

Budget Estimates

2005-06



New South Wales

Budget Paper No. 3

Volume 1

TABLE OF CONTENTS

	Narrative	Financials
INTRODUCTION	i	
THE LEGISLATURE		1 - 1
1. The Legislature	1 - 1	1 - 3
PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR CITIZENSHIP		2 - 1
2. Cabinet Office	2 - 2	2 - 35
3. Parliamentary Counsel's Office	2 - 3	2 - 40
4. Premier's Department	2 - 5	2 - 45
5. Independent Commission Against Corruption	2 - 8	2 - 60
6. Ombudsman's Office	2 - 9	2 - 65
7. State Electoral Office	2 - 11	2 - 76
8. Independent Pricing and Regulatory Tribunal	2 - 13	2 - 83
9. Natural Resources Commission	2 - 15	2 - 88
10. Ministry for the Arts	2 - 17	2 - 93
11. State Library of New South Wales	2 - 18	2 - 98
12. Australian Museum	2 - 20	2 - 104
13. Museum of Applied Arts and Sciences	2 - 21	2 - 109
14. Historic Houses Trust of New South Wales	2 - 23	2 - 114
15. Art Gallery of New South Wales	2 - 26	2 - 119
16. State Records Authority	2 - 27	2 - 125
17. New South Wales Film and Television Office	2 - 29	2 - 131
18. Community Relations Commission	2 - 31	2 - 136
Audit Office of New South Wales	2 - 32	2 - 143
ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT ...		3 - 1
19. Attorney General's Department	3 - 2	3 - 32
20. Judicial Commission of New South Wales	3 - 8	3 - 56
21. Legal Aid Commission of New South Wales	3 - 9	3 - 61
22. Office of the Director of Public Prosecutions	3 - 11	3 - 72
23. Department of Environment and Conservation	3 - 14	3 - 77
24. Environmental Trust	3 - 20	3 - 93
25. Royal Botanic Gardens and Domain Trust	3 - 22	3 - 97
Public Trustee NSW	3 - 24	3 - 109
Registry of Births, Deaths and Marriages	3 - 26	3 - 112
Stormwater Trust	3 - 28	3 - 115
Waste Fund	3 - 29	3 - 118

Table of Contents - *continued*

Narrative Financials

MINISTER FOR COMMUNITY SERVICES AND

MINISTER FOR YOUTH		4 - 1
26. Department of Community Services	4 - 1	4 - 12
27. Office of the Children's Guardian	4 - 7	4 - 23
28. Commission for Children and Young People	4 - 9	4 - 28
Businesslink	4 - 10	4 - 33

MINISTER FOR EDUCATION AND TRAINING 5 - 1

29. Department of Education and Training	5 - 1	5 - 18
30. Office of the Board of Studies	5 - 12	5 - 35

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH 6 - 1**

31. Department of Energy, Utilities and Sustainability	6 - 1	6 - 8
32. Payments for Water and Sewerage Assistance	6 - 4	6 - 18
33. Ministry for Science and Medical Research	6 - 4	6 - 21
Redfern-Waterloo Authority	6 - 6	6 - 26

**MINISTER FOR GAMING AND RACING AND MINISTER FOR
THE CENTRAL COAST 7 - 1**

34. Department of Gaming and Racing	7 - 1	7 - 5
35. Casino Control Authority	7 - 3	7 - 16

MINISTER FOR HEALTH 8 - 1

36. Department of Health	8 - 1	8 - 15
37. Health Care Complaints Commission	8 - 13	8 - 39

MINISTER FOR HOUSING 9 - 1

38. Payments to Other Government Bodies Under the Control of the Minister	9 - 1	9 - 10
Aboriginal Housing Office	9 - 5	9 - 14
Home Purchase Assistance Fund	9 - 8	9 - 17

Table of Contents - *continued*

Narrative Financials

MINISTER FOR INFRASTRUCTURE AND PLANNING AND		
MINISTER FOR NATURAL RESOURCES		
		10 - 1
39. Heritage Office	10 - 2	10 - 15
40. Department of Infrastructure, Planning and Natural Resources ...	10 - 3	10 - 20
Environmental Planning and Assessment Act	10 - 8	10 - 36
Growth Centres Commission	10 - 10	10 - 40
Honeysuckle Development Corporation	10 - 12	10 - 43
Catchment Management Authorities	10 - 13	10 - 46
MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING		
		11 - 1
41. Department of Corrective Services	11 - 1	11 - 9
MINISTER FOR JUVENILE JUSTICE AND MINISTER		
FOR WESTERN SYDNEY		
		12 - 1
42. Department of Juvenile Justice	12 - 1	12 - 4
MINISTER FOR MINERAL RESOURCES		
		13 - 1
43. Coal Compensation Board	13 - 1	13 - 3
MINISTER FOR POLICE		
		14 - 1
44. Ministry for Police	14 - 1	14 - 11
45. NSW Police	14 - 3	14 - 16
46. New South Wales Crime Commission	14 - 8	14 - 28
47. Police Integrity Commission	14 - 9	14 - 33
MINISTER FOR PRIMARY INDUSTRIES		
		15 - 1
48. Department of Primary Industries	15 - 1	15 - 12
49. Rural Assistance Authority	15 - 7	15 - 25
NSW Food Authority	15 - 9	15 - 31
MINISTER FOR REGIONAL DEVELOPMENT, MINISTER FOR THE		
ILLAWARRA AND MINISTER FOR SMALL BUSINESS		
		16 - 1

Table of Contents - *continued*

Narrative Financials

MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM, MINISTER FOR PORTS AND MINISTER FOR THE HUNTER		17 - 1
50. Roads and Traffic Authority	17 - 1	17 - 12
NSW Maritime Authority	17 - 8	17 - 27
MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND MINISTER FOR LANDS		18 - 1
51. Department of Local Government	18 - 2	18 - 15
52. New South Wales Fire Brigades	18 - 4	18 - 22
53. Department of Rural Fire Service	18 - 7	18 - 32
54. State Emergency Service	18 - 9	18 - 41
55. Department of Lands	18 - 11	18 - 46
Land and Property Information New South Wales	18 - 13	18 - 55
SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE, MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING AND MINISTER FOR DISABILITY SERVICES		19 - 1
56. Department of Commerce	19 - 2	19 - 23
57. Department of Ageing, Disability and Home Care	19 - 8	19 - 37
58. Home Care Service of New South Wales	19 - 11	19 - 45
Superannuation Administration Corporation	19 - 12	19 - 50
Motor Accidents Authority	19 - 14	19 - 53
Rental Bond Board	19 - 16	19 - 56
WorkCover Authority	19 - 18	19 - 59
Workers' Compensation (Dust Diseases) Board	19 - 20	19 - 63
Building and Construction Industry Long Service Payments Corporation	19 - 21	19 - 66
MINISTER FOR TOURISM AND SPORT AND RECREATION AND MINISTER FOR WOMEN		20 - 1
59. Department of Tourism, Sport and Recreation	20 - 1	20 - 11
60. Sydney Olympic Park Authority	20 - 4	20 - 19
61. Centennial Park and Moore Park Trust	20 - 6	20 - 26
Luna Park Reserve Trust	20 - 9	20 - 32
State Sports Centre Trust	20 - 10	20 - 35

Table of Contents - *continued*

Narrative Financials

MINISTER FOR TRANSPORT		21 - 1
62. Ministry of Transport	21 - 2	21 - 13
63. Independent Transport Safety and Reliability Regulator	21 - 11	21 - 22
 TREASURER, MINISTER FOR STATE DEVELOPMENT AND MINISTER FOR ABORIGINAL AFFAIRS		22 - 1
64. Treasury	22 - 2	22 - 27
65. Crown Finance Entity	22 - 9	22 - 41
66. Crown Leaseholds Entity	22 - 12	22 - 52
67. Department of State and Regional Development	22 - 13	22 - 56
68. Department of Aboriginal Affairs	22 - 17	22 - 63
NSW Self Insurance Corporation	22 - 19	22 - 69
Liability Management Ministerial Corporation	22 - 21	22 - 72
Electricity Tariff Equalisation Ministerial Corporation	22 - 23	22 - 75
Crown Property Portfolio	22 - 24	22 - 78

INDEX - Full index included at end of each Volume

INTRODUCTION

Budget Paper No. 3 provides information on the performance of general government agencies. Under each Minister's portfolio, commentary and financial statements are provided for each agency within the portfolio. In addition, program statements are provided for those agencies classified as budget dependent general government agencies.

COMMENTARY

The commentary provides an overview of the agency's expenditure trends and recent developments, strategic directions and 2005-06 Budget.

The *Expenditure Trends and Recent Developments* section explains significant changes in agency functions, responsibilities and operating environment. This section provides information on key results the agency is trying to influence or developments experienced by the agency in the lead up to the Budget.

The *Strategic Directions* section explains objectives or areas of focus for the agency in the Budget year. This section may include information about an agency's planned response to emerging priorities or changes to service delivery mechanisms.

The *2005-06 Budget* section summarises the agency's expenses and capital expenditure for the Budget year. This section provides information on important areas of expenditure or major initiatives that will support the agency in its delivery of services as well as the expected contribution these services will make to results for the community.

FINANCIAL STATEMENTS

Financial statements on an accrual basis are presented for each agency. These include the Operating Statement, Cash Flow Statement and Statement of Financial Position.

The Operating Statement details the major categories of expenses and revenues of agencies. A key aggregate is the Net Cost of Services, which is the difference between expenses, retained revenue and the gain/loss on disposal of non current assets.

For those agencies which receive a direct appropriation from Parliament, the Net Cost of Services is funded by revenue (mainly taxation) raised from the community as a whole.

For those agencies, which do not receive direct appropriations, the difference between revenues and expenses is the surplus (deficit) available to further the objectives of the agency or be distributed to the Consolidated Fund to support core government services to the community. A deficit would need to be funded from the agency's cash holdings or through borrowings.

The Government incurs expenditure as a result of providing services to the community. Under accrual accounting the operating statement of an agency records expenses when they occur. This varies from cash accounting which records expenditure when the payment is made.

The major categories of expenses shown on this statement include employee related costs, operating costs, maintenance of assets¹, depreciation and amortisation of assets, grants and subsidies provided to other entities, and other expenses.

Similarly, revenues are shown when the agency is entitled to receive the funds although the cash may be received in a different period. Revenues are dissected into sales of goods and services, investment income, grants and contributions and other revenue.

The Cash Flow Statement details the cash impacts of agency activities including the cash appropriations sourced from taxation. The movement in cash disclosed in the statement equates to the difference between the opening and closing cash balances in the Statement of Financial Position. In addition, the net cash flow from operating activities shown on the cash flow statement is reconciled to the Net Cost of Services (or surplus/deficit) in the operating statement.

The Statement of Financial Position details the assets and liabilities of the agency with the difference being the net investment by the community in the form of equity in that agency. Assets and liabilities are dissected into current (convertible into cash or paid/received within the next 12 months), or non current (paid/received after 12 months).

¹ Expense on in-house maintenance is typically classified to other line items including employee related expenses. Maintenance expense is thus not a complete estimate of the allocation of expenses to maintenance.

PROGRAM STATEMENTS

Where agencies receive direct Budget support their activities are grouped into programs. Programs in turn are grouped into program areas. The underlying structure for these agencies is:

Minister: highest level at which funds are appropriated (e.g. the Minister for Roads).

Agency: department or authority (e.g. the Roads and Traffic Authority).

Program Area: grouping of programs with common goals (e.g. Road Network Infrastructure).

Program: individual program within a program area (e.g. Maintenance).

Program Statements - The format of the statement varies depending on whether information is published on outputs and outcomes or activities for the program. Each program statement includes narrative material - program objectives and program description – as well as staffing and a detailed operating statement.

The *program title* is relatively concise, the intention being that it convey sufficient information to enable an interested reader to grasp in general terms what government functions or responsibilities are subsumed under the program.

Program objectives are statements of the broad aims of the program and indicate why the State is involved in the area.

The *program description* explains the activities which are grouped together within the program. The program description differs from the program objectives in that it indicates how the program is undertaken, rather than why.

From this point on the content of the program statements varies, depending upon whether information on outputs (and in selected cases, outcomes) is being published.

For those programs where information on outputs and outcomes is being published, the program statement is presented on the following basis:

- ◆ *Outcomes* – the intended effects or impacts on the community, environment or economy which the Government is trying to influence through agency activities. Outcomes may be stated qualitatively or quantitatively and the information published is usually an indicator of the actual effect or impact on the community and reflects the degree of influence achieved. For example, a road safety outcome could be described quantitatively as road fatalities not exceeding x number per 100,000 of population. In this case, the outcome indicator would be the actual number of road fatalities per 100,000 of population.
- ◆ *Outputs* – programs, goods and services or a response capacity produced by agencies to contribute to achieving the Government’s desired outcomes. Outputs can be described very specifically (individual outputs) or more collectively (output groups). The output information published usually indicates the number of key outputs produced. In the road safety example cited above, one group of outputs could be driver and vehicle licensing services, with key outputs including driver/rider tests conducted and registered vehicles.
- ◆ Total average staffing for the program which represents the number of staff engaged on outputs produced by the program. These staff figures represent an estimate of annual average staffing, including temporary and short term “casual staffing”, expressed on an equivalent full-time (EFT) basis. They are a guide to the average number of staff who might be employed during the year on a particular program based on the funds intended to be spent on the program. The figures include staff charged both to recurrent services and to capital works and services. Where program costs consist of contributions to other bodies (e.g. transport authorities), staff figures for these bodies are not included.

Where outcome/output information is not published, the total average staffing is dissected into major activities undertaken and the level of EFT staff involved in these activities. The activities have concise titles which follow logically from the program description. The full range of activities within the program is covered although relatively minor activities may not be discretely specified.

From this point onwards the format of the program statements converges, with an operating statement being presented in the same format as the agency presentation except that “grants and subsidies”, “other expenses” and “retained revenues” categories may be further dissected to provide insight into the nature of the payment or receipt.

Also shown is the amount of capital expenditure for each program, which details the total level of purchases of property, plant and equipment being planned by the agency.

In 2005-06 all Budget-funded general government agencies prepared *Results and Services Plans (RSPs)*. The RSP demonstrates the relationship between the services that an agency delivers and the results that it is working towards, and sets out how resources will be deployed to achieve those results and services. The RSP is prepared by agencies specifically to support decision making by the Budget Committee of Cabinet.

The RSP process is a long term strategy to improve resource allocation and management by:

- ◆ clarifying performance expectations that Ministers agree with the Budget Committee of Cabinet;
- ◆ providing a means for agencies to identify performance indicators that are useful for decision making and which can also meet performance reporting needs; and
- ◆ assisting agencies to integrate strategic and operational planning, including their physical asset management and planning.

The RSP process reflects current good practice in public sector financial management. In particular, Treasury believes that a long term commitment to this planning approach will improve the range and quality of non-financial performance information. As the RSP process beds down, Treasury expects that information on agencies' contribution to results as well as their service delivery performance will increasingly supplement program statement information.

ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Australia is adopting international financial reporting standards in 2005-06. As a result, agency financial statements in Budget Paper 3 are presented in the following way:

- ◆ The 2004-05 Budget and Revised columns are presented in accordance with Australian Accounting Standards. This is consistent with the presentation of the 2004-05 Budget and the way agencies are required to prepare their 2004-05 audited financial statements.

- ◆ The 2005-06 Budget column is presented under an Australian Equivalent to International Financial Reporting Standards (AEIFRS) basis. This is consistent with the way agencies are required to prepare their 2005-06 audited financial statements.

For many agencies the adoption of AEIFRS will result in minimal changes.

The main changes in Budget Paper 3 impact upon the Statement of Financial Position. They include:

- ◆ An increase in defined benefits superannuation liabilities in 2005-06 due to the adoption of a lower accrued benefits discount rate under AEIFRS. Prior to AEIFRS the estimates of superannuation liabilities was made using a discount rate based on the long-term expected rate of return on plan assets. Under AEIFRS, the discount rate is the 10 year Commonwealth Government bond rate which is effectively a risk-free rate. This affects those general government agencies that hold defined benefit superannuation liabilities.
- ◆ The reclassification on the face of the Statement of Financial Position of certain assets previously disclosed under Property, Plant and Equipment including:
 - assets classified as held for sale become a current asset;
 - investment properties become a new disclosure; and
 - intangible assets (including certain software assets and easements over property) become a new disclosure.

The 2004-05 comparatives have not been reclassified, as the original budget for these items was included within Property, Plant and Equipment, and cannot be readily dissected.

AEIFRS has not resulted in any change to the presentation in Budget Paper 3 of agency Operating Statements or Cash Flow Statements.

Refer to Appendix F of Budget Paper 2 for further information on the Government's AEIFRS implementation strategy and the financial impact of AEIFRS on the Budget aggregates.

THE LEGISLATURE

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
The Legislature			
Total Expenses	103.8	106.7	2.7
Capital Expenditure	2.2	2.1	-7.5

The Legislature comprises the Legislative Council and the Legislative Assembly. Both Houses are directly elected by the people of New South Wales and together form one arm of the system of responsible government.

The functions of Parliament are wide-ranging and include the making of laws, control of State finances, oversight and scrutiny of Executive Government operations and the provision of a forum to discuss matters of concern or importance to the public.

The Legislative Council, Legislative Assembly and Joint House Departments provide procedural, administrative and support services to assist Members in the performance of their parliamentary and constituency duties, both at Parliament House and in the 94 Legislative Assembly electorate offices (Murray Darling has two offices) throughout the State.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Legislature's expenditure over the last five years has increased as a consequence of a number of factors including changes to Members' entitlements and provision of a wide area computer network to each of the 94 Legislative Assembly electorate offices throughout the State.

The need to enhance physical and information technology security both within the Parliament and electorate offices has also impacted on expenditure trends.

Employee related expenses, including salaries of Members of Parliament, account for 74.6 percent of the Legislature's total expenditure.

STRATEGIC DIRECTIONS

The Parliament's primary strategic focus is on the provision of services to Members of Parliament to support them in undertaking their Parliamentary and electorate duties.

Strategies planned for the Budget year to achieve this and other goals include:

- ◆ continuation of Occupational Health and Safety Audits of Members' offices;
- ◆ completion of the Parliament's Business Continuity Plan;
- ◆ development and monitoring of key performance indicators to support Parliament's Results and Services Plan;
- ◆ provision of broadband telecommunication services to Members' electorate and home offices;
- ◆ further development and refinement of Parliament's Total Asset Management Plan;
- ◆ alignment of performance management systems and management reporting to strategic goals and objectives; and
- ◆ enhancements to the Members' entitlement recording and claims management systems.

2005-06 BUDGET

Total Expenses

Estimated total expenses in 2005-06 are \$106.7 million, an increase of 2.7 percent over budgeted 2004-05 expenses.

Capital Expenditure

Total capital expenditure in 2005-06 is estimated at \$2.1 million. This funding will be used to fit out Legislative Assembly Members' electorate offices (\$0.8 million), maintain the Parliament's Information Technology systems (\$1.2 million) and for minor works (\$0.1 million).

