to spend without conditions, consisting of:

- payments to the Australian Capital Territory to assist in meeting the additional municipal costs which arise from Canberra's role as the National Capital and to compensate for the additional costs resulting from the national capital planning influences on the provision of water and sewerage services;
- payments to Western Australia to compensate for the loss of royalty revenue resulting from the removal in the 2008-09 Budget of the exemption of condensate from crude oil excise;
- payments to Western Australia as a share of royalties collected by the Commonwealth under the *Offshore Petroleum (Royalty) Act 2006* in respect of the North West Shelf oil and gas project off the coast of Western Australia;

- payments to the Northern Territory in lieu of royalties on uranium mining in the Ranger Project Area due to the Commonwealth's ownership of uranium in the Northern Territory; and
- payments to New South Wales and Victoria to compensate for Commonwealth taxes paid by Snowy Hydro Ltd in proportion to the states' shareholdings.

Elements of this programme are linked to the Industry portfolio. Also refer to Budget Paper No. 3, *Federal Financial Relations 2015-16*.

Programme expenses

Explanation of changes to programme estimates across the forward years can be found in Budget Paper No. 3, *Federal Financial Relations 2015-16*.

Table 2.5: Programme 1.4 expenses

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Special appropriations					
GST Revenue Entitlements - <i>Federal Financial Relations Act 2009</i>	54,000,000	57,050,000	60,950,000	64,500,000	68,200,000
Special accounts					
COAG Reform Fund					
ACT Municipal Services	37,983	38,515	39,131	39,757	40,393
Reduced Royalties	46,468	29,466	29,898	24,983	20,523
Royalties	1,025,713	555,901	566,365	508,929	408,765
Taxation Compensation in Respect of Snowy Hydro Limited	67,971	75,000	75,000	75,000	75,000
Total program expenses	55,178,135	57,748,882	61,660,394	65,148,669	68,744,681

Programme 1.4 deliverables

General revenue assistance payments to the states and territories are made according to the payment arrangements specified in the *Intergovernmental Agreement on Federal Financial Relations*.

Programme 1.4 key performance indicators

The Commonwealth Treasury will make general revenue assistance payments to the states and territories that reflect the requirements, the amounts and timeframes specified in the *Intergovernmental Agreement on Federal Financial Relations*.

The Commonwealth Treasury will provide GST revenue data to the states and territories on a monthly, quarterly and annual basis, and will maintain a schedule of estimates of annual net GST receipts, in accordance with the requirements of the *Intergovernmental Agreement on Federal Financial Relations*.

Programme 1.5: Assistance to the states for healthcare services

Programme objective

The Government provides financial support to the states and territories to be spent in the delivery of healthcare services.

From July 2014 to June 2017, National Health Reform funding is linked to the level of services delivered by public hospitals as provided under the *National Health Reform Agreement*. During this period, each State and Territory's entitlement will be directly linked to the activity level of services provided in a jurisdiction.

From 1 July 2017, the Commonwealth will index its contribution for public hospitals funding by the Consumer Price Index and population growth.

Programme expenses

Explanation of changes to programme estimates across the forward years can be found in Budget Paper No. 3, *Federal Financial Relations 2015-16*.

Table 2.6: Programme 1.5 expenses

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Special appropriations					
National Health Reform funding -					
<i>Federal Financial Relations Act 2009</i>	15,459,388	16,440,882	17,382,372	-	-
Public hospitals funding -					
<i>Federal Financial Relations Act 2009</i>	-	-	-	18,103,280	18,873,062
Total program expenses	15,459,388	16,440,882	17,382,372	18,103,280	18,873,062

Programme 1.5 deliverables

Payments to the states and territories are made with regard to the payment arrangements specified in the *Intergovernmental Agreement on Federal Financial Relations* and the *National Health Reform Agreement*.

Programme 1.5 key performance indicators

The Commonwealth Treasury will transfer to the National Health Funding Pool the amount of Commonwealth funding to which each State and Territory (including Local Hospital Networks in each jurisdiction) is entitled, and will make the payments on the dates specified in the *Intergovernmental Agreement on Federal Financial Relations*.

The Commonwealth Treasury will provide advice to the states and territories on the components of each payment prior to each payment being made.

The states and territories are required to spend National Health Reform funding in the healthcare sector. Each State and Territory Treasurer will provide a report to the *Council on Federal Financial Relations* demonstrating expenditure of National Health Reform funding within the sector is in accordance with the *Intergovernmental Agreement on Federal Financial Relations* and the *National Health Reform Agreement*.

Programme 1.6: Assistance to the states for skills and workforce development

Programme objective

The Government provides financial support to the states and territories to be spent in the delivery of skills and workforce development services.

Programme expenses

Explanation of changes to programme estimates across the forward years can be found in Budget Paper No. 3, *Federal Financial Relations 2015-16*.

Table 2.7: Programme 1.6 expenses

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Special appropriations					
National Skills and Workforce Development SPP - <i>Federal Financial Relations Act 2009</i>	1,435,176	1,455,484	1,479,645	1,504,207	1,529,177
Total program expenses	1,435,176	1,455,484	1,479,645	1,504,207	1,529,177

Programme 1.6 deliverables

Payments to the states and territories are made with regard to the payment arrangements specified in the *Intergovernmental Agreement on Federal Financial Relations*.

Programme 1.6 key performance indicators

The Commonwealth Treasury will transfer to each State and Territory the amounts of their monthly and annual entitlements under the National Skills and Workforce Development SPP and will make the payments on the dates specified in the *Intergovernmental Agreement on Federal Financial Relations*.

The Commonwealth Treasury will provide advice to the states and territories on the components of each payment prior to each payment being made.

The states and territories are required to spend the National Skills and Workforce Development SPP in the skills and workforce sector. Each State and Territory Treasurer will provide a report to the *Council on Federal Financial Relations* demonstrating expenditure of the National Skills and Workforce Development SPP

within the sector in accordance with the *Intergovernmental Agreement on Federal Financial Relations*.

Programme 1.7: Assistance to the states for disability services

Programme objective

The Government provides financial support to the states and territories to be spent in the delivery of disability services.

Since 2011-12, an adjustment has been made to the National Disability SPP to ensure that the changes to Commonwealth and State roles and responsibilities for aged care and disability services, as part of the *National Health Reform* arrangements, are budget neutral. Estimates of this are not published below as negotiations are still being finalised.

Programme expenses

Explanation of changes to programme estimates across the forward years can be found in Budget Paper No. 3, *Federal Financial Relations 2015-16*.

Table 2.8: Programme 1.7 expenses

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Special appropriations					
National Disability Services SPP - <i>Federal Financial Relations Act 2009</i>	1,393,690	1,442,205	1,493,155	1,551,794	1,616,659
Changed roles and responsibilities - adjustment to achieve budget neutrality(a)	nfp	nfp	nfp	nfp	nfp
Total programme expenses	1,393,690	1,442,205	1,493,155	1,551,794	1,616,659

(a) Funding adjustment is subject to negotiation.

Programme 1.7 deliverables

Payments to the states and territories are made with regard to the payment arrangements specified in the *Intergovernmental Agreement on Federal Financial Relations*.

Programme 1.7 key performance indicators

The Commonwealth Treasury will transfer to each state and territory the amounts of their monthly and annual entitlements under the National Disability SPP and will make the payments on the dates specified in the *Intergovernmental Agreement on Federal Financial Relations*.

The Commonwealth Treasury will provide advice to the states and territories on the components of each payment prior to each payment being made.

The states and territories are required to spend the National Disability SPP in the disability services sector. Each state and territory Treasurer will provide a report to the *Council for Federal Financial Relations* demonstrating expenditure of the National Disability SPP within the sector in accordance with the *Intergovernmental Agreement on Federal Financial Relations*.

Programme 1.8: Assistance to the states for affordable housing

Programme objective

The Government provides financial support to the states and territories to be spent in the delivery of affordable housing services.

Programme expenses

Explanation of changes to programme estimates across the forward years can be found in Budget Paper No. 3, *Federal Financial Relations 2015-16*.

Table 2.9: Programme 1.8 expenses

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Special appropriations					
National Affordable Housing SPP - <i>Federal Financial Relations Act 2009</i>	1,305,771	1,324,052	1,345,237	1,366,760	1,388,629
Total programme expenses	1,305,771	1,324,052	1,345,237	1,366,760	1,388,629

Programme 1.8 deliverables

Payments to the states and territories are made with regard to the payment arrangements specified in the *Intergovernmental Agreement on Federal Financial Relations*.

Programme 1.8 key performance indicators

The Commonwealth Treasury will transfer to each State and Territory the amounts of their monthly and annual entitlements under the National Affordable Housing SPP and will make the payments on the dates specified in the *Intergovernmental Agreement on Federal Financial Relations*.

The Commonwealth Treasury will provide advice to the states and territories on the components of each payment prior to each payment being made.

The states and territories are required to spend the National Affordable Housing SPP in the affordable housing sector. Each State and Territory Treasurer will provide a report to the *Council on Federal Financial Relations* demonstrating expenditure of the

National Affordable Housing SPP within the sector in accordance with the *Intergovernmental Agreement on Federal Financial Relations*.

Programme 1.9: National Partnership Payments to the states

Programme objective

The Government provides financial support for the states and territories to be spent on improving outcomes in the areas specified in each of the National Partnership agreements. These payments support the delivery of specified outputs or projects, facilitate reforms or reward those jurisdictions that deliver on nationally significant reforms.