THE LEGISLATURE
1 THE LEGISLATURE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	51,842	53,215	53,873
Other operating expenses	20,622	20,943	21,754
Maintenance	610	497	600
Depreciation and amortisation	5,639	4,938	4,708
Other expenses	25,128	25,929	25,758
Total Expenses	103,841	105,522	106,693
Less:			
Retained Revenue -			
Sales of goods and services	4,520	4,073	4,475
Investment income	30	86	60
Grants and contributions	...	113	...
Other revenue	270	186	285
Total Retained Revenue	4,820	4,458	4,820
NET COST OF SERVICES	99,021	101,064	101,873

THE LEGISLATURE
1 THE LEGISLATURE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	41,331	41,735	42,462
Other	48,128	50,084	51,058
Total Payments	89,459	91,819	93,520
Receipts			
Sale of goods and services	4,520	3,993	4,426
Interest	30	96	51
Other	2,520	2,987	2,785
Total Receipts	7,070	7,076	7,262
NET CASH FLOWS FROM OPERATING ACTIVITIES	(82,389)	(84,743)	(86,258)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(2,125)	(2,919)	(1,951)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(2,125)	(2,919)	(1,951)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	80,760	81,129	86,019
Capital appropriation	2,244	2,926	2,075
Cash reimbursements from the Consolidated Fund Entity	2,167	2,332	...
NET CASH FLOWS FROM GOVERNMENT	85,171	86,387	88,094
NET INCREASE/(DECREASE) IN CASH	657	(1,275)	(115)
Opening Cash and Cash Equivalents	310	1,735	460
CLOSING CASH AND CASH EQUIVALENTS	967	460	345
CASH FLOW RECONCILIATION			
Net cost of services	(99,021)	(101,064)	(101,873)
Non cash items added back	16,795	15,885	15,854
Change in operating assets and liabilities	(163)	436	(239)
Net cash flow from operating activities	(82,389)	(84,743)	(86,258)

THE LEGISLATURE
1 THE LEGISLATURE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	967	460	345
Receivables	1,026	1,122	1,180
Inventories	175	250	187
Other	175	389	184
Total Current Assets	2,343	2,221	1,896
Non Current Assets -			
Property, plant and equipment -			
Land and building	110,192	114,359	113,375
Plant and equipment	28,220	45,963	44,314
Total Non Current Assets	138,412	160,322	157,689
Total Assets	140,755	162,543	159,585
LIABILITIES -			
Current Liabilities -			
Payables	3,901	3,987	3,542
Provisions	3,330	3,514	3,634
Total Current Liabilities	7,231	7,501	7,176
Non Current Liabilities -			
Provisions	531	595	595
Total Non Current Liabilities	531	595	595
Total Liabilities	7,762	8,096	7,771
NET ASSETS	132,993	154,447	151,814
EQUITY			
Reserves	11,167	16,679	16,679
Accumulated funds	121,826	137,768	135,135
TOTAL EQUITY	132,993	154,447	151,814

THE LEGISLATURE
1 THE LEGISLATURE

1.1 Parliamentary Government

1.1.1 Legislative Council

Program Objective(s): To represent the people of New South Wales in the Upper House.
To support the functions of the Legislative Council and its 42 Members.

Program Description: Consideration, review and passing of legislation for the good government of the State. Provision of procedural, administrative and committee support services to assist Members in the performance of their parliamentary and constituency duties.

<u>Activities</u> :	Average Staffing (EFT)	
	2004-05	2005-06
Secretarial services for Members	50	52
Procedural and administrative support	29	29
Committee advisory, research and administrative support	18	18
	97	99

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	11,081	10,659	11,515
Other operating expenses	2,021	2,116	2,108
Maintenance	...	5	...
Depreciation and amortisation	262	413	349
Other expenses			
Salaries and allowances of Members of the Legislative Council	4,010	3,560	3,625
Salaries and allowances of recognised office-holders of the Legislative Council	2,750	2,710	2,740
Salaries and allowances of Ministers of the Crown	1,226	1,760	1,605
Overseas delegation	3	5	3
Total Expenses	21,353	21,228	21,945

THE LEGISLATURE
1 THE LEGISLATURE

1.1 Parliamentary Government

1.1.1 Legislative Council (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services

Rents and leases

Other revenue

380

393

410

45

33

50

Total Retained Revenue

425

426

460

NET COST OF SERVICES

20,928

20,802

21,485

CAPITAL EXPENDITURE

252

180

270

THE LEGISLATURE

1 THE LEGISLATURE

1.1 Parliamentary Government

1.1.2 Legislative Assembly

Program Objective(s): To represent the 93 electorates throughout New South Wales and support the functions of the Legislative Assembly.

Program Description: Consideration and passing of legislation for the good government of the State. Local electorate representation by Members of Parliament. Provision of secretarial, procedural, administrative and committee support services both within the electorate and Parliament House to assist Members in the performance of their parliamentary and constituency duties.

	Average Staffing (EFT)	
	2004-05	2005-06
<u>Activities:</u>		
Secretarial and research services for Members	212	208
Procedural and administrative support	41	38
Committee advisory, research and administrative support	24	22
	<u>277</u>	<u>268</u>

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	25,530	26,901	26,454
Other operating expenses	14,778	14,662	15,659
Maintenance	310	169	300
Depreciation and amortisation	2,247	1,936	1,842
Other expenses			
Salaries and allowances of Members of Parliament	8,190	8,110	7,960
Salaries and allowances of recognised office-holders of the Legislative Assembly	6,310	5,510	5,420
Salaries and allowances of Ministers of the Crown	2,337	3,975	4,094
Commonwealth Parliamentary Association	295	295	304
Overseas delegation	7	4	7
Total Expenses	60,004	61,562	62,040

THE LEGISLATURE
1 THE LEGISLATURE

1.1 Parliamentary Government

1.1.2 Legislative Assembly (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	380	393	410
Minor sales of goods and services	25	...	25
Other revenue	150	48	120

Total Retained Revenue	555	441	555
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NET COST OF SERVICES	59,449	61,121	61,485
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CAPITAL EXPENDITURE	1,383	1,418	1,690
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THE LEGISLATURE
1 THE LEGISLATURE

1.2 Parliamentary Support Services

1.2.1 Joint Services

Program Objective(s): To provide support services to the Legislative Assembly and the Legislative Council.

Program Description: Provision of support and ancillary services to Members. Operation of both Houses and the Parliament House Building.

<u>Activities:</u>	Average Staffing (EFT)	
	2004-05	2005-06
Accounting and financial	12	13
Archives	2	2
Building	64	61
Catering	40	39
Education and Community Relations	2	2
Hansard	24	23
Information technology	13	14
Library	34	35
Security	18	17
Printing Services	3	3
	212	209

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	15,231	15,655	15,904
Other operating expenses	3,823	4,165	3,987
Maintenance	300	323	300
Depreciation and amortisation	3,130	2,589	2,517
Total Expenses	22,484	22,732	22,708

THE LEGISLATURE
1 THE LEGISLATURE

1.2 Parliamentary Support Services

1.2.1 Joint Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Energy recoupment	475	500	520
Functions	600	390	435
Minor sales of goods and services	2,660	2,397	2,675
Investment income	30	86	60
Grants and contributions	...	113	...
Other revenue	75	105	115

Total Retained Revenue	3,840	3,591	3,805
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NET COST OF SERVICES	18,644	19,141	18,903
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CAPITAL EXPENDITURE	609	1,328	115
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PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR CITIZENSHIP

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Cabinet Office			
Total Expenses	19.6	25.8	31.1
Capital Expenditure .....	...	0.2	n.a.
Parliamentary Counsel's Office			
Total Expenses	6.5	6.9	6.4
Capital Expenditure	0.7	1.2	63.0
Premier's Department			
Total Expenses	106.0	141.4	33.3
Capital Expenditure	3.4	1.3	-60.9
Independent Commission Against Corruption			
Total Expenses	16.5	16.8	2.2
Capital Expenditure	0.2	0.2	...
Ombudsman's Office			
Total Expenses	18.7	19.5	4.4
Capital Expenditure	0.1	0.7	967.2
State Electoral Office			
Total Expenses	10.8	12.2	12.4
Capital Expenditure .....	...	1.5	n.a.
Independent Pricing and Regulatory Tribunal			
Total Expenses	14.9	16.1	8.0
Capital Expenditure	0.2	0.2	...
Natural Resources Commission			
Total Expenses	3.6	4.3	20.4
Capital Expenditure	0.5	...	-100.0
Ministry for the Arts			
Total Expenses	91.1	83.4	- 8.5
Capital Expenditure	10.8	17.7	64.1
State Library of New South Wales			
Total Expenses	73.0	79.2	8.5
Capital Expenditure	10.1	10.8	6.8
Australian Museum			
Total Expenses	36.0	35.3	-2.0
Capital Expenditure	4.4	6.5	47.4

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Museum of Applied Arts and Sciences			
Total Expenses	44.7	44.6	-0.2
Capital Expenditure	5.4	5.4	...
Historic Houses Trust of New South Wales			
Total Expenses	21.8	23.8	9.0
Capital Expenditure	2.3	0.5	-79.4
Art Gallery of New South Wales			
Total Expenses	30.2	32.7	8.2
Capital Expenditure	3.8	2.8	-27.8
State Records Authority			
Total Expenses	14.5	14.6	0.4
Capital Expenditure	12.8	2.8	-77.9
New South Wales Film and Television Office			
Total Expenses	10.5	10.1	-3.7
Capital Expenditure .....	...	...	...
Community Relations Commission			
Total Expenses	15.1	15.2	1.0
Capital Expenditure .....	...	...	...
Audit Office of New South Wales			
Total Expenses	28.3	28.7	1.5
Capital Expenditure	0.3	1.0	227.5
Total, Premier, Minister for the Arts and Minister for Citizenship			
Total Expenses	561.8	610.6	8.7
Capital Expenditure	55.0	52.8	-4.0

THE CABINET OFFICE

The Cabinet Office provides support to the Premier and Cabinet through the development, co-ordination and implementation of government policy. It co-ordinates New South Wales' involvement in Commonwealth-State issues and advises the Premier on legal matters which arise within his administration. The Cabinet Office provides all secretarial services for the Cabinet and its sub-committees including preparation of agendas, recording of decisions, circulation and presentation of Cabinet submissions, and follow-up action.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over the last five years, the core responsibilities of The Cabinet Office have remained unchanged. However, on occasions, the Office has been given responsibility for various strategic policy issues requiring the establishment of specialised units within the Office.

The Office of Drug Policy was established in 1999 to co-ordinate and develop policy in relation to illicit drugs, and since 2003 has had additional responsibility for alcohol policy.

In 2004 the New South Wales Greenhouse Office was created to lead, promote and facilitate strategic greenhouse action to combat climate change and secure long-term economic, social and environmental benefits for New South Wales.

2005-06 BUDGET

Total Expenses

The Cabinet Office has estimated total expenses of \$25.8 million, including:

- ◆ \$0.9 million for illicit drugs policy;
- ◆ \$0.6 million for alcohol policy;
- ◆ \$6 million for Greenhouse emission reduction initiatives; and
- ◆ \$1.2 million for Greenhouse policy.

Capital Expenditure

The capital allocation of \$0.2 million is for minor capital works.

PARLIAMENTARY COUNSEL'S OFFICE

The Parliamentary Counsel's Office:

- ◆ develops and drafts government legislation for presentation to Parliament or the Governor-in-Council;
- ◆ provides a legislative drafting service for non-government Members of Parliament;
- ◆ provides legal and administrative advice to the Government;
- ◆ undertakes research on legislative and related matters;
- ◆ provides a legislative publishing service to the Government, Parliament and the public, including the production of Bills, new Acts and Regulations, updated reprints of legislation and information guides; and
- ◆ compiles and provides internet access to the New South Wales legislation database via www.legislation.nsw.gov.au.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenditure trends have not varied markedly over the last five years, apart from movements in salaries and operating costs affecting the public sector. However, the need to maintain sufficient legislative drafting staff to meet service demand and provide adequate succession planning has impacted on employee related expenditure. Additional funding provided in 2004-05 enabled the Office to begin to increase its drafting strength.

Revenue from sale of printed legislation and associated services has decreased in recent years, due to falling demand for traditional paper-based publications as more clients access legislation electronically. The rate of decline has also varied from year-to-year, making it difficult for revenue to be accurately forecast. In 2004-05, a three-year agreement was negotiated with the main purchaser of legislation products, resulting in a more secure revenue stream for the Office.

STRATEGIC DIRECTIONS

The Office is continuing to develop new IT systems in order to enhance service delivery and reduce the cost of public access to legislation. The Office is also focusing on succession planning activities to ensure there is no interruption to legislative drafting services in future years. The successful delivery of the Office's services in future years will also be dependent on finding new office accommodation that meets the particular needs of a legislative drafting office.

2005-06 BUDGET

Total Expenses

Total expenses of the Parliamentary Counsel's Office are estimated to be \$6.9 million with approximately 80 percent being allocated to employee related payments.

Capital Expenditure

Total capital expenditure for 2005-06 comprises:

- ◆ \$1.1 million to streamline and automate various production processes within the Office, leading to enhanced online delivery services, and the authorisation of electronic versions of legislation; and
- ◆ \$50,000 for minor works.

PREMIER'S DEPARTMENT

Premier's Department supports the Premier, as head of the Government, in making New South Wales a better place in which to live, work and do business.

The Department:

- ◆ provides strategic advice and services to the Premier;
- ◆ manages issues and projects of significance to the State;
- ◆ provides leadership to the New South Wales public sector;
- ◆ maintains the effective management of public sector staff and resources;
- ◆ ensures a whole-of-government approach to policy development and service provision within the public sector, especially in regional and rural areas; and
- ◆ provides leadership on whole-of-government policy formulation, programs and initiatives for women.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenditure remained static over 2002-03 and 2003-04 at approximately \$133 million and is expected to decline to an estimated \$123 million in 2004-05 due to the transfer of the communities related functions to the Department of Community Services. Expenditure during 2004-05 included:

- ◆ \$3 million for Special Commissions of Inquiry - Completing the South West Metropolitan Health and Medical Research Compensation Foundation inquiries; and conducting an inquiry into the terms and objectives of the Independent Commission Against Corruption Act;
- ◆ \$2 million for the New South Wales Government contribution to the international Tsunami Relief effort in South East Asia;
- ◆ \$1.2 million for the 2009 Sydney World Masters' Games towards the host city rights first tranche payment and administration and operational expenses;
- ◆ \$1 million for critical infrastructure and counter-terrorism measures;
- ◆ \$0.4 million for welcome home parades for the Athens' Olympic and Paralympics teams; and
- ◆ \$0.3 million for the NSW Government contribution for the 2004 Carols in the Domain.

The Department has streamlined operations to gain greater efficiencies.

The Service Delivery Improvement program ceased from 1 July 2004 with service delivery activities being incorporated into the Performance Development program; and e-government/ICT initiatives and Aboriginal service delivery strategy activities being incorporated into the Strategic Projects program.

Administrative activities of the Office of the Coordinator General, Management Services, and Counter-Terrorism and Disaster Recovery were transferred from the Strategic Projects program to the State Administration Services program from 1 July 2004.

The Office for Women was established from 1 July 2004 and its programs and projects, including *GirlSavvy*, 'Lucy' Mentoring and development of *SistaSpeak*, focussed on leadership and improving outcomes for young women in New South Wales.

Administration of the Aboriginal Trust Fund Repayment Scheme was transferred into the Strategic Projects program during 2004-05, continuing the NSW Government's commitment to identify and reimburse Aboriginal people who are owed money from New South Wales Trust Funds.

From 1 July 2005, responsibility for the Redfern-Waterloo Partnership project will be transferred to the Redfern-Waterloo Authority.

STRATEGIC DIRECTIONS

The Department will continue its commitment to better value for money in the delivery of public services. Key whole-of-government co-ordination roles include:

- ◆ initiatives to manage economic and social issues in regional and rural New South Wales;
- ◆ improving service delivery by the public sector;
- ◆ management of policy responses to acts of terrorism and natural disasters;
- ◆ State protocol, hospitality and events;
- ◆ improving the representation of targeted groups in the public sector workforce, focusing on Aboriginal people and people with disabilities; and
- ◆ improving the economic and social well-being of women in New South Wales through partnerships with New South Wales government agencies, the community and private sectors, and other levels of government.

2005-06 BUDGET

Total Expenses

Estimated total expenses for the Department in 2005-06 are \$141 million, which includes:

- ◆ \$4.3 million for the Aboriginal Trust Fund Repayment Scheme;
- ◆ \$4.1 million for the Community Drug Strategies program;
- ◆ \$3.3 million towards a National Equine and Livestock Centre in Tamworth to establish a nationally significant multi-purpose venue for events and activities with seating facilities to cater for national and international events;
- ◆ \$2.2 million for Executive Development Programs funded by consolidating training expenditure from across the public sector (including scholarships to the Australia New Zealand School of Government and the Sydney University School of Government);
- ◆ \$2.3 million for the Office for Women including the Premier's Council for Women;
- ◆ \$1 million for the ANZAC Memorial Trust; and
- ◆ \$0.5 million for the River Towns project enabling 16 remote communities to proactively address social and economic disadvantage.

The Department continues to lead and co-ordinate a whole-of-government approach to major projects and issues, including acting as co-ordinator of State policy responses to counter-terrorism and natural disasters.

The Department is responsible for the funding and support of the Premier's Office; the Leaders of the Opposition's Offices; offices of former office holders (such as former Premiers); and services for the Governor's Office. Host agency responsibility for 10 Ministers' Offices has been transferred from other agencies to the Department, in addition to the Ministerial Offices already being hosted by the Department.

Capital Expenditure

In 2005-06, the Department's capital program will be \$1.3 million. This includes:

- ◆ \$0.6 million for regular computer, telecommunication and office equipment upgrades; and
- ◆ \$0.3 million for the ANZAC Memorial in Hyde Park for the development of a Conservation Management Plan for the future conservation and preservation of the building.

INDEPENDENT COMMISSION AGAINST CORRUPTION

The Independent Commission Against Corruption is responsible for promoting and enhancing integrity in public administration in New South Wales by investigating and minimising corruption through the application of its special powers. The Commission applies the latest corruption prevention methods and undertakes research and education into corruption prevention.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over the past five years total expenses have increased from \$15.5 million in 2000-01 to an estimated \$18 million in 2004-05. A major restructure occurred in 2001-02 that created a more proactive, strategic and integrated investigative capacity for the Commission. There have not been any significant changes in the statutory responsibilities and functions of the Commission over the period.

During 2004-05 the Commission continued to develop its complaint handling systems and corruption investigation techniques in responding to a 40 percent growth in complaints received since 2002. The number of hearings into corruption investigations increased substantially in 2004-05 with a projected 150 hearing days, compared to 68 hearing days in the previous year. The Commission continued to improve its corruption analysis capabilities and enhanced its facilities and systems for managing intelligence based product acquired through technical surveillance and investigation operations. During 2004-05, the Commission concluded the lease of its former premises at Redfern including the settlement of make good building lease costs of \$1 million.

STRATEGIC DIRECTIONS

In 2005-06 the Commission will continue its focus on enhancing its capacity to strategically identify systemic and individual corruption risks, on the effective management of an increasing number of corruption complaints and on the continual improvement and development of the Commission's investigative capacity.

Work will proceed on improving the Commission's business processes, particularly in the area of case management and performance tracking. The Commission will continue to develop and deliver strategic research, education and corruption prevention initiatives targeted at key sectors, including local government, government agencies in regional areas, the general public sector and communities from non English speaking backgrounds.

2005-06 BUDGET

Total Expenses

Total expenses are estimated at \$16.8 million in 2005-06. The Commission will maintain and improve its current level of investigation, corruption prevention and education activities.

Capital Expenditure

In 2005-06 the Commission will incur \$0.2 million on capital expenditure mainly for intelligence based data analysis and technical equipment to improve the effectiveness of investigations and surveillance operations.

OMBUDSMAN'S OFFICE

The Ombudsman's Office is an independent and impartial review body. The Office seeks to ensure that public and private sector bodies and employees within its jurisdiction fulfil their functions properly. The Office also helps organisations and individuals within its jurisdiction to be aware of their responsibilities to the public, to act reasonably and to comply with the law and best practice in administration.

The Ombudsman is independent of the Government and accountable to the public through the New South Wales Parliament.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over time there has been an increase in the total expenses of the Office, to an estimated \$19.5 million in 2005-06. Increases are a direct result of:

- ◆ the amalgamation of the former Community Services Commission in 2002. This resulted in the Ombudsman being responsible for the Commission's functions as well as the new function of reviewing the deaths of certain children and young people and people with a disability. The full budget of the Commission was transferred to the Ombudsman with additional resources provided for the new functions;
- ◆ the transfer of certain responsibilities of the former Inspector General of Prisons in 2003. A Corrections Unit was established with funding being transferred from the allocation of the former Inspector General; and
- ◆ reviewing the implementation of new legislation determined by New South Wales Parliament.