This programme is linked to the Agriculture portfolio; Attorney-General's portfolio; Communications portfolio; Defence portfolio; Education portfolio; Environment portfolio; Finance portfolio; Foreign Affairs and Trade portfolio; Health portfolio; Industry portfolio; Infrastructure and Regional Development portfolio; Prime Minister and Cabinet portfolio; and Social Services portfolio. Also refer to Budget Paper No. 3, *Federal Financial Relations 2015-16*.

Programme expenses

Explanation of changes to programme estimates across the forward years can be found in Budget Paper No. 3, *Federal Financial Relations 2015-16*.

Table 2.10: Programme 1.9 expenses

	Agency PBS Programme	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Special accounts						
COAG Reform Fund						
Agriculture portfolio						
Assistance for water infrastructure and pest management in drought-affected areas	1.2	10,000	15,000	4,000	4,000	2,000
Assistance to farm businesses for water-related infrastructure	1.2	7,000	-	-	-	-
Mechanical Fuel Load Reduction trial	1.3	-	1,000	500	-	-
Pest and disease preparedness and response programmes	2.2	23,127	9,338	9,602	10,028	13,554
South Australian River Murray Sustainability Programme Irrigation industry assistance	1.2	23,500	28,000	39,500	16,500	10,000
Total		63,627	53,338	53,602	30,528	25,554
Attorney-General's portfolio						
Bushfire mitigation	1.6	4,500	4,500	4,500	-	-
Legal assistance services	1.3	204,362	247,971	253,499	244,362	247,825
Natural Disaster Relief and Recovery Arrangements (a)	1.7	36,300	32,507	5,227	(636)	(1,160)
Natural disaster resilience	1.6	25,709	39,541	26,100	-	-
Schools Security Programme	1.6	966	966	-	-	-
Total		271,837	325,485	289,326	243,726	246,665
Communications portfolio						
Online safety programmes in schools	1.2	-	2,500	2,500	2,500	-
Total		-	2,500	2,500	2,500	-
Defence portfolio						
School Pathways Program	1.3	1,287	-	-	-	-
Total		1,287	-	-	-	-

Table 2.10: Programme 1.9 expenses (continued)

	Agency PBS Programme	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Education portfolio						
	3.8	377,212	377,439	516,328	-	-
	2.1	26,160	19,920	19,920	nfp	nfp
	3.8	76	-	-	-	-
	3.8	11,533	-	-	-	-
	2.6	46,357	-	-	-	-
	2.3	60,587	60,587	60,587	60,587	-
	2.4	69,941	51,213	-	-	-
	1.3	439,443	407,655	418,005	297,484	-
	Total	1,031,309	916,814	1,014,840	358,071	-
Environment portfolio						
44	4.1	4,595	6,000	6,000	-	-
	1.1	13,020	12,769	10,002	10,253	-
	4.1	20,000	20,000	20,000	20,000	20,000
	4.1	1,550	-	-	-	-
	4.1	10,110	2,945	-	-	-
	1.4	1,500	-	-	-	-
	4.1	29,000	45,000	23,500	8,500	-
	4.1	403,376	565,347	443,758	197,529	65,243
	1.4	276	84	224	-	-
	Total	483,427	652,145	503,484	236,282	85,243

Table 2.10: Programme 1.9 expenses (continued)

Agency PBS Programme	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	
Finance portfolio						
Provision of Fire Services	2.4	18,995	19,660	20,347	21,059	21,797
Total		18,995	19,660	20,347	21,059	21,797
Foreign Affairs and Trade portfolio						
Developing demand - driver infrastructure for tourism industry	1.14	4,677	14,319	13,275	10,822	-
Total		4,677	14,319	13,275	10,822	-
Health portfolio						
Accommodation and infrastructure related to renal services for Aboriginal and Torres Strait Islander peoples in the Northern Territory	5.3	10,000	-	-	-	-
Adult Public Dental Services	3.6	-	155,000	nfp	nfp	nfp
Albury-Wodonga Hospital Cardiac Catheterisation Laboratory	7.5	-	3,500	1,500	-	-
Bright Hospital - feasibility study	7.5	100	50	-	-	-
Canberra Hospital - dedicated paediatric emergency care	7.5	5,000	-	-	-	-
Cancer Support Clinic in Katherine	7.5	500	-	-	-	-
Casino and District Memorial Hospital	7.5	3,000	-	-	-	-
Construction of Palmerston Hospital	7.5	20,000	20,000	-	-	-
Essential vaccines	1.3	211,140	138,804	143,343	146,331	148,136
Expansion of the BreastScreen Australia Programme	1.1	12,362	13,614	15,789	-	-
Health and Hospitals Fund						
- Hospital infrastructure and other projects of national significance	7.5	66,400	600	-	-	-
- National cancer system	7.5	112,387	63,098	1,471	1,600	-
- Regional priority round	7.5	471,367	175,980	93,549	27,930	-
Health care grants for the Torres Strait	4.1	4,519	4,600	4,653	-	-
Hepatitis C settlement fund	7.6	726	740	-	-	-
Hummingbird House	1.1	1,500	800	800	800	800

Table 2.10: Programme 1.9 expenses (continued)

	Agency PBS Programme	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Improving Health Services in Tasmania						
	4.1	1,700	1,700	-	-	-
	7.1	250	250	-	-	-
	4.1	5,337	8,985	-	-	-
	5.4	1,025	1,025	-	-	-
	4.1	19,302	10,886	-	-	-
	7.5	-	2,500	-	-	-
Improving Public Hospital Services						
	4.1	14,471	-	-	-	-
	4.1	45,248	-	-	-	-
	5.3	4,079	4,161	4,244	-	-
	5.3	31,454	-	-	-	-
	1.1	1,866	2,420	4,747	6,352	-
	1.2	441	-	-	-	-
	5.4	8,200	nfp	nfp	-	-
	5.3	-	5,649	5,905	6,171	6,448
	7.5	650	-	-	-	-
	9.1	1,693	1,719	1,748	nfp	nfp

Table 2.10: Programme 1.9 expenses (continued)

	Agency PBS Programme	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Redevelopment of the Royal Victorian Eye and Ear Hospital	7.5	50,000	50,000	-	-	-
Renal dialysis services in Central Australia	5.3	1,700	-	-	-	-
Rheumatic fever strategy	5.3	3,036	3,074	2,715	-	-
Royal Darwin hospital - equipped, prepared and ready	9.1	15,307	15,461	15,740	16,023	16,311
Stronger Futures in the Northern Territory						
- Hearing health services	5.3	3,184	-	-	-	-
- Oral health services	5.3	2,604	-	-	-	-
Supporting National Mental Health Reform	5.4	51,560	45,251	-	-	-
Torres Strait health protection strategy - mosquito control	9.1	958	973	992	-	-
Torres Strait health protection strategy - Saibai Island Health Clinic	5.3	500	-	-	-	-
Treating more public dental patients	3.6	135,789	-	-	-	-
Upgrade to Ballina Hospital	7.5	1,900	2,600	-	-	-
Vaccine-preventable diseases surveillance	7.4	814	830	845	-	-
Victorian cytology service	1.1	8,888	9,323	9,789	-	-
Warrnambool Integrated Cancer Care Centre	7.5	10,000	-	-	-	-
Total		1,340,957	743,593	307,830	205,207	171,695

Table 2.10: Programme 1.9 expenses (continued)

	Agency PBS Programme	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Industry portfolio						
Environmental management of the former Rum Jungle mine site	2.4	3,911	4,295	-	-	-
Regional Infrastructure Programme	2.3	-	10,000	10,000	9,124	-
Total		3,911	14,295	10,000	9,124	-
Infrastructure and Regional Development portfolio						
Building Australia fund						
- Rail projects	1.1	143,500	102,000	130,100	-	-
- Road projects	1.1	41,180	6,920	-	-	-
Centenary of Canberra						
- A gift to the national capital	4.1	2,000	8,000	-	-	-
Infrastructure Growth Package – Asset Recycling Fund						
- New investments	1.1	32,170	528,524	823,736	717,830	248,240
- Western Sydney Infrastructure Plan	1.1	103,000	209,675	299,625	534,700	553,650
Infrastructure Investment Programme						
- Black spot projects	1.1	60,000	60,000	60,000	60,000	60,000
- Bridges renewal programme	1.1	-	60,000	80,000	90,000	70,000
- Heavy vehicle safety and productivity	1.1	884	59,120	64,590	50,000	40,000
- Improving the national network	1.1	462	-	-	-	-
- Investment - Rail	1.1	511,645	227,068	136,996	29,300	17,000
- Investment - Road	1.1	2,921,710	3,710,657	5,668,060	4,112,250	2,325,680
Interstate road transport	2.2	71,002	71,002	71,002	71,002	71,000
Latrobe Valley economic diversification	3.1	1,300	650	-	-	-
Managed motorways	1.1	9,620	-	-	-	-
Murray-Darling Basin - Regional Economic Diversification	3.1	24,870	39,519	30,745	-	-
Northern Australia - Improving cattle supply chains	3.1	-	-	35,000	35,000	30,000
South Australian River Murray Sustainability Programme Regional economic development	3.1	9,000	7,000	2,000	-	-
Total		3,932,343	5,090,135	7,401,854	5,700,082	3,415,570

Table 2.10: Programme 1.9 expenses (continued)