STRATEGIC DIRECTIONS

The Ombudsman's Office Corporate Plan, which consists of a Statement of Corporate Purpose and the strategic plans for each of the Office's business units, sets the direction for the Office and outlines the goals and strategies that will support the Ombudsman's vision of fair, accountable and responsive administrative practice and service delivery in organisations that the Office oversees. Each business unit has developed its own business plan to align its activities with the strategic direction of the Office.

Considerable work was performed on the Office's strategic direction following the review of the Corporate Plan in June 2004. A comprehensive review of business unit planning was undertaken with better focused and, where possible, consistent strategies being adopted by each business unit. The review also incorporated a whole office approach to the work of the Ombudsman's Office, as well as improving the technical and administrative systems that support this work.

The Office is facing a number of challenges in 2005-06 and the following years.

Complaint numbers continue to rise, although the Office has implemented proactive strategies to reduce the number of matters referred.

In December 2004 the Office tabled its first annual report on Reviewable Deaths. This new function was allocated to the Ombudsman's Office at the time of the amalgamation of the former Community Services Commission. The establishment of this function has provided many challenges for the Office, such as setting up administrative systems within the office and with other agencies. The Ombudsman's Office has the capacity and responsibility to review deaths not only at a systemic level but also to review, and as necessary inquire, into the circumstances of individual deaths. Such a review was the subject of a Special Report to Parliament in December 2002. The number of deaths that are captured by the legislation and the amount of work required for each review has exceeded the indicative assessments that were made when the Office was allocated this function.

2005-06 BUDGET

Total Expenses

Total expenses of the Office are projected to be \$19.5 million in 2005-06 of which 78 percent will be employee related. Included in the Ombudsman's Office expenses are the expenses of Official Community Visitors, who travel throughout New South Wales visiting residential services for children and young people in care and accommodation services for people with a disability.

Capital Expenditure

In 2005-06, the Office will be undertaking capital expenditure totalling \$0.7 million. The Ombudsman's Office will purchase \$0.6 million of computer equipment during the year. The Office has also been allocated \$0.1 million for minor capital purchases.

STATE ELECTORAL OFFICE

The State Electoral Office is responsible for:

- ◆ the management and administration of parliamentary elections, by-elections and referendums;
- ◆ administrative support to the Election Funding Authority which is responsible for the public funding of election campaigns and the management and administration of the Political Education Fund (established in 1993); and
- ◆ in accordance with the appropriate legislation, elections for local government, trade unions, statutory boards, registered clubs and ballots for enterprise agreements on a full cost recovery basis.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Trends in expenditure are directly related to the occurrence of general elections, redistributions and, to a lesser extent, by-elections.

Expenditure and revenue figures in 2004-05 reflect the conduct of deferred local government elections held in that financial year, which are conducted on a full cost recovery basis. The 2004-05 expenditure also includes the conduct of the Dubbo By-Election and costs associated with the conclusion of the redistribution of electoral boundaries which concluded in December 2004.

During the 2004-05 financial year a review of the Office was undertaken by the Council on the Cost and Quality of Government. The increased operating expenses in 2005-06 reflect additional funds allocated as a result of the review. This funding will enable the Office to provide strategic electoral information and enhanced services to all New South Wales electors.

STRATEGIC DIRECTIONS

In preparation for the 2007 State and 2008 Local Government elections the Office will continue to examine the procedures and processes used at the 2003 State and 2004 Local Government elections. There will be greater emphasis on risk minimisation at election time, and more appropriate training of key election officials. Efficiency and effectiveness for future elections will be enhanced with the establishment of a centralised election management system. The Office will continue to deliver services particularly in the areas of electoral education, election funding and research.

2005-06 BUDGET

Total Expenses

The State Electoral Office has estimated total expenses of \$12.2 million in 2005-06. This principally comprises:

- ◆ \$5.4 million for operating expenses;
- ◆ \$2 million (on behalf of the Election Funding Authority) for payments to candidates, groups and parties; and
- ◆ \$3.1 million for payments to the Commonwealth for the Joint Electoral Roll Agreement.

Capital Expenditure

Total capital expenditure for 2005-06 comprises \$1.5 million for the upgrade of the Office's core election ICT system.

INDEPENDENT PRICING AND REGULATORY TRIBUNAL

The Independent Pricing and Regulatory Tribunal (IPART) determines maximum prices for monopoly services provided by major New South Wales Government utilities. In addition, it regulates natural gas tariffs and third party access to gas networks. It also carries out reviews of industry pricing and competition. IPART administers licensing of water, electricity and gas industries, including the monitoring of compliance with full retail competition conditions. Within its area of expertise, IPART provides assistance to other NSW and interstate government agencies.

From 1 January 2002, IPART became metrology co-ordinator, responsible for metering procedures under the National Electricity Code. From 1 January 2003, IPART also became administrator of the Greenhouse Gas Abatement Scheme.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

In recent years the work of IPART has expanded beyond setting maximum prices for government utilities and transport services. Additional activities now undertaken include advice on competitive neutrality, setting gas tariffs, regulating gas networks and conducting arbitration proceedings between market participants.

The introduction of national codes for the regulation of prices in the electricity and gas industries has made regulation of these areas more complex.

In November 2000, IPART's legislation was amended to give the Tribunal responsibility for administering the licensing of water, electricity and gas and for auditing compliance with licence conditions for water and electricity. This includes an active compliance and enforcement role for full retail competition.

The changes to the Act also require IPART to investigate complaints about competitive neutrality referred by the Government.

From 1 January 2003, IPART assumed the role of Administrator for the Greenhouse Gas Abatement Scheme following government legislation introducing mandatory targets for greenhouse gas emissions from electricity generation. IPART is responsible for issuing licences, administering a registry of abatement certificates, providing forecasts, carrying out annual compliance assessments and reports and enforcing breaches.

The approach to price regulation is constantly evolving and thus requires a research capacity. The Tribunal maintains an interest in overseas developments as well as continuing membership of the Australian Regulators' Forum.

STRATEGIC DIRECTIONS

The major challenges facing IPART include the need to encourage the businesses it regulates to make efficiency gains, despite the fact that these will be harder to achieve in the future than previously. Moreover, as recent events in some overseas and Australian jurisdictions have demonstrated, the community greatly values ongoing safe and reliable supplies of essential services such as electricity, gas and water. In addition, regulators must ensure that regulated businesses are provided with sufficient funds to provide the higher environmental and customer service that are required by an increasingly assertive community.

Providing adequate incentives for investment in infrastructure industries is vital. The continuing availability of low cost private capital to invest in infrastructure industries is an important element of the regulatory regime.

It is IPART's task to balance the interests of customers and suppliers so that price rises are no greater than necessary and equity consequences are carefully considered. Increasing emphasis is being placed on the application of ideas about risk management to regulation.

IPART's implementation of its business plan responds to these challenges by monitoring the impact of decisions, improving analytical techniques, making better use of legal and consultancy services and encouraging stakeholder communication.

The implementation of the Greenhouse Gas Abatement Scheme, one of the world's first carbon dioxide-denominated emissions trading schemes, is now well established. In the last year IPART accredited an additional 30 abatement projects, bringing the total number of accredited projects to 143. Over 4 million additional abatement certificates have been registered, a total of 11,734,275 certificates since the Scheme's commencement – equivalent to the abatement of an equal number of tonnes of carbon dioxide.

Abatement Scheme user charges are projected to reach \$0.8 million in 2004-05, a substantial proportion of the operating budget. The Scheme is on target to be fully self funding over its projected life.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are estimated at \$16.1 million, compared with \$14.9 million in 2004-05.

Capital Expenditure

The capital program for IPART in 2005-06 includes \$0.2 million for the replacement and upgrading of plant and equipment.

NATURAL RESOURCES COMMISSION

The Commission will provide the Government with independent advice on natural resource management issues and:

- ◆ recommend State-wide Standards and Targets;
- ◆ recommend the approval of Catchment Action Plans;
- ◆ undertake audits of the implementation and effectiveness of those plans;
- ◆ gather and disseminate natural resources information;
- ◆ advise the Minister on priorities for research; and
- ◆ undertake assessments/enquiries requested by the Minister.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Natural Resources Commission (NRC) was established by the *Natural Resources Commission Act 2003*. Under that Act, the Commission has the broad function of providing the Government with independent advice on natural resource management issues. It also has a number of specific functions which it is required to undertake in accordance with the Act or at the request of the Minister.

The Commission will be fully established by the end of 2004-05 with anticipated expenditure of \$3.6 million.

Outcomes in accordance with the NRC legislative responsibilities in 2004-05 included:

- ◆ releasing a framework document for the development of State-wide Standards and Targets for natural resource management across New South Wales;
- ◆ establishing a pilot process with five Catchment Management Authorities to develop and test recommendations on State-wide Standards and Targets;
- ◆ releasing a Consultation Paper containing Draft Standards and Targets for natural resource management across New South Wales;
- ◆ seeking Government input on key policy areas in formulating the final recommendations to Government on State-wide Standards, Targets and associated progress indicators; and
- ◆ developing an audit framework for reviewing Catchment Action Plans.

To address these complex issues the NRC used a highly consultative process involving a wide stakeholder group.

STRATEGIC DIRECTIONS

Since its inception, the NRC has been focused on developing State-wide Standards and Targets, and will provide draft recommendations to Government before the end of 2004-05. This is a key step in establishing a framework for continuous improvement in natural resource management in New South Wales.

Through extensive consultation the NRC is assisting the coordinated and efficient approach to natural resource management in New South Wales. The NRC is seeking to turn the advice and expertise provided by the Department of Infrastructure, Planning and Natural Resources, the Department of Environment and Conservation and the Department of Primary Industries into State-wide Standards and Targets that will guide effective and accountable investment to achieve the Government's goals for natural resource management.

The NRC has also established processes for providing advice to government under *State Environmental Planning Policy No 71* on proposed coastal developments and on Snowy Hydro's cloud seeding trial. The NRC continues to build its capacity to fulfil these functions and at the request of Government will provide independent advice on a broader range of issues.

2005-06 BUDGET

Total Expenses

Total expenses for the Commission in 2005-06 are projected to be \$4.3 million.

MINISTRY FOR THE ARTS

The Ministry:

- ◆ develops policy for arts and cultural development in New South Wales;
- ◆ works with the State's eight cultural institutions;
- ◆ administers a cultural grants program which supports a range of arts and cultural organisations and activities across the State;
- ◆ provides awards, fellowships and scholarships to individuals; and
- ◆ manages government arts projects, properties and capital expenditure.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over the past six years total expenses have increased from \$54.9 million in 1999-2000 to an estimated \$91.2 million in 2004-05. The increase is primarily attributable to increased support provided to the Sydney Opera House for a range of purposes including security, and to arts organisations through the cultural grants program.

In recent years, the Government's cultural policy has focused on developing cultural activities and infrastructure in regional areas, supporting the development of the arts in Western Sydney and promoting co-operation and resource sharing within the portfolio. The Ministry has been implementing a range of governance reforms across the cultural institutions, and has initiated a new strategy for arts education.

STRATEGIC DIRECTIONS

The Ministry's key strategic directions include:

- ◆ strengthening the arts and cultural environment and developing cultural infrastructure;
- ◆ providing opportunities for enhanced arts education, access to high quality arts experience for young people, and life-long education activity;
- ◆ encouraging and promoting innovation in artistic development; and
- ◆ promoting leadership in the arts and cultural sector through a broad range of initiatives.

2005-06 BUDGET

Total Expenses

Total expenses are estimated at \$83.3 million. This includes \$41 million in transfer payments to the Sydney Opera House.

The Government's contribution to the Sydney Festival will increase by \$0.4 million per annum from 2006. Funding for the Ministry's Arts Access program will also increase during 2005-06 in line with the 2003-04 Budget approval for this program. Arts Access will give school students, particularly in disadvantaged areas, greater access to our best performing arts and visual arts activities.

Capital Expenditure

Expenditure of \$34.8 million (\$15.3 million in 2005-06) has been approved for the conservation of the former State Rail property and development of a contemporary performing arts centre to be known as the Carriage Works at Eveleigh. The facility will involve the adaptive reuse of the former rail facility at the Eveleigh North site.

Funding of \$1.2 million has been provided in 2005-06 for asset maintenance works at the Ministry's properties. Provision of \$1 million has also been made for regular maintenance of Wharf 4/5. Minor works funding of \$0.2 million has been provided for the replacement of plant and equipment, mainly computer systems.

STATE LIBRARY OF NEW SOUTH WALES

The State Library of New South Wales is the major public reference and research library and information service for the people of New South Wales.

The Library:

- ◆ fulfils a State-wide role by providing services to people who visit the Library or who seek information by contacting the Library by electronic or other means; and
- ◆ maintains, preserves and ensures the security of the unique heritage Mitchell and Dixon collections of historical and Australian resources, the documented cultural heritage of New South Wales.

The Library supports the network of public libraries throughout New South Wales by:

- ◆ administering the public libraries' grants and subsidies program; and
- ◆ providing advice and consultancy services, access to specialist collections and expertise and managing *NSW.net* to enable affordable access to the internet for New South Wales Councils, public libraries and communities.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over the past six years, total expenses have increased from \$73.4 million in 2000-01 to a projected \$79.2 million in 2005-06.

Total collection assets are valued at \$1.5 billion in accordance with Australian Accounting Standards. The collection is being revalued in 2005. The provision of \$1.8 million for offsite storage will help preserve and maintain the collections to appropriate standards.

Additional funding for public libraries over four years was announced by the Government in early 2003 and is enabling public libraries to improve the availability of community access to library collections and services. Funding of \$24.8 million will be provided in 2005-06.

STRATEGIC DIRECTIONS

The Library's mission is to promote, provide and maintain library and information services for the people of New South Wales. The major strategic direction continues to focus on creating a service model that provides online electronic service delivery options, through access to collections and services and shifting resources to services and systems in areas of changing demand.

Community demand for and use of information is growing and becoming more complex. The growth of online and digitised information resources increases demand for access to services and collection resources both at the State Library and in public libraries around the State. These trends have influenced service delivery priorities to improve public access to the collections through reference and research services, exhibitions and public programs, at the State Library, through public libraries, and online via the internet. The State Library of New South Wales and public libraries are also major points of access to online government information.

2005-06 BUDGET

Total Expenses

Total expenses are estimated at \$79.2 million. The Library will distribute \$24.8 million under the State's public library subsidies and grants program, including costs associated with *NSW.net* during 2005-06.

Capital Expenditure

Total capital expenditure in 2005-06 is estimated at \$10.8 million.

An allocation of \$6.4 million has been provided for the acquisition of collection materials including books, journals, pictures, maps, manuscripts and electronic resources.

The Library is allocating \$2.2 million towards asset management in 2005-06, including the rationalisation of collection storage, improvements to occupational health and safety and facilities maintenance.

The Library will also be spending \$2.2 million on minor works and computer upgrades during 2005-06.

AUSTRALIAN MUSEUM

The Australian Museum is Australia's leading natural history museum. Its mission is to inspire the exploration of nature and cultures. Australian Museum activities take place at its main site at College Street Sydney and throughout New South Wales through its Museum on the Road, Museum in a Box, outreach and rural and regional support programs.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over the past five years total expenses have followed a slightly upward trend from \$34.7 million in 2000-01 to an expected \$36.2 million in 2004-05. This is due to increases in costs associated with the staging of public programs and exhibitions, scientific research and wage and salary increases.

STRATEGIC DIRECTIONS

The Museum's focus in 2005-06 will continue to be on scientific research, exhibitions and education. The Museum will continue to actively develop research partnerships with scientific, government and commercial organisations. Reaching its audience through outreach, rural and regional programs and the internet will remain a significant pursuit. The presentation of Pacific rim cultures in innovative programs remains a commitment of the Museum.

2005-06 BUDGET

Total Expenses

Total expenses for the Museum are budgeted at \$35.3 million. The Museum will direct its resources to activities that include staging exhibitions, development of educational programs, scientific research, and conservation and recording work on its collections. Scientific research will continue to be focused in the areas of biological sciences, geosciences and anthropology.

Exhibitions planned for 2005-06 will include "Who Dunit?", a forensic science exhibition, and the continuation of the exhibition of selected items from the Museum's collections. The Museum will also stage a program of visitor services and smaller exhibitions that will include "British Gas World Wildlife Photographer of the Year" as well as extensive outreach and web-based programs.

Capital Expenditure

Total capital expenditure in 2005-06 is estimated at \$6.5 million. Expenditure totalling \$40.9 million (\$2.8 million in 2005-06) has been approved for a program of gallery refurbishment and accommodation improvements over five years. This will also address a range of health, safety and security issues.

Other significant projects include finalising work on stage 2 of the Museum's Fire Safety Upgrade project (\$1 million).

MUSEUM OF APPLIED ARTS AND SCIENCES

The Museum of Applied Arts and Sciences consists of the Powerhouse Museum and the Sydney Observatory. The Museum's focus is on promoting awareness and understanding of the past, present and future of Australian society through research, scholarship and the acquisition, conservation and integrated presentation of material in the fields of science, technology, industry, design, decorative arts and social history.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Museum's expenditure over the past five years has increased by 10 percent from \$41.4 million in 2000-01 to \$45.8 million in 2004-05 due in the main to increases in employee related expenditure.

STRATEGIC DIRECTIONS

The Strategic Plan 2005 to 2008 commits the Museum to refreshing four operational dimensions. This commitment to refreshing recognises that it is now 17 years since the Powerhouse opened on its current site, and that a co-ordinated and strategic review and invigoration of spaces, programs and services is due. The four operational dimensions to be reviewed:

- ◆ “Refreshing Our Products and Services” focuses on the development of an integrated exhibitions and public program linked to audience research and the identification of key audience targets. The introduction of a commissioning process will enable the development and delivery of exhibitions and programs that focus on creativity and innovation.
- ◆ “Refreshing Our Brand” takes a whole-of-museum approach to program development and delivery. It recognises that the Museum's position in the community is derived from the quality and distinctiveness of the programs it provides.
- ◆ “Refreshing Our People and Systems” acknowledges the benefit of workplace strategies that encourage flexibility, creativity and innovation in staff. It also reflects a commitment to become a sustainable organisation using appropriate environmental, technological and social tools to guide all aspects of our operation.
- ◆ “Refreshing Our Presence” will embrace the Museum's three sites (the Powerhouse Museum, Sydney Observatory and Castle Hill). The Castle Hill storage facility, which includes areas accessible to the public, offers exciting opportunities to engage with audiences in north-western Sydney. The completion of a multi-purpose facility at Sydney Observatory enables the development of a wider range of public programs at this site, while at the Powerhouse, the focus will be on refreshing permanent exhibition spaces, signage, lighting and the overall visitor experience.

2005-06 BUDGET

Total Expenses

Total expenses for 2005-06 are budgeted at \$44.6 million, a decrease of \$0.1 million on the 2004-05 Budget. Increases in employee related expenses, maintenance and depreciation are offset by reductions in other operating expenses. The reduction in other operating expenses as well as retained earnings is due to there being no special charging temporary exhibitions planned for 2005-06.

Capital Expenditure

Capital expenditure for the year is \$5.4 million including:

- ◆ \$1.5 million for permanent gallery replacement;
- ◆ \$2 million for maintenance and upgrading of a number of the Museum's property assets;
- ◆ \$1 million for minor works; and
- ◆ \$0.4 million for computer replacements.

Projects in the permanent gallery program include a new Design and Decorative Arts Gallery and an upgrade of the Space Exhibition. The major project in asset management for the year is the construction of a multi-purpose facility at the Sydney Observatory to replace a temporary structure.