	Agency PBS Programme	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Prime Minister and Cabinet portfolio						
	1.1	65,000	-	-	-	-
	2.5	130,871	-	-	-	-
	2.2	-	42,562	38,443	38,795	33,093
	2.3	-	71,799	66,665	57,692	51,356
	2.5	-	154,821	-	-	-
	2.5	-	55,953	49,692	50,927	3,575
	2.5	485,600	363,138	406,543	361,853	-
	2.5	2,150	-	-	-	-
	2.3	79,552	-	-	-	-
	2.5	55,873	-	-	-	-
	2.3	4,474	-	-	-	-
	2.2	41,592	-	-	-	-
	Total	865,112	688,273	561,343	509,267	88,024

Table 2.10: Programme 1.9 expenses (continued)

		2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Social Services portfolio						
Assist Preparation Towards the Launch of the National Disability Insurance Scheme	5.2	4,316	616	-	-	-
Home and Community Care	3.2	586,445	617,180	nfp	nfp	nfp
Homelessness	4.1	126,664	115,000	115,000	-	-
National Occasional Care Programme	2.4	1,988	2,020	2,052	2,088	-
National quality agenda for early childhood education and care	2.4	28,619	19,080	21,646	20,330	nfp
Pay equity for the social and community services sector	2.3	130,301	103,042	152,072	189,553	230,386
Component Community Legal Centres	2.3	-	2,971	3,645	4,351	5,076
Component Perinatal depression initiative	2.3	87	nfp	nfp	-	-
Component Western Australia Industrial Relations Committee	2.3	4,832	4,674	6,328	8,161	10,190
Payments from the DisabilityCare Australia Fund	5.2	-	68,182	186,308	321,236	1,813,197
TAFE fee waivers for childcare qualifications	2.4	10,738	-	-	-	-
Transitioning responsibilities for aged care and disability services - Specialist disability services	3.3	nfp	nfp	nfp	nfp	nfp
Trial of My Way sites	5.2	12,489	46,315	-	-	-
Total		906,479	979,080	487,051	545,719	2,058,849

Table 2.10: Programme 1.9 expenses (continued)

		2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
Agency PBS Programme						
Treasury portfolio						
First Home Owners Boost	1.1	(559)	-	-	-	-
Implementation of the National Insurance Implementation of the National Insurance Affordability Initiative	1.1	5,020	11,980	-	-	-
Infrastructure Growth Package – Asset Recycling Fund - Asset Recycling Initiative	1.1	15,000	1,028,000	1,485,000	1,377,000	1,095,000
Moneysmart Teaching	1.1	1,028	1,125	1,310	-	-
North Queensland Strata Title Inspection Scheme	1.1	-	6,250	6,250	-	-
Western Australia Infrastructure projects	1.1	499,057	-	-	-	-
Total		519,546	1,047,355	1,492,560	1,377,000	1,095,000
Total programme expenses		9,443,507	10,546,992	12,158,012	9,249,387	7,208,397

(a) While the accounting treatment for NDRRA currently results in negative accrual estimates in 2017-18 and 2018-19, the Commonwealth does not intend to seek to recoup funds from relevant states in these years.

Programme 1.9 deliverables

Payments to the states and territories will be made on the basis set out in each of the National Partnership agreements and any related agreements.

Programme 1.9 key performance indicators

The Commonwealth Treasury will make payments to the states and territories that reflect the requirements, the amounts and timeframes set out in each of the National Partnership agreements and any related agreements. These payments will only be made upon the Commonwealth Treasury's receipt of authorisations from the relevant agency in respect of performance benchmarks or payment schedules set out in each of the National Partnership agreements.

The Commonwealth Treasury will provide advice to the states and territories on the components of each payment prior to each payment being made.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of Treasury's finances for the 2015-16 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

The Treasury does not have any movements of annual administered appropriations between years.

3.1.2 Special accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister's determination under section 78 of the PGPA Act or under separate enabling legislation (section 80 of the PGPA Act refers). Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the Treasury.

Table 3.1.2: Estimates of special account flows and balances

	Outcome	Opening balance \$'000	Receipts \$'000	Payments \$'000	Adjustments \$'000	Closing balance \$'000
Clean Energy Finance Corporation Special Account (A) 2015-16	1	2,919,000	288,543	-	-	3,207,543
<i>Clean Energy Finance Corporation Special Account (A) 2014-15</i>		868,400	2,050,600	-	-	2,919,000
COAG Reform Fund Special Account (A) 2015-16	1	-	12,743,146	(12,743,146)	-	-
<i>COAG Reform Fund Special Account (A) 2014-15</i>		-	12,215,332	(12,215,332)	-	-
Actuarial Services Special Account (D) 2015-16	1	2,446	1,803	(1,803)	-	2,446
<i>Actuarial Services Special Account (D) 2014-15</i>		2,446	1,629	(1,629)	-	2,446
Total special accounts 2015-16 Budget estimate		2,921,446	13,033,492	(12,744,949)	-	3,209,989
<i>Total special accounts 2014-15 estimated actual</i>		870,846	14,267,561	(12,216,961)	-	2,921,446

(A) = Administered
(D) = Departmental

3.1.3 Australian Government Indigenous expenditure

The Treasury does not have any Australian Government Indigenous expenditure.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in entity resourcing and financial statements

There are no material differences between entity resourcing and financial statements.