HISTORIC HOUSES TRUST OF NEW SOUTH WALES

The Historic Houses Trust of New South Wales is entrusted with the care of key heritage properties in the State. Its objectives are to:

- ◆ conserve and manage these properties, grounds and collections; and
- ◆ provide a range of public and school programs to increase awareness of the cultural heritage of the State.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

In accordance with its increased role and responsibility, the Trust's operating expenditure increased from \$12.7 million in 1996-97 to \$23.2 million in 2004-05.

Operating expenditure in 2004-05 included additional funds for the recent salary award, new positions for the growth areas of the Library and Research Collections and Venues Management and \$2.6 million for maintenance work to properties in accordance with the Government's policy on heritage asset management.

STRATEGIC DIRECTIONS

In 2002 the Trust, in collaboration with the Premier's Department and the Ministry for the Arts, conducted a major staffing review, which recommended the restructure of the organisation to provide more strategic and efficient planning and programming. Implementation of the review has been progressive and the final parts of the review will be undertaken in 2005-06.

The Trust's head office and its service units, including Collections Management, Education, Exhibitions, Publications, Library, Resource Centre and Public Programs have been consolidated at the new accommodation at the Mint, Macquarie Street, Sydney. Priority has been given to providing improved public access to the expanded facilities being made available for the Trust's Caroline Simpson Library and Resource Collection.

The family of the late Caroline Simpson has gifted to the Trust the Caroline Simpson Collection and provided a \$1.5 million endowment for the Trust's library and research collection, all at a total value of approximately \$12.3 million. The gift is being made in two tranches.

The proceeds from the Trust's former headquarters at Glebe will be directed to the purchase and conservation of endangered houses through the Trust's Endangered Houses Fund.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are estimated at \$23.8 million and include the following:

- ◆ maintenance work on properties in accordance with the Trust's Total Asset Management Plan at a cost of \$2.4 million; and

- ◆ a number of major exhibitions, including:
 - Cape Town - Halfway to Sydney- an exhibition displaying material from the Oppenheimer family's Brenthurst Library collection, looking at similarities, differences, connections and influences between the British Colonies at Cape Town and New South Wales in the nineteenth century;
 - Cook's Sites - a series of vivid images evoking the qualities of places central to Cook's life and voyages, complemented by historic specimens;
 - Bondi - Australia's most famous beach and a magnet to international tourists and crowded with Sydney visitors on hot summer weekends. Also a living suburb with an unique cast of local characters and history;
 - Joseph Lycett - one of the most significant convict artists, whose work presents a unique document of early New South Wales and is of particular interest for its presentation of Aboriginal people and the impact of European settlement on them and their environment. This exhibition will be run in collaboration with the National Library of Australia and the State Library of New South Wales;
 - Convicts - Australian Sites of Punishment - A major display about themes of law and order, and economic and political strategies in Australia's convict system; and
 - City of Shadows - Everyday mayhem in inner Sydney 1920 to 1960 - the exhibition will explore the cultural geography of what taxi drivers used to call 'Horseshoe' - the densely populated crescent of dockside-warehouse-terrace house suburbs.

The Trust will also conduct five touring exhibitions to a number of venues in regional New South Wales and in South Australia, and is working with agencies in Hill End, Inverell and Byron Shire.

The Trust is planning a series of publications, including two major publications to accompany the exhibitions of Joseph Lycett and the City of Shadows, as well as activities including a concert series, lectures, seminars, theme events and courses.

Capital Expenditure

Total capital expenditure in 2005-06 is estimated at \$0.5 million for the replacement and upgrade of computers, plant and equipment and acquisition of collections.

ART GALLERY OF NEW SOUTH WALES

The Art Gallery of New South Wales:

- ◆ acquires, through gifts and purchases, works of art to enhance its permanent fine arts collection;
- ◆ develops art exhibitions from its own collection, from renowned national and international museums and from private art collections around Australia and overseas; and
- ◆ presents both educational and entertaining public activities such as children and family programs, film screenings, lectures in art history, Aboriginal cultural performances, and daily free guided tours for the general public.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over the past five years total expenses have increased from \$27 million in 2000-01 to \$31.1 million for 2004-05. During this period the Gallery has expanded its diverse public program activities to reach a broader audience, including the introduction of permanent late night openings every Wednesday with the extremely popular “Art After Hours” program. The collection continues to grow with significant contributions from private benefactors, including in 2004-05 the acquisition of Cy Twombly’s Three studies from the Temeraire. Major international and Australian art exhibitions continue to be developed, with increasing emphasis on Gallery curated shows, which consistently attract large audiences and favourable media attention.

STRATEGIC DIRECTIONS

The Art Gallery's major strategic objectives are:

- ◆ to develop and conserve a fine art collection valued currently at \$604 million;
- ◆ to increase knowledge, appreciation and access to the collection; and
- ◆ to develop and maintain the heritage building which houses the collection.

Recent initiatives include the new Asian Art Gallery building extension completed in 2003.

2005-06 BUDGET

Total Expenses

Operating expenses for the forthcoming year are budgeted at \$32.7 million, reflecting an additional \$1 million recurrent allocation which primarily supports core business operations and the exhibition program.

Major exhibitions are planned for 2005-06 including the Margaret Preston Retrospective from July to October 2005. Margaret Preston is one of Australia's most celebrated modernists. Preston was the country's first serious advocate of Aboriginal art; her early appropriation and promotion of Aboriginal imagery to the cause of modernism has contributed to her ongoing significance.

In 2005-06, the Gallery will also be touring the Archibald Prize exhibition to regional New South Wales, including Newcastle, Moree, Cowra and Albury.

The Art Gallery is currently developing its exhibition program through to 2008 and is sourcing art works for these shows from its own collection and major international collections. Several individual exhibitions will be valued at greater than \$500 million. These major shows provide an opportunity for Gallery visitors to view important works of art not otherwise available to the people of New South Wales.

Capital Expenditure

The Gallery will continue its ongoing heritage building refurbishment and maintenance program of \$2.8 million in 2005-06, which includes \$1.4 million for the building upgrade program.

It is also anticipated that the collection will be further enhanced with major contributions from the Art Gallery Society, the Art Gallery Foundation of New South Wales and other private benefactors.

STATE RECORDS AUTHORITY

The State Records Authority is the State's archives institution and records management authority and administers the *State Records Act 1998*. The Budget dependent part of the organisation sets and monitors standards for, and provides guidance on, official recordkeeping; and identifies, documents, preserves and provides access to the State's official archives. State Records' off-budget arm, the Government Records Repository (GRR), provides records storage and associated services to the New South Wales public sector.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Total expenses for the Budget dependent part of State Records have increased from \$5.7 million in 2000-01 to an expected \$7.6 million in 2004-05. This is due to the 2002 pay equity decision, increased running costs of expanded storage facilities and new outreach activities.

The *State Records Act 1998* gave State Records significant new responsibilities, notably to regulate, monitor and continuously seek to improve records management in the sector, and doubled State Records' jurisdiction. The Act also provided improved protection for the State's archives, resulting in the need to appraise more records and process a growing quantity transferred to State Records' custody as State archives.

Public use of the archives and related services has continued to grow along with public expectations, requiring new and innovative methods of service delivery, especially for people in rural and regional New South Wales.

The continued move of the sector into an electronic environment, spurred by e-Government initiatives, has required State Records to promote proper standards of electronic record-keeping by agencies and to seek support for solutions for preserving State archives now being created in digital form.

STRATEGIC DIRECTIONS

State Records' priorities will be to:

- ◆ seek further improvements in the quality of official record-keeping and in systems and practices for records management across the sector;
- ◆ improve the protection of State archives held by public offices; and
- ◆ meet continued growth in demand from the public and from public offices for the full range of archival services.

State Records' e-Services strategy will continue to improve online services and preserve and make available born-digital State archives.

2005-06 BUDGET

Total Expenses

Total expenses are budgeted at \$14.6 million in 2005-06. This includes:

- ◆ \$7.3 million for core regulatory and archival collection and service delivery functions (partly funded by \$0.9 million in earned revenue, mainly contributed by the GRR); and
- ◆ \$7.3 million to meet operating expenses of the GRR off-budget arm.

Capital Expenditure

Total capital expenditure 2005-06 is estimated at \$2.8 million. This includes \$2.5 million for completing an additional repository building at Kingswood (estimated total cost of \$21 million).

NEW SOUTH WALES FILM AND TELEVISION OFFICE

The New South Wales Film and Television Office fosters and facilitates creative excellence and commercial growth in the film and television industry in New South Wales through three principal program areas:

Development

- ◆ sustained support and encouragement of talented people and quality projects in the film and television industries; and
- ◆ increasing public interest in film as a medium of communication and as an art form, and the development of an informed and critical film audience.

Finance and Investment

- ◆ participation in projects that are likely to be: commercially successful, receive critical acclaim, substantially contribute to the economic wellbeing of New South Wales and be culturally relevant.

Product Attraction and Support

- ◆ facilitate filming in New South Wales by the local and international production industry;
- ◆ position New South Wales as a preferred choice for local and international filming; and

- ◆ position the Office as an active facilitator of the film and television industry in New South Wales.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

There has been continuing strong demand for Production Investment Funds for film and television programs in New South Wales. The Office has provided Production Investment Funding of \$3.6 million in 2003-04 and \$4 million in 2004-05. Increased funding has also allowed the Office to broaden its funding guidelines to support the post-production sector in New South Wales.

Following the successful introduction of the Aurora script development workshops, the Enterprise Australia and Enterprise Tasman Schemes, the Office has been planning new initiatives such as a business skills scheme for documentary producers and development workshops for television scripts.

STRATEGIC DIRECTIONS

Key priorities of the Office are:

- ◆ the promotion of employment, investment and export growth in the New South Wales film and television industry;
- ◆ the commitment to quality, innovation and local identity; and
- ◆ the encouragement of initiatives to maintain the business skills and expertise of established talent.

The Film and Television Office has been a leader in initiatives that equip established talent with business skills and expertise to achieve sustainability and to assist them to be more globally visible and competitive with their productions.

Over the past few years, often in association with other funding agencies, the Office has established the Enterprise Australia and Enterprise Tasman business skills workshops and has been instrumental in gaining access to international structured markets such as Cinemarket in Rotterdam and No Borders in New York.

The Film and Television Office is currently establishing Hothouse - a business skills scheme for documentary producers in association with Film Australia, and is also setting up SwitchBox, development workshops for television scripts, similar to the successful Aurora scheme for feature films.

2005-06 BUDGET

Total Expenses

Total expenses for the Office are budgeted at \$10.1 million.

This level of expenses will enable the Office to maintain its integral role in the New South Wales film and television industries through the provision of the three principal program areas of development, finance and investment, and production attraction and support.

Capital Expenditure

Total capital expenditure in 2005-06 is estimated at \$44,000 for minor works to improve and replace office equipment.

COMMUNITY RELATIONS COMMISSION

The Community Relations Commission for a multicultural New South Wales aims to promote the value of cultural diversity and the rights of individuals and organisations in New South Wales. The Commission is responsible for promoting unity and harmony in the community and ensuring the full participation of all persons in the social, economic, public and cultural life within the State.

The *Community Relations Commission and Principles of Multiculturalism Act 2000* recognises and values the different linguistic, religious, racial and ethnic backgrounds of the residents of New South Wales and facilitates the equitable access of government services by all.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Commission's expenses have increased over the last five years from \$12.7 million in 1999-2000 to a projected \$15.5 million for 2004-05. This increase is due to the introduction of additional community programs as well as the increase in the level of interpreting and translation language services.

STRATEGIC DIRECTIONS

The Commission's main strategic corporate objectives as outlined in its Corporate Plan are to:

- ◆ be an innovative leader in community relations;
- ◆ implement information, records and knowledge management programs to support and enhance services;
- ◆ advise on policy and programs according to the needs of a culturally diverse society;
- ◆ promote the effective use of interpreter and translation services;
- ◆ consult, research and respond to community relations issues with the Government and the community; and
- ◆ support and promote community initiatives.

Some Commission activities and initiatives which incorporate these objectives are the interactive community website, symposium, multicultural marketing awards and the Community Development Grants Program.

2005-06 BUDGET

Total Expenses

Total expenses for the Commission are budgeted at \$15.2 million. This expenditure includes \$6.7 million for language and interpreting services, \$1.6 million for the Community Grants Development Program and \$0.2 million for Community Partnership Projects.

AUDIT OFFICE OF NEW SOUTH WALES

The New South Wales Auditor-General is responsible for audits and related services under the *Public Finance and Audit Act 1983* and other New South Wales Acts. The Auditor-General forms part of the mechanisms whereby Parliament holds the Government accountable for fulfilling its responsibilities. The Audit Office assists the Auditor-General in fulfilling this role.

The Audit Office's core businesses are:

- ◆ supporting the Auditor-General;

- ◆ financial audits that provide an independent opinion (report) on the financial statements of government agencies;
- ◆ reviews, involving the examination of compliance with laws and regulations and policy directives of central agencies;
- ◆ performance audits that provide an independent assessment on selected government programs or activities in terms of their economy, efficiency, effectiveness and compliance with appropriate legislation; and
- ◆ advising Parliament and the Government on substantial matters identified during the audit process.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Office's revenue mainly comes from fees paid by New South Wales Government agencies for audits of their financial reports.

Costs incurred consist mainly of employee related expenses and related technology support. The total expenses projection for 2004-05 is \$27.6 million.

STRATEGIC DIRECTIONS

The Office's reporting on its audits of New South Wales Government agencies will continue to assist Parliament improve the State's accountability and performance.

The Office is committed to being recognised as a centre of excellence in auditing by:

- ◆ being seen by other auditors as a benchmark for best practice in auditing;
- ◆ being valued by Parliament as a contributor to improving the State's financial performance and accountability;
- ◆ New South Wales Government agencies deriving value from the information the Office provides;
- ◆ providing an environment that gives job satisfaction, where talented people are proud to work; and
- ◆ having a culture of innovative thinking and client focus.

The Office will move towards achieving this vision by building on the new organisational structures and human resource strategies implemented in 2004-05.

2005-06 BUDGET

Total Expenses

Expenses are estimated to increase from \$28.3 million in 2004-05 to \$28.7 million in 2005-06.

Capital Expenditure

Capital expenditure is estimated at about \$1 million in 2005-06. The majority of this will be spent on information technology related hardware.

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

2 CABINET OFFICE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	11,871	11,310	12,083
Other operating expenses	6,112	6,654	6,306
Maintenance	89	89	215
Depreciation and amortisation	650	990	810
Grants and subsidies	600	...	6,300*
Other expenses	316	436	36
Total Expenses	19,638	19,479	25,750
Less:			
Retained Revenue -			
Investment income	106	36	50
Grants and contributions	1,146	...	...
Total Retained Revenue	1,252	36	50
NET COST OF SERVICES	18,386	19,443	25,700

* Primarily for Greenhouse emission reduction initiatives.

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

2 CABINET OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	11,156	10,572	11,327
Grants and subsidies	600	...	6,300
Other	7,084	7,829	6,517
Total Payments	18,840	18,401	24,144
Receipts			
Interest	106	36	50
Other	1,712	1,050	...
Total Receipts	1,818	1,086	50
NET CASH FLOWS FROM OPERATING ACTIVITIES	(17,022)	(17,315)	(24,094)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(10)	(370)	(150)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(10)	(370)	(150)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	16,451	18,341	24,142
Capital appropriation	10	170	150
Cash reimbursements from the Consolidated Fund Entity	618	605	...
Cash transfers to Consolidated Fund	...	(1,297)	...
NET CASH FLOWS FROM GOVERNMENT	17,079	17,819	24,292
NET INCREASE/(DECREASE) IN CASH	47	134	48
Opening Cash and Cash Equivalents	1,873	163	297
CLOSING CASH AND CASH EQUIVALENTS	1,920	297	345
CASH FLOW RECONCILIATION			
Net cost of services	(18,386)	(19,443)	(25,700)
Non cash items added back	1,365	1,728	1,606
Change in operating assets and liabilities	(1)	400	...
Net cash flow from operating activities	(17,022)	(17,315)	(24,094)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

2 CABINET OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,920	297	345
Receivables	496	301	301
Other	...	38	38
Total Current Assets	2,416	636	684
Non Current Assets -			
Property, plant and equipment - Plant and equipment	1,556	2,082	858
Intangibles	...	...	564
Total Non Current Assets	1,556	2,082	1,422
Total Assets	3,972	2,718	2,106
LIABILITIES -			
Current Liabilities -			
Payables	499	577	577
Provisions	1,670	1,557	1,557
Total Current Liabilities	2,169	2,134	2,134
Non Current Liabilities -			
Provisions	67	80	80
Total Non Current Liabilities	67	80	80
Total Liabilities	2,236	2,214	2,214
NET ASSETS	1,736	504	(108)
EQUITY			
Accumulated funds	1,736	504	(108)
TOTAL EQUITY	1,736	504	(108)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

2 CABINET OFFICE

2.1 Services for the Premier and Cabinet

2.1.1 Services for the Premier and Cabinet

Program Objective(s): To be the Premier's primary source of policy advice, assist the Cabinet in making decisions about Government policy and co-ordinate the development of Government policy.

Program Description: Provision of administrative and advisory support to the Premier and Cabinet.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :			
	Policy Branches	81	85
	Cabinet Secretariat	17	17
	Drug and Alcohol Policy	14	14
	Greenhouse Office	8	8
		120	124

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	11,871	11,310	12,083
Other operating expenses	6,112	6,654	6,306
Maintenance	89	89	215
Depreciation and amortisation	650	990	810
Grants and subsidies			
Grants to agencies for recurrent purposes	600	...	6,300*
Other expenses			
Special projects	...	400	...
Children's and youths' initiatives	280	...	...
Special reports to Cabinet, Premier and unforeseen expenses approved by the Premier	36	36	36
Total Expenses	19,638	19,479	25,750

* Primarily for Greenhouse emission reduction initiatives.

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP
2 CABINET OFFICE**

2.1 Services for the Premier and Cabinet

2.1.1 Services for the Premier and Cabinet (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Investment income	106	36	50
Grants and contributions	1,146	...	...
Total Retained Revenue	1,252	36	50
NET COST OF SERVICES	18,386	19,443	25,700

CAPITAL EXPENDITURE	10	370	150
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

3 PARLIAMENTARY COUNSEL'S OFFICE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	5,063	5,309	5,514
Other operating expenses	1,072	939	916
Maintenance	49	65	75
Depreciation and amortisation	329	347	428
Total Expenses	6,513	6,660	6,933
Less:			
Retained Revenue -			
Sales of goods and services	92	127	131
Investment income	10	22	23
Other revenue	7	7	...
Total Retained Revenue	109	156	154
Gain/(loss) on disposal of non current assets	...	(21)	...
NET COST OF SERVICES	6,404	6,525	6,779

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

3 PARLIAMENTARY COUNSEL'S OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	4,634	4,900	4,784
Other	1,194	1,022	1,157
Total Payments	5,828	5,922	5,941
Receipts			
Sale of goods and services	92	127	131
Interest	10	23	25
Other	111	50	104
Total Receipts	213	200	260
NET CASH FLOWS FROM OPERATING ACTIVITIES	(5,615)	(5,722)	(5,681)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(730)	(80)	(1,190)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(730)	(80)	(1,190)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	5,512	5,554	5,853
Capital appropriation	730	80	1,190
Cash reimbursements from the Consolidated Fund Entity	98	121	...
Cash transfers to Consolidated Fund	...	(67)	...
NET CASH FLOWS FROM GOVERNMENT	6,340	5,688	7,043
NET INCREASE/(DECREASE) IN CASH	(5)	(114)	172
Opening Cash and Cash Equivalents	84	317	203
CLOSING CASH AND CASH EQUIVALENTS	79	203	375
CASH FLOW RECONCILIATION			
Net cost of services	(6,404)	(6,525)	(6,779)
Non cash items added back	789	829	921
Change in operating assets and liabilities	...	(26)	177
Net cash flow from operating activities	(5,615)	(5,722)	(5,681)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

3 PARLIAMENTARY COUNSEL'S OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	79	203	375
Receivables	81	121	118
Other	...	15	15
Total Current Assets	160	339	508
Non Current Assets -			
Property, plant and equipment - Plant and equipment	2,282	1,523	435
Intangibles	...	...	1,850
Total Non Current Assets	2,282	1,523	2,285
Total Assets	2,442	1,862	2,793
LIABILITIES -			
Current Liabilities -			
Payables	177	268	268
Provisions	363	316	490
Total Current Liabilities	540	584	758
Non Current Liabilities -			
Provisions	136	172	172
Total Non Current Liabilities	136	172	172
Total Liabilities	676	756	930
NET ASSETS	1,766	1,106	1,863
EQUITY			
Accumulated funds	1,766	1,106	1,863
TOTAL EQUITY	1,766	1,106	1,863

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

3 PARLIAMENTARY COUNSEL'S OFFICE

3.1 Drafting and Publishing of Government Legislation

3.1.1 Drafting and Publishing of Government Legislation

Program Objective(s): To provide a comprehensive legislative drafting and publishing service.