3.2.2 Analysis of budgeted financial statements

The Treasury is budgeting for a break-even operating result, after non-appropriated expenses such as depreciation are removed, in 2015-16 and over the forward estimates.

The Treasury has a sound financial position and has sufficient cash reserves to fund provisions and payables, and asset replacement, as they fall due.

3.2.3 Budgeted financial statements tables

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
EXPENSES					
Employee benefits	124,003	125,129	121,269	121,281	121,614
Suppliers	60,838	45,933	45,090	46,090	47,139
Grants	2,224	2,247	1,184	1,195	1,195
Depreciation and amortisation	9,247	7,667	5,308	5,358	5,395
Total expenses	196,312	180,976	172,851	173,924	175,343
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,123	9,268	9,504	9,504	9,504
Other	645	650	650	650	400
Total own-source revenue	9,768	9,918	10,154	10,154	9,904
Gains					
Other	4,530	4,050	4,050	4,050	4,050
Total gains	4,530	4,050	4,050	4,050	4,050
Total own-source income	14,298	13,968	14,204	14,204	13,954
Net cost of/(contribution by) services	182,014	167,008	158,647	159,720	161,389
Revenue from Government	172,767	159,341	153,339	154,362	155,994
Surplus/(deficit) attributable to the Australian Government	(9,247)	(7,667)	(5,308)	(5,358)	(5,395)

Note: Impact of net cash appropriation arrangements

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Total comprehensive income/(loss) excluding depreciation/ amortisation expenses previously funded through revenue appropriations.	-	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	9,247	7,667	5,308	5,358	5,395
Total comprehensive income/(loss) - as per the statement of comprehensive income	(9,247)	(7,667)	(5,308)	(5,358)	(5,395)

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

Table 3.2.2: Budgeted departmental balance sheet (as at 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	655	655	655	655	655
Trade and other receivables	65,048	67,048	69,048	71,048	73,048
Total financial assets	65,703	67,703	69,703	71,703	73,703
Non-financial assets					
Land and buildings	4,288	3,937	3,937	3,937	3,937
Property, plant and equipment	7,847	6,452	6,452	6,452	6,452
Intangibles	9,747	10,838	10,838	10,838	10,838
Other non-financial assets	2,614	2,614	2,614	2,614	2,614
Total non-financial assets	24,496	23,841	23,841	23,841	23,841
Total assets	90,199	91,544	93,544	95,544	97,544
LIABILITIES					
Payables					
Suppliers	6,326	6,326	6,326	6,326	6,326
Other payables	2,396	2,396	2,396	2,396	2,396
Total payables	8,722	8,722	8,722	8,722	8,722
Provisions					
Employee provisions	50,973	52,973	54,973	56,973	58,973
Other provisions	953	953	953	953	953
Total provisions	51,926	53,926	55,926	57,926	59,926
Total liabilities	60,648	62,648	64,648	66,648	68,648
Net assets	29,551	28,896	28,896	28,896	28,896
EQUITY*					
Parent entity interest					
Contributed equity	51,526	58,538	63,846	69,204	74,599
Reserves	5,186	5,186	5,186	5,186	5,186
Retained surplus (accumulated deficit)	(27,161)	(34,828)	(40,136)	(45,494)	(50,889)
Total Equity	29,551	28,896	28,896	28,896	28,896

*'Equity' is the residual interest in assets after deduction of liabilities.
Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2015-16)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2015					
Balance carried forward from previous period	(27,161)	5,186		51,526	29,551
Adjusted opening balance	(27,161)	5,186	-	51,526	29,551
Comprehensive income					
Surplus/(deficit) for the period	(7,667)	-	-	-	(7,667)
Total comprehensive income	(7,667)	-	-	-	(7,667)
of which:					
Attributable to the Australian Government	(7,667)	-	-	-	(7,667)
Transactions with owners					
Contributions by owners					
Equity Injection - Appropriation	-	-	-	1,700	1,700
Departmental Capital Budget (DCB)	-	-	-	5,312	5,312
Sub-total transactions with owners	-	-	-	7,012	7,012
Closing balance attributable to the Australian Government	(34,828)	5,186	-	58,538	28,896

Prepared on Australian Accounting Standards basis.

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	168,931	157,341	153,339	154,362	153,994
Sale of goods and rendering of services	9,123	9,268	9,504	9,504	9,504
Other	645	650	650	650	400
Total cash received	178,699	167,259	163,493	164,516	163,898
Cash used					
Employees	122,003	123,129	119,269	119,281	119,614
Suppliers	54,472	41,883	41,040	42,040	43,089
Grants	2,224	2,247	1,184	1,195	1,195
Total cash used	178,699	167,259	161,493	162,516	163,898
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	5,373	7,012	5,308	5,358	5,395
Total cash used	5,373	7,012	5,308	5,358	5,395
Net cash from/(used by) investing activities	(5,373)	(7,012)	(5,308)	(5,358)	(5,395)

Table 3.2.4: Budgeted departmental statement of cash flows (for the period ended 30 June) (continued)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations - equity injections	-	1,700	-	-	-
Appropriations - DCB	5,373	5,312	5,308	5,358	5,395
Total cash received	5,373	7,012	5,308	5,358	5,395
Net cash from/(used by) financing activities					
	5,373	7,012	5,308	5,358	5,395
Net increase/(decrease) in cash held					
	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	655	655	655	655	655
Cash and cash equivalents at the end of the reporting period	655	655	655	655	655

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement (for the period ended 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	5,373	5,312	5,308	5,358	5,395
Equity injections - Bill 2	-	1,700	-	-	-
Total new capital appropriations	5,373	7,012	5,308	5,358	5,395
Provided for:					
<i>Purchase of non-financial assets</i>	5,373	7,012	5,308	5,358	5,395
Total Items	5,373	7,012	5,308	5,358	5,395
ASSETS					
Funded by capital appropriations	-	1,700	-	-	-
Funded by capital appropriation - DCB	5,373	5,312	5,308	5,358	5,395
TOTAL	5,373	7,012	5,308	5,358	5,395
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	5,373	7,012	5,308	5,358	5,395
Total cash used to acquire assets	5,373	7,012	5,308	5,358	5,395

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements (Budget year 2015-16)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2015				
Gross book value	16,452	17,732	21,481	55,665
Accumulated depreciation/ amortisation and impairment	(12,164)	(9,885)	(11,734)	(33,783)
Opening net book balance	4,288	7,847	9,747	21,882
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	1,700	1,700
By purchase - appropriation ordinary annual services	1,365	1,514	2,433	5,312
Total additions	1,365	1,514	4,133	7,012
Other movements				
Depreciation/amortisation expense	(1,716)	(2,909)	(3,042)	(7,667)
Total other movements	(1,716)	(2,909)	(3,042)	(7,667)
As at 30 June 2016				
Gross book value	17,817	19,246	25,614	62,677
Accumulated depreciation/ amortisation and impairment	(13,880)	(12,794)	(18,439)	(41,450)
Closing net book balance	3,937	6,452	7,175	21,227

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
EXPENSES					
Grants	84,263,874	88,989,955	95,548,976	96,937,061	99,369,792
Interest	4,341	2,783	2,819	2,827	2,834
Concessional loan discount	-	-	386,766	386,766	386,766
Suppliers	41,560	5,759	1,753	2,216	2,790
Foreign exchange	246,858	-	-	-	-
Other expenses	675	675	675	-	-
Total expenses administered on behalf of Government	84,557,308	88,999,172	95,940,989	97,328,870	99,762,182
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Taxation Revenue					
Other taxes	-	400,000	450,000	450,000	500,000
Total taxation revenue	-	400,000	450,000	450,000	500,000
Non-taxation revenue					
Sale of goods and rendering of services	784,519	756,507	692,115	667,881	601,056
Interest	3,467	11,165	75,129	138,568	202,378
Dividends	1,222,010	467,500	697,500	834,500	-
Unwind concessional loan discount	-	-	11,323	23,027	35,110
Nation Building and COAG transfers	1,041,056	595,498	3,249,190	3,249,012	4,021,662
Other sources of non-taxation revenues	4,237	4,400	4,500	4,600	4,700
Total non-taxation revenue	3,055,289	1,835,070	4,729,757	4,917,588	4,864,906
Total own-source revenue administered on behalf of Government	3,055,289	2,235,070	5,179,757	5,367,588	5,364,906
Gains					
Foreign exchange	-	46,095	33,444	13,606	1,235
Fair value gain on NDRRA provision	456,648	-	-	-	-
Total gains administered on behalf of Government	456,648	46,095	33,444	13,606	1,235
Total own-sourced income administered on behalf of Government	3,511,937	2,281,165	5,213,201	5,381,194	5,366,141
Net cost of/(contribution by) services	81,045,371	86,718,007	90,727,788	91,947,676	94,396,041
Total comprehensive income/(loss)	81,045,371	86,718,007	90,727,788	91,947,676	94,396,041