Program Description: The Parliamentary Counsel's Office is responsible for drafting legislation (including Bills, statutory instruments and environmental planning instruments) for Parliament or the Governor-in-Council; publishing the full range of legislation and information guides in printed form and on-line at www.legislation.nsw.gov.au; and the provision of legal and administrative advice to government.

	Average Staffing (EFT)										
	2004-05	2005-06									
<u>Activities</u> :											
Drafting and publishing legislation	44	46									
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">2004-05</th> <th style="text-align: center; border-bottom: 1px solid black;">2005-06</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Budget</th> <th style="text-align: center; border-bottom: 1px solid black;">Revised</th> <th style="text-align: center; border-bottom: 1px solid black;">Budget</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> </tr> </thead> </table>		2004-05		2005-06	Budget	Revised	Budget	\$000	\$000	\$000
2004-05		2005-06									
Budget	Revised	Budget									
\$000	\$000	\$000									

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	5,063	5,309	5,514
Other operating expenses	1,072	939	916
Maintenance	49	65	75
Depreciation and amortisation	329	347	428
Total Expenses	6,513	6,660	6,933

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

3 PARLIAMENTARY COUNSEL'S OFFICE

3.1 Drafting and Publishing of Government Legislation

3.1.1 Drafting and Publishing of Government Legislation (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Drafting and publication of legislation	92	127	131
Investment income	10	22	23
Other revenue	7	7	...
Total Retained Revenue	109	156	154
Gain/(loss) on disposal of non current assets	...	(21)	...
NET COST OF SERVICES	6,404	6,525	6,779

CAPITAL EXPENDITURE	730	80	1,190
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	51,489	57,255	69,056
Other operating expenses	43,857	52,343	54,117
Maintenance	398	401	759
Depreciation and amortisation	1,720	1,725	1,778
Grants and subsidies	6,316	8,950	13,363
Other expenses	2,254	2,254	2,322
Total Expenses	106,034	122,928	141,395
Less:			
Retained Revenue -			
Sales of goods and services	1,010	845	250
Investment income	300	300	300
Grants and contributions	1,825	2,619	1,532
Other revenue	1,449	2,707	3,040
Total Retained Revenue	4,584	6,471	5,122
NET COST OF SERVICES	101,450	116,457	136,273

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	49,392	52,160	62,621
Grants and subsidies	6,316	8,950	13,363
Other	48,485	57,170	60,477
Total Payments	104,193	118,280	136,461
Receipts			
Sale of goods and services	1,010	845	250
Interest	332	300	300
Other	6,658	8,499	8,091
Total Receipts	8,000	9,644	8,641
NET CASH FLOWS FROM OPERATING ACTIVITIES	(96,193)	(108,636)	(127,820)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(3,364)	(4,634)	(1,317)
Other	691	285	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(2,673)	(4,349)	(1,317)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	94,009	107,062	128,255
Capital appropriation	3,364	4,634	1,317
Cash reimbursements from the Consolidated Fund Entity	2,218	1,570	...
Cash transfers to Consolidated Fund	...	(507)	...
NET CASH FLOWS FROM GOVERNMENT	99,591	112,759	129,572
NET INCREASE/(DECREASE) IN CASH	725	(226)	435
Opening Cash and Cash Equivalents	432	624	398
CLOSING CASH AND CASH EQUIVALENTS	1,157	398	833
CASH FLOW RECONCILIATION			
Net cost of services	(101,450)	(116,457)	(136,273)
Non cash items added back	4,808	7,420	7,613
Change in operating assets and liabilities	449	401	840
Net cash flow from operating activities	(96,193)	(108,636)	(127,820)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,157	398	833
Receivables	4,163	6,588	5,785
Other	34	325	325
Total Current Assets	5,354	7,311	6,943
Non Current Assets -			
Property, plant and equipment -			
Land and building	608	...	...
Plant and equipment	14,427	12,916	12,455
Total Non Current Assets	15,035	12,916	12,455
Total Assets	20,389	20,227	19,398
LIABILITIES -			
Current Liabilities -			
Payables	7,604	10,984	10,984
Provisions	5,955	5,730	5,767
Other	148	...	...
Total Current Liabilities	13,707	16,714	16,751
Non Current Liabilities -			
Provisions	1,332	947	947
Total Non Current Liabilities	1,332	947	947
Total Liabilities	15,039	17,661	17,698
NET ASSETS	5,350	2,566	1,700
EQUITY			
Accumulated funds	5,350	2,566	1,700
TOTAL EQUITY	5,350	2,566	1,700

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.1 Services for the Governor's Office

Program Objective(s): To provide for the operation of the constitutional, ceremonial and community functions of the Governor.

Program Description: Operation of the Governor's Office including Her Excellency's activities at Government House and the Executive Council.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :	Operation of the Governor's Office	12	12

2004-05		2005-06
Budget \$000	Revised \$000	Budget \$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	930	1,038	1,080
Other operating expenses	713	713	684
Maintenance	5	5	5
Depreciation and amortisation	15	15	15
Total Expenses	1,663	1,771	1,784
NET COST OF SERVICES	1,663	1,771	1,784

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.2 Services for the Leaders of the Opposition

Program Objective(s): To support the Leaders of the Opposition in performing their Parliamentary duties.

Program Description: Provision of media, research and administrative support to the Leaders of the Opposition.

Average Staffing (EFT)

2004-05 2005-06

Activities:

Services for the Leaders of the
Opposition in both Houses of
Parliament

17 17

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,185	1,268	1,320
Other operating expenses	464	464	431
Maintenance	5	5	5
Depreciation and amortisation	20	20	21
Total Expenses	1,674	1,757	1,777
NET COST OF SERVICES	1,674	1,757	1,777

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.3 Performance Development

Program Objective(s): To review, measure and report public sector performance and develop reform initiatives to improve quality and value for money, including service delivery initiatives.

Program Description: Undertake performance and special reviews, assess performance against key service delivery indicators and support the Council on the Cost and Quality of Government. Lead, facilitate and provide strategic input into the Government's service delivery agenda.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :	Performance measurement, review and improvement tasks and support for the Council*	25	25

* The Service Delivery component previously in the former Service Delivery Improvement program was incorporated into Performance Development from 1 July 2004.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	3,703	2,750	2,860
Other operating expenses	1,110	462	352
Maintenance	5	2	2
Depreciation and amortisation	100	100	103
Grants and subsidies			
Recurrent grants to non-profit organisations	750	...	...
Total Expenses	5,668	3,314	3,317
NET COST OF SERVICES	5,668	3,314	3,317
CAPITAL EXPENDITURE	54	...	...

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.4 Ministerial and Parliamentary Services

Program Objective(s): To manage functions for the Premier's administration relating to Ministers' Offices, Parliamentary Services, Remuneration Tribunals, Former Office Holders and Freedom of Information.

Program Description: Provision of advice, policy and administrative support to the Premier, Ministers' offices and Remuneration Tribunals.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :	Ministerial and Parliamentary Services		
	Operations	77	77
	Premier's Office	29	29
	Ministers' Offices*	132	233
	Former Office Holders	4	4
		242	343

* The Department has assumed host agency responsibility for an additional 10 Ministers' Offices.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	22,024	24,414	35,434
Other operating expenses	13,181	14,559	23,222
Maintenance	120	120	124
Depreciation and amortisation	450	450	464
Other expenses			
Parliamentary Remuneration Tribunal	103	103	106
Special reports for the Premier and unforeseen expenses	297	297	306
Total Expenses	36,175	39,943	59,656

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.4 Ministerial and Parliamentary Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Other revenue

	1,400	1,400	1,400
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Total Retained Revenue

	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>
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NET COST OF SERVICES

	<u>34,775</u>	<u>38,543</u>	<u>58,256</u>
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CAPITAL EXPENDITURE

	450	695	387
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.5 Public Employment Office

Program Objective(s): To support the public sector to deliver government objectives through leadership and provision of advice concerning reform, employee relations, equal employment opportunity and superannuation policy.

Program Description: Provision of strategic advice on public sector reform and assistance to agencies in resolving complex management, employment equity and employee issues across the New South Wales public sector. Provision of advice to Government in the Department's statutory role as employer of public servants for industrial purposes.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :	Public Employment Office	94	95

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	8,214	7,408	7,761
Other operating expenses	4,148	5,396	4,778
Maintenance	15	14	14
Depreciation and amortisation	200	201	207
Grants and subsidies			
Grants to agencies for recurrent purposes	681	302	302
Total Expenses	13,258	13,321	13,062

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.5 Public Employment Office (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Publication sales	20	...	...
Fees for services	40	267	250
Training charges from general government agencies	600	...	...
Grants and contributions	...	80	40
Other revenue	...	842	842
Total Retained Revenue	660	1,189	1,132
NET COST OF SERVICES	12,598	12,132	11,930

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.6 Strategic Projects

Program Objective(s): To manage complex issues and projects involving multiple stakeholders through strategic and multi-agency responses for the benefit of communities at state, regional and local levels.

Program Description: Lead and co-ordinate a whole-of-government approach to major projects and issues at state, regional and local levels in partnership with private and community sectors.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :	Strategic Projects*	95	88

* The activities of the Office of the Coordinator General, Management Services, and Counter-Terrorism and Disaster Recovery were transferred to 4.1.8 State Administration Services from 1 July 2004. The e-government/ICT initiatives and Aboriginal service delivery strategy components previously in the former Service Delivery Improvement program were incorporated into Strategic Projects from 1 July 2004.

2004-05		2005-06
Budget \$000	Revised \$000	Budget \$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	10,694	9,809	9,418
Other operating expenses	20,563	4,604	4,379
Maintenance	168	109	112
Depreciation and amortisation	850	504	519
Grants and subsidies			
Miscellaneous grants approved by the Premier	1,867	...	...
Recurrent grants to non-profit organisations	1,778	...	...
Grants to agencies for recurrent purposes	240	1,653	5,453
Regional and rural miscellaneous recurrent grants	1,000	...	...
Total Expenses	37,160	16,679	19,881

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.6 Strategic Projects (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Investment income	300	...	...
Grants and contributions	475	475	...
Other revenue	49	49	400

Total Retained Revenue	824	524	400
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NET COST OF SERVICES	36,336	16,155	19,481
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CAPITAL EXPENDITURE	2,860	575	...
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.7 State Administration Services

Program Objective(s): To support the Premier in his role as Head of Government, manage State protocol, honours and diplomatic issues. To coordinate counter-terrorism planning and the response to major emergencies.

Program Description: Provision of management and co-ordination of resources to support the Premier in undertaking his official duties. Deliver executive services to the Director General and manage official protocol, hospitality and events co-ordination on behalf of the State Government. Lead and coordinate a whole-of-government approach to counter-terrorism and response to major emergencies. Manage and coordinate departmental administration.

<u>Activities:</u>	Average Staffing (EFT)	
	2004-05	2005-06
Office of Protocol and Special Events	37	39
Office of the Executive	10	10
Office of the Coordinator General*	6	4
Management Services*	17	17
Counter-Terrorism and Disaster Recovery*	7	9
	77	79

* The activities of the Office of the Coordinator General, Management Services, and Counter-Terrorism and Disaster Recovery were transferred to this program from Strategic Projects from 1 July 2004.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	2,835	9,160	9,918
Other operating expenses	3,395	25,465**	19,470
Maintenance	75	146	490
Depreciation and amortisation	80	385	397

** Includes one-off costs relating to inquiries undertaken during 2004-05.

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.7 State Administration Services (cont)

OPERATING STATEMENT (cont)

Grants and subsidies			
Miscellaneous grants approved by the Premier	...	4,117	1,923
Contribution towards Tamworth Equine and Livestock Centre	...	...	3,350
Grants to agencies for recurrent purposes	...	878	1,185
Regional and rural miscellaneous recurrent grants	...	1,000	1,000
Other expenses			
Expenses involved in protocol	1,119	1,119	1,153
Australia Day Council	735	735	757
Total Expenses	8,239	43,005	39,643
Less:			
Retained Revenue -			
Sales of goods and services			
Fees for services	350	578	...
Investment income	...	300	300
Grants and contributions	1,350	2,014	1,492
Other revenue	...	398	398
Total Retained Revenue	1,700	3,290	2,190
NET COST OF SERVICES	6,539	39,715	37,453
<hr/>			
CAPITAL EXPENDITURE	...	3,364	930

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

4 PREMIER'S DEPARTMENT

4.1 Services for Administration of Government

4.1.8 Office for Women

Program Objective(s): To provide leadership on whole of government policy formulation, programs and initiatives for women.

Program Description: Formulate policy advice; develop partnerships with NSW Government agencies, the community and private sectors and other levels of Government; and contribute to the development and delivery of programs to address issues of importance to women. The programs aim to improve the economic and social well-being of NSW women.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :	Office for Women*	14	14

* The Office for Women was established within Premier's Department from 1 July 2004.

2004-05		2005-06
Budget \$000	Revised \$000	Budget \$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	...	1,408	1,265
Other operating expenses	...	680	801
Maintenance	...	...	7
Depreciation and amortisation	...	50	52
Grants and subsidies			
Recurrent grants to non-profit organisations	...	1,000	150
Total Expenses	...	3,138	2,275

Less:

Retained Revenue -

Grants and contributions	...	50	...
Other revenue	...	18	...
Total Retained Revenue	...	68	...
NET COST OF SERVICES	...	3,070	2,275

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

5 INDEPENDENT COMMISSION AGAINST CORRUPTION

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	11,718	12,065	12,135
Other operating expenses	4,072	5,461	3,958
Maintenance	200	184	192
Depreciation and amortisation	460	441	520
Total Expenses	16,450	18,151	16,805
Less:			
Retained Revenue -			
Sales of goods and services	10	75	100
Investment income	20	20	21
Other revenue	35	6	24
Total Retained Revenue	65	101	145
NET COST OF SERVICES	16,385	18,050	16,660

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

5 INDEPENDENT COMMISSION AGAINST CORRUPTION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	11,228	11,441	11,636
Other	4,940	6,266	4,750
Total Payments	16,168	17,707	16,386
Receipts			
Sale of goods and services	9	74	99
Interest	14	20	1
Other	465	518	565
Total Receipts	488	612	665
NET CASH FLOWS FROM OPERATING ACTIVITIES	(15,680)	(17,095)	(15,721)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(240)	(990)	(240)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(240)	(990)	(240)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	15,165	16,905	15,773
Capital appropriation	240	990	240
Cash reimbursements from the Consolidated Fund Entity	513	584	...
Cash transfers to Consolidated Fund	...	(22)	...
NET CASH FLOWS FROM GOVERNMENT	15,918	18,457	16,013
NET INCREASE/(DECREASE) IN CASH	(2)	372	52
Opening Cash and Cash Equivalents	12	34	406
CLOSING CASH AND CASH EQUIVALENTS	10	406	458
CASH FLOW RECONCILIATION			
Net cost of services	(16,385)	(18,050)	(16,660)
Non cash items added back	1,010	1,137	1,103
Change in operating assets and liabilities	(305)	(182)	(164)
Net cash flow from operating activities	(15,680)	(17,095)	(15,721)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

5 INDEPENDENT COMMISSION AGAINST CORRUPTION

	2004-05		
	Budget	Revised	2005-06
	\$000	\$000	Budget
			\$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	10	406	458
Receivables	390	270	290
Other	175	230	230
Total Current Assets	575	906	978
Non Current Assets -			
Property, plant and equipment -			
Land and building	422	387	886
Plant and equipment	771	1,606	827
Total Non Current Assets	1,193	1,993	1,713
Total Assets	1,768	2,899	2,691
LIABILITIES -			
Current Liabilities -			
Payables	674	214	100
Provisions	599	773	820
Total Current Liabilities	1,273	987	920
Non Current Liabilities -			
Provisions	...	132	55
Total Non Current Liabilities	...	132	55
Total Liabilities	1,273	1,119	975
NET ASSETS	495	1,780	1,716
EQUITY			
Reserves	428	428	428
Accumulated funds	67	1,352	1,288
TOTAL EQUITY	495	1,780	1,716

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

5 INDEPENDENT COMMISSION AGAINST CORRUPTION

5.1 Investigation, Community Education and Prevention of Corruption

5.1.1 Investigation, Community Education and Prevention of Corruption

Program Objective(s): To minimise corrupt activities and enhance the efficiency and integrity of Government administration.

Program Description: Investigation of possible corrupt conduct, advice for public authorities on ways in which to prevent corrupt conduct and education of the community about the detrimental effects of corruption.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs</u> :					
Matters received from -					
General public	no.	691	901	900	n.a.
Employees (protected disclosures)	no.	213	306	265	n.a.
Principal officers as defined under section 11 of Independent Commission Against Corruption Act 1988	no.	620	677	535	n.a.
Formal investigations commenced	no.	17	12	9	n.a.
<u>Average Staffing</u> :	EFT	101	111	113	113

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	11,718	12,065	12,135
Other operating expenses	4,072	5,461	3,958
Maintenance	200	184	192
Depreciation and amortisation	460	441	520
Total Expenses	16,450	18,151	16,805

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

5 INDEPENDENT COMMISSION AGAINST CORRUPTION

5.1 Investigation, Community Education and Prevention of Corruption

**5.1.1 Investigation, Community Education and Prevention of Corruption
(cont)**

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	10	75	100
Investment income	20	20	21
Other revenue	35	6	24

Total Retained Revenue	65	101	145
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NET COST OF SERVICES	16,385	18,050	16,660
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CAPITAL EXPENDITURE	240	990	240
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	14,264	15,086	15,305
Other operating expenses	3,442	3,598	3,324
Maintenance	144	144	144
Depreciation and amortisation	852	879	747
Total Expenses	18,702	19,707	19,520
Less:			
Retained Revenue -			
Sales of goods and services	54	95	54
Investment income	30	30	30
Grants and contributions	50	83	32
Other revenue	...	42	...
Total Retained Revenue	134	250	116
Gain/(loss) on disposal of non current assets	...	(9)	...
NET COST OF SERVICES	18,568	19,466	19,404

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	14,042	14,470	14,250
Other	4,124	4,085	4,099
Total Payments	18,166	18,555	18,349
Receipts			
Sale of goods and services	54	95	54
Interest	35	45	30
Other	571	627	552
Total Receipts	660	767	636
NET CASH FLOWS FROM OPERATING ACTIVITIES	(17,506)	(17,788)	(17,713)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	5	...
Purchases of property, plant and equipment	(67)	(143)	(715)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(67)	(138)	(715)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	16,217	16,665	17,529
Capital appropriation	67	143	715
Cash reimbursements from the Consolidated Fund Entity	768	901	...
Cash transfers to Consolidated Fund	...	(113)	...
NET CASH FLOWS FROM GOVERNMENT	17,052	17,596	18,244
NET INCREASE/(DECREASE) IN CASH	(521)	(330)	(184)
Opening Cash and Cash Equivalents	929	954	624
CLOSING CASH AND CASH EQUIVALENTS	408	624	440
CASH FLOW RECONCILIATION			
Net cost of services	(18,568)	(19,466)	(19,404)
Non cash items added back	1,479	1,968	1,764
Change in operating assets and liabilities	(417)	(290)	(73)
Net cash flow from operating activities	(17,506)	(17,788)	(17,713)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	408	624	440
Receivables	134	85	85
Other	150	147	147
Total Current Assets	692	856	672
Non Current Assets -			
Property, plant and equipment - Plant and equipment	1,900	1,943	1,911
Total Non Current Assets	1,900	1,943	1,911
Total Assets	2,592	2,799	2,583
LIABILITIES -			
Current Liabilities -			
Payables	196	167	205
Provisions	933	1,085	1,085
Other	90	66	34
Total Current Liabilities	1,219	1,318	1,324
Non Current Liabilities -			
Provisions	121	275	275
Other	125	125	46
Total Non Current Liabilities	246	400	321
Total Liabilities	1,465	1,718	1,645
NET ASSETS	1,127	1,081	938
EQUITY			
Accumulated funds	1,127	1,081	938
TOTAL EQUITY	1,127	1,081	938

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

**6.1 Resolution of Complaints Against Government Agencies, Officials and
Certain Non-Government Organisations and Individuals**

6.1.1 Resolution of Complaints About Police

Program Objective(s): Oversight and scrutinise the handling of complaints about the conduct of police. Promote fairness, integrity and practical reforms in the NSW Police.

Program Description: Keep under scrutiny NSW Police systems, investigate or oversight the investigation of complaints. Report and make recommendations for change.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Reports containing recommended changes to law, policy or procedures	%	80	90	70	70
Written complaints:					
Received	no.	3,099	3,565	4,400	4,000
Finalised	no.	3,204	3,316	4,500	4,000
Legislative Reviews:					
Reviews in progress	no.	9	10	9	8
Final report completed	no.	n.a.	1	5	4
Complaints audited	no.	7,701	7,529	6,000	6,000
Direct investigations	no.	29	25	25	25
Requests for review as a percent of total finalised	%	1.3	1.3	1.4	1.4
<u>Average Staffing:</u>	EFT	58	56	54	54

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	4,527	4,510	4,608
Other operating expenses	1,039	978	994
Maintenance	45	45	44
Depreciation and amortisation	270	278	231
Total Expenses	5,881	5,811	5,877

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

**6.1 Resolution of Complaints Against Government Agencies, Officials and
Certain Non-Government Organisations and Individuals**

6.1.1 Resolution of Complaints About Police (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	7	7	7
Investment income	9	9	9
Other revenue	...	13	...
Total Retained Revenue	16	29	16
Gain/(loss) on disposal of non current assets	...	(2)	...
NET COST OF SERVICES	5,865	5,784	5,861

CAPITAL EXPENDITURE	21	45	227
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

**6.1 Resolution of Complaints Against Government Agencies, Officials and
Certain Non-Government Organisations and Individuals**

**6.1.2 Resolution of Local Government, Public Authority and Prison
Complaints and Review of Freedom of Information Complaints**

Program Objective(s): Resolve complaints and protected disclosures about the administrative conduct of public authorities and local councils. Promote fairness, integrity and practical reforms in New South Wales public administration.

Program Description: Conduct investigations, audits and monitoring activities. Report and make recommendations for change.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Reports containing recommended changes to law, policy or procedures	%	92.3	85.7	90.0	90.0
Written complaints:					
Received	no.	3,080	3,373	3,359	3,360
Finalised	no.	3,124	3,399	3,261	3,261
Informal investigations	no.	1,500	1,711	1,552	1,588
Formal investigations	no.	16	12	11	12
Average completion time for complaints:					
General complaints (other than FOI)	Weeks	5.2	5.1	5.8	5.8
Freedom of Information	Weeks	18.4	11.8	17.9	17.9
Telephone complaints/inquiries:					
Total received	thous	26	26	24	25
<u>Average Staffing</u> :	EFT	42	43	42	42

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	3,636	3,646	3,682
Other operating expenses	802	920	736
Maintenance	37	37	36
Depreciation and amortisation	217	225	186
Total Expenses	4,692	4,828	4,640

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

**6.1 Resolution of Complaints Against Government Agencies, Officials and
Certain Non-Government Organisations and Individuals**

**6.1.2 Resolution of Local Government, Public Authority and Prison
Complaints and Review of Freedom of Information Complaints
(cont)**

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Training charges	25	50	25
Minor sales of goods and services	5	5	5
Investment income	8	8	8
Grants and contributions	50	83	32
Other revenue	...	11	...
Total Retained Revenue	88	157	70
Gain/(loss) on disposal of non current assets	...	(3)	...
NET COST OF SERVICES	4,604	4,674	4,570

CAPITAL EXPENDITURE	17	36	182
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

**6.1 Resolution of Complaints Against Government Agencies, Officials and
Certain Non-Government Organisations and Individuals**

6.1.3 Resolution of Child Protection Related Complaints

Program Objective(s): Scrutiny of complaint handling systems and monitoring of the handling of notifications of alleged child abuse.

Program Description: Keep under scrutiny systems in place to prevent and investigate child protection related allegations. Investigate or oversight the investigation of complaints. Report and make recommendations for change.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Reports containing recommended changes to law, policy or procedures	%	100	100	100	100
Inquiries, notifications and complaints:					
Written notifications	no.	2,473	1,620	1,676	1,534
Written complaints	no.	75	78	70	65
Agency audits completed	no.	14	12	24	20
Average days taken to assess complaints	days	5	3	3	2
Average days taken to assess notifications	days	5	5	4	5
Direct investigations completed	no.	6	3	5	6
Requests for review as a % of total finalised	%	...	0.2	0.2	0.2
<u>Average Staffing</u> :	EFT	28	29	27	27

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	2,354	2,580	2,571
Other operating expenses	499	687	503
Maintenance	24	24	25
Depreciation and amortisation	141	145	130
Total Expenses	3,018	3,436	3,229

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

**6.1 Resolution of Complaints Against Government Agencies, Officials and
Certain Non-Government Organisations and Individuals**

6.1.3 Resolution of Child Protection Related Complaints (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	3	3	3
Investment income	5	5	5
Other revenue	...	7	...
Total Retained Revenue	8	15	8
Gain/(loss) on disposal of non current assets	...	(1)	...
NET COST OF SERVICES	3,010	3,422	3,221

CAPITAL EXPENDITURE	11	24	118
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

**6.1 Resolution of Complaints Against Government Agencies, Officials and
Certain Non-Government Organisations and Individuals**

**6.1.4 Resolution of Complaints About the Provision of Community
Services**

Program Objective(s): Provide for independent monitoring of community services and programs, keep under scrutiny complaint handling systems and provide for and encourage the resolution of complaints. Review the deaths of certain children and people with a disability and formulate recommendations for the prevention or reduction of deaths of children in care, children at risk of death due to abuse or neglect, children in detention and correctional centres or disabled people in residential care.

Program Description: Keep under scrutiny systems in place to investigate complaints. Investigate or oversight the investigations of complaints about community services and programs. Review the causes of death of certain children and persons with a disability. Report and make recommendations for change.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs</u> :					
Informal complaints received	no.	1,559	1,209	1,250	1,300
Formal complaints received	no.	599	531	700	950
Community visits undertaken	days	2,938	3,121	3,100	3,100
Deaths in care assessed	no.	103	247	230	230
Reviews of services complaint handling systems	no.	36	20	50	...
Child deaths notified	no.	245	600	559	550
S.11 Inquiries, Monitoring and Review	no.	1	1	2	1
S.13 Reviews of people in care	no.	83	67	30	30
<u>Average Staffing</u> :	EFT	39	42	45	45

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

6 OMBUDSMAN'S OFFICE

**6.1 Resolution of Complaints Against Government Agencies, Officials and
Certain Non-Government Organisations and Individuals**

**6.1.4 Resolution of Complaints About the Provision of Community
Services (cont)**

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	3,747	4,350	4,444
Other operating expenses	1,102	1,013	1,091
Maintenance	38	38	39
Depreciation and amortisation	224	231	200
Total Expenses	5,111	5,632	5,774
Less:			
Retained Revenue -			
Sales of goods and services			
Training charges	9	25	9
Minor sales of goods and services	5	5	5
Investment income	8	8	8
Other revenue	...	11	...
Total Retained Revenue	22	49	22
Gain/(loss) on disposal of non current assets	...	(3)	...
NET COST OF SERVICES	5,089	5,586	5,752
CAPITAL EXPENDITURE			
	18	38	188

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

7 STATE ELECTORAL OFFICE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	1,919	1,933	3,470
Other operating expenses	1,230	1,680	1,901
Maintenance	12	12	12
Depreciation and amortisation	825	825	825
Other expenses	6,862	6,862	5,982
Total Expenses	10,848	11,312	12,190
Less:			
Retained Revenue -			
Sales of goods and services	432	482	447
Investment income	53	53	55
Total Retained Revenue	485	535	502
NET COST OF SERVICES	10,363	10,777	11,688

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

7 STATE ELECTORAL OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	1,731	1,736	3,235
Other	8,512	9,285	8,303
Total Payments	10,243	11,021	11,538
Receipts			
Sale of goods and services	432	3,100	397
Interest	53	53	55
Other	408	408	408
Total Receipts	893	3,561	860
NET CASH FLOWS FROM OPERATING ACTIVITIES	(9,350)	(7,460)	(10,678)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	...	(75)	(1,500)
NET CASH FLOWS FROM INVESTING ACTIVITIES	...	(75)	(1,500)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	...	(3,800)	...
NET CASH FLOWS FROM FINANCING ACTIVITIES	...	(3,800)	...
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	9,251	9,665	10,667
Capital appropriation	...	75	1,500
Cash reimbursements from the Consolidated Fund Entity	93	93	...
NET CASH FLOWS FROM GOVERNMENT	9,344	9,833	12,167
NET INCREASE/(DECREASE) IN CASH	(6)	(1,502)	(11)
Opening Cash and Cash Equivalents	885	3,696	2,194
CLOSING CASH AND CASH EQUIVALENTS	879	2,194	2,183

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

7 STATE ELECTORAL OFFICE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
<hr/>			
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(10,363)	(10,777)	(11,688)
Non cash items added back	1,040	1,040	1,042
Change in operating assets and liabilities	(27)	2,277	(32)
Net cash flow from operating activities	(9,350)	(7,460)	(10,678)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

7 STATE ELECTORAL OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	879	2,194	2,183
Receivables	5,209	122	172
Other	102	39	39
Total Current Assets	6,190	2,355	2,394
Non Current Assets -			
Property, plant and equipment - Plant and equipment	1,499	1,266	173
Intangibles	...	...	1,768
Total Non Current Assets	1,499	1,266	1,941
Total Assets	7,689	3,621	4,335
LIABILITIES -			
Current Liabilities -			
Payables	1,655	1,329	1,347
Interest bearing	5,000	...	...
Provisions	275	201	201
Other	15	415	415
Total Current Liabilities	6,945	1,945	1,963
Total Liabilities	6,945	1,945	1,963
NET ASSETS	744	1,676	2,372
EQUITY			
Accumulated funds	744	1,676	2,372
TOTAL EQUITY	744	1,676	2,372

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

7 STATE ELECTORAL OFFICE

7.1 Electoral Services

7.1.1 Management and Administration of Elections

Program Objective(s): To independently conduct elections, referendums and ballots for State and Local Governments and other organisations.

Program Description: Undertake elections and by-elections for the Legislative Assembly, Legislative Council and referendums. Review of electoral procedures and submission of recommendations to the Government on electoral reform. Conduct of Local Government and Statutory and Industrial ballots on a cost recovery basis.

		Average Staffing (EFT)													
		2004-05	2005-06												
<u>Activities</u> :	Conduct and Administration of Elections	19	36												
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">2004-05</th> <th style="text-align: center; border-bottom: 1px solid black;">2005-06</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Budget</th> <th style="text-align: center; border-bottom: 1px solid black;">Revised</th> <th style="text-align: center; border-bottom: 1px solid black;">Budget</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>		2004-05		2005-06	Budget	Revised	Budget	\$000	\$000	\$000			
2004-05		2005-06													
Budget	Revised	Budget													
\$000	\$000	\$000													

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,734	1,747	3,284
Other operating expenses	1,103	1,525	1,791
Maintenance	11	11	11
Depreciation and amortisation	743	743	743
Other expenses			
By-election	346	346	349
General election	527	527	533
Redistribution	888	888	...
Payments to Commonwealth	3,060	3,315	3,060
Total Expenses	8,412	9,102	9,771

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

7 STATE ELECTORAL OFFICE

7.1 Electoral Services

7.1.1 Management and Administration of Elections (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Fees for services	392	457	406
Minor sales of goods and services	40	25	41
Investment income	53	53	55
Total Retained Revenue	485	535	502
NET COST OF SERVICES	7,927	8,567	9,269

CAPITAL EXPENDITURE	...	75	1,500
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

7 STATE ELECTORAL OFFICE

7.1 Electoral Services

7.1.2 Funding of Parliamentary Election Campaigns

Program Objective(s): To provide an independent source of funding of Parliamentary election campaigns and to require the disclosure by candidates and political parties of political contributions and expenditure.

Program Description: Administration of the public funding of election campaigns and the provision for the disclosure of the sources of funds used and the expenditure incurred in an election campaign. Administration of the Political Education Fund.

		Average Staffing (EFT)							
		2004-05	2005-06						
<u>Activities</u> :	Registration of parties, groups and candidates, examination and research into claims and declarations, public reporting of sources of income and expenditure	2	2						
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">2004-05</th> <th style="text-align: center; border-bottom: 1px solid black;">2005-06</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Budget \$000</th> <th style="text-align: center; border-bottom: 1px solid black;">Revised \$000</th> <th style="text-align: center; border-bottom: 1px solid black;">Budget \$000</th> </tr> </thead> </table>		2004-05		2005-06	Budget \$000	Revised \$000	Budget \$000
2004-05		2005-06							
Budget \$000	Revised \$000	Budget \$000							

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	185	186	186
Other operating expenses	127	155	110
Maintenance	1	1	1
Depreciation and amortisation	82	82	82
Other expenses			
Payments to candidates, groups and parties	654	399	661
Political education	1,387	1,387	1,379
Total Expenses	2,436	2,210	2,419
NET COST OF SERVICES	2,436	2,210	2,419

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

8 INDEPENDENT PRICING AND REGULATORY TRIBUNAL

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	7,351	8,086	8,065
Other operating expenses	7,307	8,030	7,670
Maintenance	24	145	25
Depreciation and amortisation	200	288	317
Total Expenses	14,882	16,549	16,077
Less:			
Retained Revenue -			
Sales of goods and services	...	1,160	500
Investment income	52	200	200
Other revenue	...	200	...
Total Retained Revenue	52	1,560	700
Gain/(loss) on disposal of non current assets	...	1	...
NET COST OF SERVICES	14,830	14,988	15,377

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

8 INDEPENDENT PRICING AND REGULATORY TRIBUNAL

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	7,041	7,729	7,637
Other	7,767	8,250	7,825
Total Payments	14,808	15,979	15,462
Receipts			
Sale of goods and services	...	1,160	500
Interest	52	200	200
Other	328	200	...
Total Receipts	380	1,560	700
NET CASH FLOWS FROM OPERATING ACTIVITIES	(14,428)	(14,419)	(14,762)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	1	...
Purchases of property, plant and equipment	(180)	(380)	(180)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(180)	(379)	(180)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	13,990	14,061	14,752
Capital appropriation	180	180	180
Cash reimbursements from the Consolidated Fund Entity	320	394	...
NET CASH FLOWS FROM GOVERNMENT	14,490	14,635	14,932
NET INCREASE/(DECREASE) IN CASH	(118)	(163)	(10)
Opening Cash and Cash Equivalents	1,678	3,819	3,656
CLOSING CASH AND CASH EQUIVALENTS	1,560	3,656	3,646
CASH FLOW RECONCILIATION			
Net cost of services	(14,830)	(14,988)	(15,377)
Non cash items added back	510	570	615
Change in operating assets and liabilities	(108)	(1)	...
Net cash flow from operating activities	(14,428)	(14,419)	(14,762)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

8 INDEPENDENT PRICING AND REGULATORY TRIBUNAL

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,560	3,656	3,646
Receivables	699	643	643
Other	34	21	21
Total Current Assets	2,293	4,320	4,310
Non Current Assets -			
Property, plant and equipment - Plant and equipment	1,096	996	859
Total Non Current Assets	1,096	996	859
Total Assets	3,389	5,316	5,169
LIABILITIES -			
Current Liabilities -			
Payables	421	1,147	1,147
Provisions	710	818	818
Total Current Liabilities	1,131	1,965	1,965
Non Current Liabilities -			
Provisions	154	102	102
Total Non Current Liabilities	154	102	102
Total Liabilities	1,285	2,067	2,067
NET ASSETS	2,104	3,249	3,102
EQUITY			
Accumulated funds	2,104	3,249	3,102
TOTAL EQUITY	2,104	3,249	3,102

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

8 INDEPENDENT PRICING AND REGULATORY TRIBUNAL

8.1 Pricing Regulation

8.1.1 Pricing Regulation

Program Objective(s): To provide independent assessments of pricing and associated activities including setting maximum prices and undertaking pricing reviews of monopoly services supplied by government agencies. To regulate natural gas pricing and third party access to gas networks, undertake general reviews of industry pricing or competition and to register agreements for access to infrastructure assets and to arbitrate in disputes arising from such agreements. To investigate complaints about competitive neutrality referred by the Government. To administer licensing or authorisation of water, electricity and gas businesses and monitor compliance with license conditions, including full retail competition requirements. To administer the NSW Greenhouse Gas Abatement Scheme.