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,412	1,412	1,412	1,412	1,412
Advances and loans	861,119	753,324	1,159,991	1,510,068	1,794,674
Receivables	1,880,313	487,115	747,641	969,242	327,023
Investments	31,219,038	38,082,239	38,545,715	38,936,134	39,431,546
Total financial assets	33,961,882	39,324,090	40,454,759	41,416,856	41,554,655
Total assets administered on behalf of Government	33,961,882	39,324,090	40,454,759	41,416,856	41,554,655
LIABILITIES					
Payables					
Grants	1,833,968	336,694	21,708	-	-
Other payables	82,490	61,603	42,307	28,028	15,520
Total payables	1,916,458	398,297	64,015	28,028	15,520
Interest bearing liabilities					
Loans	4,250,135	8,265,791	7,768,740	7,744,657	7,719,968
Other	5,258,349	5,258,349	5,284,562	5,291,662	5,291,662
Total interest bearing liabilities	9,508,484	13,524,140	13,053,302	13,036,319	13,011,630
Total liabilities administered on behalf of Government	11,424,942	13,922,437	13,117,317	13,064,347	13,027,150
Net assets/(liabilities)	22,536,940	25,401,653	27,337,442	28,352,509	28,527,505

Prepared on Australian Accounting Standards basis.

Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of goods and rendering of services	111,976	77,482	75,193	70,450	13,873
Taxes	-	400,000	450,000	450,000	500,000
Interest	1,241	6,591	19,380	33,294	48,353
Dividends	675,255	1,839,255	467,500	697,500	777,000
COAG receipts from agencies	15,386,234	16,230,797	20,291,958	21,420,522	4,021,662
Other	4,237	4,400	4,500	4,600	4,700
Total cash received	16,178,943	18,558,525	21,308,531	22,676,366	5,365,588
Cash used					
Grant payments	99,856,451	105,442,928	112,289,630	114,543,211	98,791,501
Interest paid	3,243	2,800	2,819	2,829	2,835
Other	43,235	6,434	2,428	2,216	2,790
Total cash used	99,902,929	105,452,162	112,294,877	114,548,256	98,797,126
Net cash from/ (used by) operating activities	(83,723,986)	(86,893,637)	(90,986,346)	(91,871,890)	(93,431,538)
INVESTING ACTIVITIES					
Cash received					
Advances and loans made	332,840	162,367	227,417	293,234	370,058
Other	50,600	288,543	105,401	155,302	90,375
Total cash received	383,440	450,910	332,818	448,536	460,433
Cash used					
Purchase of investments	27,296	2,425,860	965,256	506,084	571,122
Advances and loans made	134,850	50,000	1,000,000	1,000,000	1,000,000
Total cash used	162,146	2,475,860	1,965,256	1,506,084	1,571,122
Net cash from/ (used by) investing activities	221,294	(2,024,950)	(1,632,438)	(1,057,548)	(1,110,689)
Net increase/ (decrease) in cash held	(83,502,692)	(88,918,587)	(92,618,784)	(92,929,438)	(94,542,227)

Table 3.2.9: Schedule of budgeted administered cash flows (for the period ended 30 June) (continued)

	Estimated actual \$'000	2015-16 Budget \$'000	Forward estimate \$'000	Forward estimate \$'000	Forward estimate \$'000
Cash and cash equivalents at beginning of reporting period	1,412	1,412	1,412	1,412	1,412
Total cash from Official Public Account	85,719,895	91,886,785	96,748,558	97,400,029	99,820,309
Total cash to Official Public Account	(2,217,203)	(2,968,198)	(4,129,774)	(4,470,591)	(5,278,082)
Cash and cash equivalents at end of reporting period	1,412	1,412	1,412	1,412	1,412

Prepared on Australian Accounting Standards basis.

Table 3.2.10: Administered capital budget statement (for the period ended 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward estimate \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Administered Assets and Liabilities	-	-	1,000,000	1,000,000	1,000,000
Special Appropriations	149,646	2,020,092	497,051	24,359	24,766
appropriations	149,646	2,020,092	1,497,051	1,024,359	1,024,766
Provided for:					
<i>International Financial Institutions</i>	149,646	2,020,092	497,051	24,359	24,766
<i>Northern Australia Infrastructure Facility</i>	-	-	1,000,000	1,000,000	1,000,000
Total items	149,646	2,020,092	1,497,051	1,024,359	1,024,766

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

The Treasury's budgeted statements are prepared on an accrual basis.

Under the Government's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that departments control (departmental transactions) are separately budgeted for, and reported on, from transactions departments do not have control over (administered transactions). This ensures that departments are only held accountable for the transactions over which they have control.

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Departmental assets, liabilities, revenues and expenses are controlled by the department. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the department in providing goods and services.

Administered items are revenues, expenses, assets or liabilities which are managed by the department on behalf of the Government according to set government directions. Administered expenses include subsidies, grants and personal benefit payments, and administered revenues include taxes, fines and excises.