Program Description: Provision of research and advisory services to support price regulation and review activities. Conduct of public inquiries, seminars, establishment of working groups and other consultative mechanisms and dissemination of information to ensure public involvement in Tribunal processes. Provision of services to settle disputes on third party access to infrastructure assets. Maintenance of systems and procedures to administer and monitor licenses and investigate complaints. Provision of a compliance reporting framework and on-line registry to permit the creation and trading of greenhouse gas abatement certificates.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :	Administration	8	8
	Research and analysis	65	66
		<hr/> 73	<hr/> 74

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

8 INDEPENDENT PRICING AND REGULATORY TRIBUNAL

8.1 Pricing Regulation

8.1.1 Pricing Regulation (cont)

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
 OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	7,351	8,086	8,065
Other operating expenses	7,307	8,030	7,670
Maintenance	24	145	25
Depreciation and amortisation	200	288	317
Total Expenses	14,882	16,549	16,077
Less:			
Retained Revenue -			
Sales of goods and services			
Minor sales of goods and services	...	1,160	500
Investment income	52	200	200
Other revenue	...	200	...
Total Retained Revenue	52	1,560	700
Gain/(loss) on disposal of non current assets	...	1	...
NET COST OF SERVICES	14,830	14,988	15,377
 CAPITAL EXPENDITURE			
	180	380	180

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

9 NATURAL RESOURCES COMMISSION

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	1,586	1,439	1,515
Other operating expenses	1,929	2,028	2,609
Maintenance	...	63	57
Depreciation and amortisation	50	110	110
Total Expenses	3,565	3,640	4,291
Less:			
Retained Revenue -			
Sales of goods and services	...	5	...
Investment income	...	40	20
Total Retained Revenue	...	45	20
NET COST OF SERVICES	3,565	3,595	4,271

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

9 NATURAL RESOURCES COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	1,435	1,389	1,463
Other	1,929	1,978	2,627
Total Payments	3,364	3,367	4,090
Receipts			
Sale of goods and services	...	76	...
Interest	...	40	20
Other	(10)	(10)	(10)
Total Receipts	(10)	106	10
NET CASH FLOWS FROM OPERATING ACTIVITIES	(3,374)	(3,261)	(4,080)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(500)	(950)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(500)	(950)	...
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	3,514	3,529	4,269
Capital appropriation	500	950	...
Cash reimbursements from the Consolidated Fund Entity	10	111	...
Cash transfers to Consolidated Fund	...	(1,097)	...
NET CASH FLOWS FROM GOVERNMENT	4,024	3,493	4,269
NET INCREASE/(DECREASE) IN CASH	150	(718)	189
Opening Cash and Cash Equivalents	...	1,066	348
CLOSING CASH AND CASH EQUIVALENTS	150	348	537
CASH FLOW RECONCILIATION			
Net cost of services	(3,565)	(3,595)	(4,271)
Non cash items added back	201	167	162
Change in operating assets and liabilities	(10)	167	29
Net cash flow from operating activities	(3,374)	(3,261)	(4,080)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

9 NATURAL RESOURCES COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	150	348	537
Receivables	10	49	59
Total Current Assets	160	397	596
Non Current Assets -			
Property, plant and equipment - Plant and equipment	900	1,002	892
Total Non Current Assets	900	1,002	892
Total Assets	1,060	1,399	1,488
LIABILITIES -			
Current Liabilities -			
Payables	...	269	308
Provisions	...	36	36
Total Current Liabilities	...	305	344
Non Current Liabilities -			
Provisions	...	3	3
Total Non Current Liabilities	...	3	3
Total Liabilities	...	308	347
NET ASSETS	1,060	1,091	1,141
EQUITY			
Accumulated funds	1,060	1,091	1,141
TOTAL EQUITY	1,060	1,091	1,141

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

9 NATURAL RESOURCES COMMISSION

9.1 Natural Resources Commission

9.1.1 Natural Resources Commission

Program Objective(s): To provide independent advice on natural resource management issues; to recommend State-wide standards and targets; to recommend the approval of Catchment Action Plans; to undertake audits of those plans; to gather and disseminate information; to advise the Minister on priorities for research; to undertake assessments and inquiries requested by the Minister.

Program Description: Provision of research and advisory services to support natural resources management. Conduct of public inquiries, seminars, establishment of working groups and other consultative mechanisms and dissemination of information. Maintenance of systems and procedures to administer and monitor Catchment Action Plans. Provision of a compliance reporting framework to monitor compliance with standards and targets.

		Average Staffing (EFT)													
		2004-05	2005-06												
<u>Activities</u> :															
	Administration	2	2												
	Research and analysis	13	14												
		15	16												
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">2004-05</th> <th style="text-align: center; border-bottom: 1px solid black;">2005-06</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Budget</th> <th style="text-align: center; border-bottom: 1px solid black;">Revised</th> <th style="text-align: center; border-bottom: 1px solid black;">Budget</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>		2004-05		2005-06	Budget	Revised	Budget	\$000	\$000	\$000			
2004-05		2005-06													
Budget	Revised	Budget													
\$000	\$000	\$000													

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,586	1,439	1,515
Other operating expenses	1,929	2,028	2,609
Maintenance	...	63	57
Depreciation and amortisation	50	110	110
Total Expenses	3,565	3,640	4,291

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

9 NATURAL RESOURCES COMMISSION

9.1 Natural Resources Commission

9.1.1 Natural Resources Commission (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services

Minor sales of goods and services

Investment income

... 5 ...
... 40 **20**

Total Retained Revenue

... **45** **20**

NET COST OF SERVICES

3,565 3,595 4,271

CAPITAL EXPENDITURE

500 950 ...

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

10 MINISTRY FOR THE ARTS

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	3,857	3,968	4,102
Other operating expenses	2,710	3,330	3,171
Maintenance	405	503	503
Depreciation and amortisation	510	1,210	1,210
Grants and subsidies	83,575	82,215	74,371
Total Expenses	91,057	91,226	83,357
Less:			
Retained Revenue -			
Sales of goods and services	560	1,330	1,230
Investment income	250	300	250
Grants and contributions	160	135	135
Other revenue	...	91	...
Total Retained Revenue	970	1,856	1,615
NET COST OF SERVICES	90,087	89,370	81,742

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

10 MINISTRY FOR THE ARTS

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	3,668	3,781	3,917
Grants and subsidies	83,575	82,215	74,371
Other	5,795	4,574	6,213
Total Payments	93,038	90,570	84,501
Receipts			
Sale of goods and services	560	1,835	1,230
Interest	250	300	304
Other	2,840	3,735	2,751
Total Receipts	3,650	5,870	4,285
NET CASH FLOWS FROM OPERATING ACTIVITIES	(89,388)	(84,700)	(80,216)
CASH FLOWS FROM INVESTING ACTIVITIES			
Advance repayments received	20	...	...
Purchases of property, plant and equipment	(10,810)	(10,380)	(17,738)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(10,790)	(10,380)	(17,738)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	89,296	88,303	80,523
Capital appropriation	10,810	10,380	17,738
Cash reimbursements from the Consolidated Fund Entity	212	118	...
NET CASH FLOWS FROM GOVERNMENT	100,318	98,801	98,261
NET INCREASE/(DECREASE) IN CASH	140	3,721	307
Opening Cash and Cash Equivalents	6,469	3,387	7,108
CLOSING CASH AND CASH EQUIVALENTS	6,609	7,108	7,415
CASH FLOW RECONCILIATION			
Net cost of services	(90,087)	(89,370)	(81,742)
Non cash items added back	699	1,427	1,339
Change in operating assets and liabilities	...	3,243	187
Net cash flow from operating activities	(89,388)	(84,700)	(80,216)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

10 MINISTRY FOR THE ARTS

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	6,609	7,108	7,415
Receivables	510	1,171	1,040
Other financial assets	20	...	...
Total Current Assets	7,139	8,279	8,455
Non Current Assets -			
Other financial assets	55	...	...
Property, plant and equipment -			
Land and building	85,538	137,271	138,431
Plant and equipment	1,926	2,255	2,327
Infrastructure systems	59,979	7,252	22,548
Total Non Current Assets	147,498	146,778	163,306
Total Assets	154,637	155,057	171,761
LIABILITIES -			
Current Liabilities -			
Payables	195	103	153
Provisions	325	341	345
Total Current Liabilities	520	444	498
Non Current Liabilities -			
Provisions	60	53	55
Total Non Current Liabilities	60	53	55
Total Liabilities	580	497	553
NET ASSETS	154,057	154,560	171,208
EQUITY			
Reserves	4,457	4,457	4,457
Accumulated funds	149,600	150,103	166,751
TOTAL EQUITY	154,057	154,560	171,208

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

10 MINISTRY FOR THE ARTS

10.1 Policy Formulation and Review, Cultural Grants Program and Other Arts Assistance

10.1.1 Policy Formulation and Review, Cultural Grants Program and Other Arts Assistance

Program Objective(s): To advise the Government on arts and cultural matters, the management of the State's eight cultural institutions and agencies, the allocation of the Cultural Grants Program and other assistance to the arts and to co-ordinate portfolio-wide issues and projects.

Program Description: Policy formulation, strategic review, industry and infrastructure support, management of grants and other support to non-profit arts organisations and awards and fellowships to individuals.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Cultural Grants Program -					
Funds distributed	\$m	32.0	49.7	27.3	29.5
Organisations/ individuals assisted	no.	326	342	260	260
Applications approved	no.	649	702	350	350
Applications processed	no.	1,706	2,087	1,700	1,700
Distribution of funds -					
General running costs/salaries/annual programs	%	57	60	75	75
Specific projects	%	43	40	25	25
Fellowships, scholarships and awards -					
Funds distributed	\$000	330	431	220	250
Individuals assisted	no.	28	42	12	15
Applications processed	no.	761	1,028	1,000	1,000
Sydney Opera House -					
Indoor events	no.	2,309	2,332	2,164	2,200
Indoor participants	mill	1.23	1.27	1.19	1.20
Outdoor events	no.	88	95	87	88
Outdoor participants	mill	0.34	0.35	0.41	0.35
Guided tour participants	thous	229	245	245	245
<u>Average Staffing:</u>	EFT	32	40	40	39

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

10 MINISTRY FOR THE ARTS

**10.1 Policy Formulation and Review, Cultural Grants Program and Other Arts
Assistance**

**10.1.1 Policy Formulation and Review, Cultural Grants Program and Other
Arts Assistance (cont)**

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	3,857	3,968	4,102
Other operating expenses	2,710	3,330	3,171
Maintenance	405	503	503
Depreciation and amortisation	510	1,210	1,210
Grants and subsidies			
Museum of Contemporary Art	2,700	2,700	2,700
Arts development initiatives	389	607	440
Cultural Grant Program	27,073	27,262	29,502
Annual endowment Sydney Opera House Trust	14,118	14,091	14,294
Sydney Festival Ltd	2,300	...	700
Sydney Opera House - maintenance	19,242	19,242	19,627
Sydney Opera House - capital grants	17,753	18,313	7,108
Total Expenses	91,057	91,226	83,357
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	550	1,300	1,200
Minor sales of goods and services	10	30	30
Investment income	250	300	250
Grants and contributions	160	135	135
Other revenue	...	91	...
Total Retained Revenue	970	1,856	1,615
NET COST OF SERVICES	90,087	89,370	81,742
<hr/>			
CAPITAL EXPENDITURE	10,810	10,380	17,738

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

11 STATE LIBRARY OF NEW SOUTH WALES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	26,929	26,741	28,404
Other operating expenses	11,910	12,987	13,347
Maintenance	1,322	1,217	1,362
Depreciation and amortisation	10,398	10,849	11,275
Grants and subsidies	22,422	22,388	24,799
Borrowing costs	38	38	38
Total Expenses	73,019	74,220	79,225
Less:			
Retained Revenue -			
Sales of goods and services	2,390	2,255	2,190
Investment income	1,978	1,931	1,978
Grants and contributions	3,141	2,385	3,841
Other revenue	10	115	10
Total Retained Revenue	7,519	6,686	8,019
NET COST OF SERVICES	65,500	67,534	71,206

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

11 STATE LIBRARY OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	24,740	24,262	25,496
Grants and subsidies	22,422	22,388	24,799
Finance costs	38	38	38
Other	13,352	13,563	15,105
Total Payments	60,552	60,251	65,438
Receipts			
Sale of goods and services	2,462	2,242	2,177
Interest	1,978	1,931	1,978
Other	3,285	2,634	3,985
Total Receipts	7,725	6,807	8,140
NET CASH FLOWS FROM OPERATING ACTIVITIES	(52,827)	(53,444)	(57,298)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	300	390	...
Purchases of property, plant and equipment	(10,086)	(9,961)	(10,780)
Purchases of investments	...	(940)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(9,786)	(10,511)	(10,780)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	...	(103)	...
NET CASH FLOWS FROM FINANCING ACTIVITIES	...	(103)	...
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	50,792	51,105	57,108
Capital appropriation	10,086	10,773	10,780
Cash reimbursements from the Consolidated Fund Entity	1,082	1,119	...
NET CASH FLOWS FROM GOVERNMENT	61,960	62,997	67,888
NET INCREASE/(DECREASE) IN CASH	(653)	(1,061)	(190)
Opening Cash and Cash Equivalents	1,145	1,542	481
CLOSING CASH AND CASH EQUIVALENTS	492	481	291

PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP

11 STATE LIBRARY OF NEW SOUTH WALES

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(65,500)	(67,534)	(71,206)
Non cash items added back	13,177	13,683	14,098
Change in operating assets and liabilities	(504)	407	(190)
Net cash flow from operating activities	(52,827)	(53,444)	(57,298)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

11 STATE LIBRARY OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	492	481	291
Receivables	654	707	707
Inventories	221	246	246
Other	151	163	163
Total Current Assets	1,518	1,597	1,407
Non Current Assets -			
Other financial assets	14,994	15,741	15,741
Property, plant and equipment -			
Land and building	174,339	167,773	166,649
Plant and equipment	1,497,065	1,500,312	1,500,941
Total Non Current Assets	1,686,398	1,683,826	1,683,331
Total Assets	1,687,916	1,685,423	1,684,738
LIABILITIES -			
Current Liabilities -			
Payables	1,494	3,171	2,981
Provisions	2,157	2,138	2,138
Other	151	...	...
Total Current Liabilities	3,802	5,309	5,119
Non Current Liabilities -			
Interest bearing	383	280	280
Provisions	473	545	545
Total Non Current Liabilities	856	825	825
Total Liabilities	4,658	6,134	5,944
NET ASSETS	1,683,258	1,679,289	1,678,794
EQUITY			
Reserves	58,767	58,248	58,248
Accumulated funds	1,624,491	1,621,041	1,620,546
TOTAL EQUITY	1,683,258	1,679,289	1,678,794

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

11 STATE LIBRARY OF NEW SOUTH WALES

11.1 State Library

11.1.1 State Library

Program Objective(s): To promote, provide and maintain library and information services for the people of New South Wales through the State Library and the State-wide network of public libraries and information agencies.

Program Description: Design and provide information services to the public including the delivery of reference, research, exhibition and education services, both in print and online via atmitchell.com. Preserve and maintain the documented heritage of New South Wales. Leadership and administration of public library funding program.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Library and Information Services					
Use of Services	mill	5.7	6.0	6.1	6.0
Website page requests	mill	16.5	18.0	22.0	24.0
% of services that support Public Libraries	%	25	25	25	25
Public Libraries receiving Development Grants	no.	61	46	46	46
No of items preserved to appropriate collection	thous	25.9	27.8	31.3	33.0
Local councils connected to NSW.net	no.	96	96	96	96
Collections -					
No of items added to the collection	thous	80.8	82.0	85.0	85.0
Number of items digitised	thous	15.7	17.5	18.0	18.0
<u>Average Staffing</u> :	EFT	393	389	388	388

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

11 STATE LIBRARY OF NEW SOUTH WALES

11.1 State Library

11.1.1 State Library (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	26,929	26,741	28,404
Other operating expenses	11,910	12,987	13,347
Maintenance	1,322	1,217	1,362
Depreciation and amortisation	10,398	10,849	11,275
Grants and subsidies			
Library services by Councils and other organisations	22,422	22,388	24,799
Borrowing costs			
Interest on public sector borrowings and advances	38	38	38
Total Expenses	73,019	74,220	79,225
Less:			
Retained Revenue -			
Sales of goods and services			
Fees for services	874	862	774
Retail sales	514	450	414
Subscriptions	228	229	228
Minor sales of goods and services	774	714	774
Investment income	1,978	1,931	1,978
Grants and contributions	3,141	2,385	3,841
Other revenue	10	115	10
Total Retained Revenue	7,519	6,686	8,019
NET COST OF SERVICES	65,500	67,534	71,206
CAPITAL EXPENDITURE	10,086	9,961	10,780

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

12 AUSTRALIAN MUSEUM

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	19,184	18,800	19,560
Other operating expenses	10,324	10,760	9,314
Maintenance	1,300	1,400	1,340
Depreciation and amortisation	5,100	5,125	4,975
Grants and subsidies	130	130	130
Total Expenses	36,038	36,215	35,319
Less:			
Retained Revenue -			
Sales of goods and services	6,051	6,284	5,394
Investment income	32	32	32
Grants and contributions	2,362	2,452	2,552
Total Retained Revenue	8,445	8,768	7,978
NET COST OF SERVICES	27,593	27,447	27,341

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

12 AUSTRALIAN MUSEUM

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	18,062	17,645	18,472
Grants and subsidies	130	130	130
Other	13,168	13,760	12,298
Total Payments	31,360	31,535	30,900
Receipts			
Sale of goods and services	5,807	6,240	5,386
Interest	32	32	32
Other	4,014	4,113	4,204
Total Receipts	9,853	10,385	9,622
NET CASH FLOWS FROM OPERATING ACTIVITIES	(21,507)	(21,150)	(21,278)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	...	287	...
Advance repayments received	8	...	...
Purchases of property, plant and equipment	(4,420)	(3,752)	(6,515)
Purchases of investments	...	(441)	(260)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(4,412)	(3,906)	(6,775)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	20,581	23,991	22,708
Capital appropriation	4,420	4,170	5,385
Cash reimbursements from the Consolidated Fund Entity	1,019	1,019	...
NET CASH FLOWS FROM GOVERNMENT	26,020	29,180	28,093
NET INCREASE/(DECREASE) IN CASH	101	4,124	40
Opening Cash and Cash Equivalents	1,077	(570)	3,554
CLOSING CASH AND CASH EQUIVALENTS	1,178	3,554	3,594
CASH FLOW RECONCILIATION			
Net cost of services	(27,593)	(27,447)	(27,341)
Non cash items added back	6,222	6,222	6,063
Change in operating assets and liabilities	(136)	75	...
Net cash flow from operating activities	(21,507)	(21,150)	(21,278)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

12 AUSTRALIAN MUSEUM

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,178	3,554	3,594
Receivables	1,429	2,190	2,190
Other financial assets	192	350	610
Inventories	191	191	191
Other	15	39	39
Total Current Assets	3,005	6,324	6,624
Non Current Assets -			
Property, plant and equipment -			
Land and building	149,276	147,621	152,231
Plant and equipment	546,797	547,804	545,533
Infrastructure systems	1,079	1,487	688
Total Non Current Assets	697,152	696,912	698,452
Total Assets	700,157	703,236	705,076
LIABILITIES -			
Current Liabilities -			
Payables	2,116	1,084	1,084
Interest bearing	200	200	200
Provisions	1,121	1,517	1,517
Other	64	172	172
Total Current Liabilities	3,501	2,973	2,973
Non Current Liabilities -			
Provisions	356	386	386
Total Non Current Liabilities	356	386	386
Total Liabilities	3,857	3,359	3,359
NET ASSETS	696,300	699,877	701,717
EQUITY			
Reserves	154,000	154,000	154,000
Accumulated funds	542,300	545,877	547,717
TOTAL EQUITY	696,300	699,877	701,717

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

12 AUSTRALIAN MUSEUM

12.1 Australian Museum

12.1.1 Australian Museum

Program Objective(s): To increase and disseminate knowledge about, and encourage the understanding of our natural environment and cultural heritage, especially in the Australian region.

Program Description: Acquisition, preservation and research of collections. Provision of information to the public, industry and Government through exhibitions, education programs and research.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
College Street, Sydney -					
Total visitors/participants	thous	380	279	305	290
- paid	thous	325	228	245	235
- free	thous	46	42	45	40
- other users	thous	9	9	15	15
New exhibitions opened	no.	12	12	10	10
Regional New South Wales -					
Total visitors/participants	thous	150	150	110	100
Exhibitions/public programs	no.	400	400	400	400
Research and collections -					
Acquisitions	thous	272	32	101	100
Publications	no.	71	71	40	40
Research papers/abstracts	no.	182	144	140	130
Representation on scientific committees	no.	41	35	45	40
Information enquiries	thous	10	10	10	10
Website visits	mill	5.1	8.3	11.8	16.9
<u>Average Staffing:</u>	EFT	271	263	234	234

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

12 AUSTRALIAN MUSEUM

12.1 Australian Museum

12.1.1 Australian Museum (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	19,184	18,800	19,560
Other operating expenses	10,324	10,760	9,314
Maintenance	1,300	1,400	1,340
Depreciation and amortisation	5,100	5,125	4,975
Grants and subsidies			
Research grants	130	130	130
Total Expenses	36,038	36,215	35,319
Less:			
Retained Revenue -			
Sales of goods and services			
Publication sales	5	125	3
Fees for services	2,460	2,340	1,534
Retail sales	1,616	1,616	1,812
Functions	320	320	345
Entry fees	1,400	1,610	1,450
Minor sales of goods and services	250	273	250
Investment income	32	32	32
Grants and contributions	2,362	2,452	2,552
Total Retained Revenue	8,445	8,768	7,978
NET COST OF SERVICES	27,593	27,447	27,341
CAPITAL EXPENDITURE			
	4,420	3,752	6,515

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

13 MUSEUM OF APPLIED ARTS AND SCIENCES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	24,815	24,675	26,171
Other operating expenses	11,844	12,988	9,799
Maintenance	3,344	3,344	3,444
Depreciation and amortisation	4,727	4,771	5,207
Total Expenses	44,730	45,778	44,621
Less:			
Retained Revenue -			
Sales of goods and services	6,133	6,866	4,816
Investment income	235	259	235
Grants and contributions	3,275	3,169	3,687
Other revenue	90	140	104
Total Retained Revenue	9,733	10,434	8,842
NET COST OF SERVICES	34,997	35,344	35,779

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

13 MUSEUM OF APPLIED ARTS AND SCIENCES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	23,218	22,389	23,738
Other	15,072	17,627	13,914
Total Payments	38,290	40,016	37,652
Receipts			
Sale of goods and services	6,360	7,070	4,816
Interest	10	259	235
Other	3,343	3,351	3,343
Total Receipts	9,713	10,680	8,394
NET CASH FLOWS FROM OPERATING ACTIVITIES	(28,577)	(29,336)	(29,258)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	14,000	10,000	7,124
Purchases of property, plant and equipment	(5,448)	(5,511)	(5,383)
Purchases of investments	(13,925)	(9,750)	(7,124)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(5,373)	(5,261)	(5,383)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	27,865	28,168	29,752
Capital appropriation	4,898	4,961	4,833
Cash reimbursements from the Consolidated Fund Entity	1,157	1,157	...
Cash transfers to Consolidated Fund	...	(1,114)	...
NET CASH FLOWS FROM GOVERNMENT	33,920	33,172	34,585
NET INCREASE/(DECREASE) IN CASH	(30)	(1,425)	(56)
Opening Cash and Cash Equivalents	408	1,570	145
CLOSING CASH AND CASH EQUIVALENTS	378	145	89
CASH FLOW RECONCILIATION			
Net cost of services	(34,997)	(35,344)	(35,779)
Non cash items added back	5,749	6,018	6,024
Change in operating assets and liabilities	671	(10)	497
Net cash flow from operating activities	(28,577)	(29,336)	(29,258)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

13 MUSEUM OF APPLIED ARTS AND SCIENCES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	378	145	89
Receivables	488	754	554
Inventories	292	...	...
Other	102	150	150
Total Current Assets	1,260	1,049	793
Non Current Assets -			
Other financial assets	2,767	2,598	2,598
Property, plant and equipment -			
Land and building	100,879	98,749	98,269
Plant and equipment	388,534	390,619	392,255
Total Non Current Assets	492,180	491,966	493,122
Total Assets	493,440	493,015	493,915
LIABILITIES -			
Current Liabilities -			
Payables	3,692	3,570	3,781
Provisions	2,436	2,317	2,403
Total Current Liabilities	6,128	5,887	6,184
Non Current Liabilities -			
Provisions	365	381	381
Total Non Current Liabilities	365	381	381
Total Liabilities	6,493	6,268	6,565
NET ASSETS	486,947	486,747	487,350
EQUITY			
Reserves	91,824	91,824	91,824
Accumulated funds	395,123	394,923	395,526
TOTAL EQUITY	486,947	486,747	487,350

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

13 MUSEUM OF APPLIED ARTS AND SCIENCES

13.1 Museum of Applied Arts and Sciences

13.1.1 Museum of Applied Arts and Sciences

Program Objective(s): To promote understanding and appreciation of society's evolution and our cultural heritage in the fields of science, technology, industry, design, decorative arts and history.

Program Description: Acquisition, conservation and research of artefacts relating to science, technology, design and society. Provision of knowledge and information through exhibitions, educational programs, publications, web based outreach programs and specialist advice.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Powerhouse & Observatory:					
Total visitors/participants	thous	668	500	695	550
Exhibitions visitors	thous	621	453	650	505
- paid	thous	502	353	511	395
- free	thous	119	100	139	110
Other users	thous	47	47	45	45
New exhibitions opened	no.	26	24	22	20
Public programs participants	thous	430	314	430	345
Public programs held	thous	6	5	6	5
Regional New South Wales:					
Total visitors/participants	thous	398	360	350	350
Exhibitions/public programs	no.	10	36	30	30
Research and collections:					
Acquisitions	no.	570	663	580	600
Publications	no.	44	43	42	40
Research papers/abstracts	no.	61	60	60	60
Information enquiries	thous	72	74	72	72
Website visits	thous	962	1,595	1,500	1,700
<u>Average Staffing:</u>	EFT	371	353	364	360

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

13 MUSEUM OF APPLIED ARTS AND SCIENCES

13.1 Museum of Applied Arts and Sciences

13.1.1 Museum of Applied Arts and Sciences (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	24,815	24,675	26,171
Other operating expenses	11,844	12,988	9,799
Maintenance	3,344	3,344	3,444
Depreciation and amortisation	4,727	4,771	5,207
Total Expenses	44,730	45,778	44,621
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	236	236	300
Publication sales	95	112	104
Fees for services	756	766	673
Retail sales	836	165	...
Functions	486	486	549
Entry fees	3,636	4,682	2,996
Minor sales of goods and services	88	419	194
Investment income	235	259	235
Grants and contributions	3,275	3,169	3,687
Other revenue	90	140	104
Total Retained Revenue	9,733	10,434	8,842
NET COST OF SERVICES	34,997	35,344	35,779
<hr/>			
CAPITAL EXPENDITURE	5,448	5,511	5,383

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

14 HISTORIC HOUSES TRUST OF NEW SOUTH WALES

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	11,289	13,012	13,519
Other operating expenses	6,151	6,247	5,990
Maintenance	3,076	2,550	2,378
Depreciation and amortisation	1,330	1,401	1,921
Total Expenses	21,846	23,210	23,808
Less:			
Retained Revenue -			
Sales of goods and services	2,985	3,715	3,719
Investment income	333	150	330
Grants and contributions	324	377	275
Total Retained Revenue	3,642	4,242	4,324
Gain/(loss) on disposal of non current assets	...	2,110	10
NET COST OF SERVICES	18,204	16,858	19,474

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

14 HISTORIC HOUSES TRUST OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	10,872	12,595	13,141
Other	10,034	9,604	9,175
Total Payments	20,906	22,199	22,316
Receipts			
Sale of goods and services	2,984	3,714	3,718
Interest	333	150	330
Other	1,132	1,185	1,083
Total Receipts	4,449	5,049	5,131
NET CASH FLOWS FROM OPERATING ACTIVITIES	(16,457)	(17,150)	(17,185)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	3,310	10
Purchases of property, plant and equipment	(2,277)	(3,477)	(468)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(2,277)	(167)	(458)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	15,897	15,995	17,422
Capital appropriation	2,277	2,277	231
Cash reimbursements from the Consolidated Fund Entity	627	863	...
NET CASH FLOWS FROM GOVERNMENT	18,801	19,135	17,653
NET INCREASE/(DECREASE) IN CASH	67	1,818	10
Opening Cash and Cash Equivalents	4,487	4,700	6,518
CLOSING CASH AND CASH EQUIVALENTS	4,554	6,518	6,528
CASH FLOW RECONCILIATION			
Net cost of services	(18,204)	(16,858)	(19,474)
Non cash items added back	1,747	1,818	2,299
Change in operating assets and liabilities	...	(2,110)	(10)
Net cash flow from operating activities	(16,457)	(17,150)	(17,185)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

14 HISTORIC HOUSES TRUST OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	4,554	6,518	6,528
Receivables	586	642	642
Other financial assets	1,046	1,098	1,098
Inventories	950	779	779
Other	...	37	37
Total Current Assets	7,136	9,074	9,084
Non Current Assets -			
Property, plant and equipment -			
Land and building	104,536	113,110	112,325
Plant and equipment	24,248	21,369	20,701
Infrastructure systems	8,846	...	...
Total Non Current Assets	137,630	134,479	133,026
Total Assets	144,766	143,553	142,110
LIABILITIES -			
Current Liabilities -			
Payables	856	933	933
Provisions	869	857	857
Total Current Liabilities	1,725	1,790	1,790
Non Current Liabilities -			
Provisions	...	118	118
Other	34	26	26
Total Non Current Liabilities	34	144	144
Total Liabilities	1,759	1,934	1,934
NET ASSETS	143,007	141,619	140,176
EQUITY			
Reserves	16,652	17,120	17,120
Accumulated funds	126,355	124,499	123,056
TOTAL EQUITY	143,007	141,619	140,176

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

14 HISTORIC HOUSES TRUST OF NEW SOUTH WALES

14.1 Historic Houses Trust

14.1.1 Historic Houses Trust

Program Objective(s): To conserve, interpret and manage the State's places of cultural significance and to inspire public understanding of the State's histories.

Program Description: Conservation, management and maintenance of the properties under the Trust's care, provision of school programs, exhibitions and advice to visiting public.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Properties managed	no.	13	13	15	16
Total visitors/participants	thous	2,540	2,595	2,600	2,700
Exhibition visitors	thous	540	555	570	700
- paid	thous	350	360	370	400
- free	thous	190	195	200	210
Other users	thous	2,000	2,040	2,060	2,000
New exhibitions opened	no.	10	11	9	9
Exhibition days	no.	1,570	1,968	1,970	1,000
Public programs participants	thous	58	60	65	40
Public programs held	no.	367	300	305	300
Regional New South Wales (non-HHT sites)					
Total visitors/participants	no.	35,000	36,000	36,000	40,000
Research and collections					
Acquisitions	no.	255	350	350	300
Publications	no.	3	4	3	4
Information inquiries					
- website hits	thous	2,000	2,500	2,800	6,000
- other	no.	2,000	2,500	2,700	3,000
<u>Average Staffing:</u>	EFT	170	170	172	170

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

14 HISTORIC HOUSES TRUST OF NEW SOUTH WALES

14.1 Historic Houses Trust

14.1.1 Historic Houses Trust (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	11,289	13,012	13,519
Other operating expenses	6,151	6,247	5,990
Maintenance	3,076	2,550	2,378
Depreciation and amortisation	1,330	1,401	1,921
Total Expenses	21,846	23,210	23,808
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	411	408	407
Publication sales	104	103	103
Retail sales	687	809	809
Functions	386	700	700
Entry fees	855	1,140	1,150
Minor sales of goods and services	542	555	550
Investment income	333	150	330
Grants and contributions	324	377	275
Total Retained Revenue	3,642	4,242	4,324
Gain/(loss) on disposal of non current assets	...	2,110	10
NET COST OF SERVICES	18,204	16,858	19,474
CAPITAL EXPENDITURE			
	2,277	3,477	468

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

15 ART GALLERY OF NEW SOUTH WALES

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	15,775	16,562	17,414
Other operating expenses	11,331	11,631	12,331
Maintenance	910	910	937
Depreciation and amortisation	2,200	2,015	2,015
Total Expenses	30,216	31,118	32,697
Less:			
Retained Revenue -			
Sales of goods and services	6,481	6,481	6,709
Investment income	800	800	810
Grants and contributions	5,605	10,809	5,683
Total Retained Revenue	12,886	18,090	13,202
Gain/(loss) on disposal of non current assets	...	(36)	...
NET COST OF SERVICES	17,330	13,064	19,495

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

15 ART GALLERY OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	13,360	14,022	14,776
Other	13,463	13,326	14,349
Total Payments	26,823	27,348	29,125
Receipts			
Sale of goods and services	6,239	4,580	6,709
Interest	800	460	470
Other	5,634	9,411	4,261
Total Receipts	12,673	14,451	11,440
NET CASH FLOWS FROM OPERATING ACTIVITIES	(14,150)	(12,897)	(17,685)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	206	...
Proceeds from sale of investments	...	20,000	20,000
Purchases of property, plant and equipment	(3,836)	(10,497)	(2,770)
Purchases of investments	(827)	(15,969)	(19,926)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(4,663)	(6,260)	(2,696)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	15,187	15,474	18,299
Capital appropriation	2,836	2,836	1,770
Cash reimbursements from the Consolidated Fund Entity	790	856	...
Cash transfers to Consolidated Fund	...	(181)	...
NET CASH FLOWS FROM GOVERNMENT	18,813	18,985	20,069
NET INCREASE/(DECREASE) IN CASH	...	(172)	(312)
Opening Cash and Cash Equivalents	1,121	686	514
CLOSING CASH AND CASH EQUIVALENTS	1,121	514	202

PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP

15 ART GALLERY OF NEW SOUTH WALES

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(17,330)	(13,064)	(19,495)
Non cash items added back	3,160	1,770	1,758
Change in operating assets and liabilities	20	(1,603)	52
Net cash flow from operating activities	(14,150)	(12,897)	(17,685)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

15 ART GALLERY OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,121	514	202
Receivables	708	2,839	2,839
Other financial assets	17,855	6,881	7,147
Inventories	1,327	1,134	1,134
Other	286	489	489
Total Current Assets	21,297	11,857	11,811
Non Current Assets -			
Other financial assets	...	7,190	7,190
Property, plant and equipment -			
Land and building	122,911	127,347	127,592
Plant and equipment	602,943	615,430	616,887
Total Non Current Assets	725,854	749,967	751,669
Total Assets	747,151	761,824	763,480
LIABILITIES -			
Current Liabilities -			
Payables	2,500	4,005	4,057
Provisions	818	1,170	1,170
Other	6	...	...
Total Current Liabilities	3,324	5,175	5,227
Non Current Liabilities -			
Provisions	...	221	221
Total Non Current Liabilities	...	221	221
Total Liabilities	3,324	5,396	5,448
NET ASSETS	743,827	756,428	758,032
EQUITY			
Reserves	139,888	143,406	143,406
Accumulated funds	603,939	613,022	614,626
TOTAL EQUITY	743,827	756,428	758,032

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

15 ART GALLERY OF NEW SOUTH WALES

15.1 Art Gallery of New South Wales

15.1.1 Art Gallery of New South Wales

Program Objective(s): To develop and maintain collections of works of art for the benefit of the community. To increase knowledge and appreciation of art.

Program Description: Acquisition of art works for public exhibition, promotion of public appreciation of art through education programs and art competition awards. Administration of the Art Gallery of New South Wales.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
AGNSW and Whiteley Studio					
Total visitors	thous	1,127	1,513	1,250	1,400
Exhibition visitors	thous	1,000	1,235	1,100	1,250
- paid	thous	292	345	200	300
- free	thous	708	890	900	950
Public Programs Participants	thous	273	297	290	300
Other users (venue hire)	thous	40	41	39	40
New Exhibitions	no.	28	35	34	30
Exhibitions days	no.	2,685	2,033	2,000	2,000
Regional New South Wales					
Total exhibition visitors	thous	27	21	18	18
Exhibitions	no.	2	2	1	1
Research and collections					
Acquisitions	no.	771	488	400	400
Publications	no.	9	8	6	6
Research papers/abstracts	no.	120	106	90	90
Information enquiries	thous	10	14	14	14
Website visits	thous	547	4,760	4,800	5,000
<u>Average Staffing:</u>	EFT	200	204	204	204

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

15 ART GALLERY OF NEW SOUTH WALES

15.1 Art Gallery of New South Wales

15.1.1 Art Gallery of New South Wales (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	15,775	16,562	17,414
Other operating expenses	11,331	11,631	12,331
Maintenance	910	910	937
Depreciation and amortisation	2,200	2,015	2,015
Total Expenses	30,216	31,118	32,697
Less:			
Retained Revenue -			
Sales of goods and services			
Publication sales	180	1,100	1,139
Fees for services	665	790	818
Retail sales	3,846	2,500	2,588
Functions	690	690	714
Entry fees	1,100	1,401	1,450
Investment income	800	800	810
Grants and contributions	5,605	10,809	5,683
Total Retained Revenue	12,886	18,090	13,202
Gain/(loss) on disposal of non current assets	...	(36)	...
NET COST OF SERVICES	17,330	13,064	19,495
CAPITAL EXPENDITURE			
	3,836	11,725	2,770

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

16 STATE RECORDS AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	8,561	8,843	9,410
Other operating expenses	2,862	2,912	2,433
Maintenance	397	330	317
Depreciation and amortisation	2,682	2,603	1,850
Borrowing costs	...	228	553
Total Expenses	14,502	14,916	14,563
Less:			
Retained Revenue -			
Sales of goods and services	8,407	8,530	9,171
Investment income	100	100	90
Grants and contributions	...	59	14
Total Retained Revenue	8,507	8,689	9,275
NET COST OF SERVICES	5,995	6,227	5,288

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

16 STATE RECORDS AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	8,363	8,608	9,030
Finance costs	...	228	553
Other	4,067	5,379	3,558
Total Payments	12,430	14,215	13,141
Receipts			
Sale of goods and services	8,407	8,530	9,171
Interest	100	220	60
Other	808	2,025	976
Total Receipts	9,315	10,775	10,207
NET CASH FLOWS FROM OPERATING ACTIVITIES	(3,115)	(3,440)	(2,934)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(12,845)	(17,345)	(2,845)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(12,845)	(17,345)	(2,845)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	10,000	10,500	...
Repayment of borrowings and advances	(15)	(115)	(83)
NET CASH FLOWS FROM FINANCING ACTIVITIES	9,985	10,385	(83)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	4,690	4,906	5,061
Capital appropriation	345	345	345
Cash reimbursements from the Consolidated Fund Entity	187	165	...
NET CASH FLOWS FROM GOVERNMENT	5,222	5,416	5,406
NET INCREASE/(DECREASE) IN CASH	(753)	(4,984)	(456)
Opening Cash and Cash Equivalents	4,441	5,454	470
CLOSING CASH AND CASH EQUIVALENTS	3,688	470	14

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

16 STATE RECORDS AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
<hr/>			
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(5,995)	(6,227)	(5,288)
Non cash items added back	1,697	1,748	2,220
Change in operating assets and liabilities	1,183	1,039	134
Net cash flow from operating activities	(3,115)	(3,440)	(2,934)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

16 STATE RECORDS AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	3,688	470	14
Receivables	1,770	1,747	1,623
Inventories	42	36	36
Other	78	118	118
Total Current Assets	5,578	2,371	1,791
Non Current Assets -			
Property, plant and equipment -			
Land and building	38,164	41,748	43,368
Plant and equipment	4,710	5,570	4,945
Other	488	606	606
Total Non Current Assets	43,362	47,924	48,919
Total Assets	48,940	50,295	50,710
LIABILITIES -			
Current Liabilities -			
Payables	748	1,100	1,110
Interest bearing	10,010	10,079	10,088
Provisions	786	781	781
Total Current Liabilities	11,544	11,960	11,979
Non Current Liabilities -			
Interest bearing	37	371	279
Provisions	624	720	720
Total Non Current Liabilities	661	1,091	999
Total Liabilities	12,205	13,051	12,978
NET ASSETS	36,735	37,244	37,732
EQUITY			
Reserves	1,250	1,250	1,250
Accumulated funds	35,485	35,994	36,482
TOTAL EQUITY	36,735	37,244	37,732

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

16 STATE RECORDS AUTHORITY

16.1 State Records Authority

16.1.1 State Records Authority

Program Objective(s): To meet the current and future needs of the people and Government for records of the business of the NSW public sector.

Program Description: Improving public sector record keeping through standards, monitoring, training and guidance. Preserving and documenting the State's official archives and their context. Making the archives accessible and promoting their use by the public and Government. Providing records storage services to the public sector.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Total semi-active storage (metres)	thous	312	330	348	370
Total semi-active records accessioned (metres)	thous	28	23	29	32
Total retrieval operations performed	thous	326	340	310	330
Total archival holdings (metres)	thous	53	54	56	57
Disposal recommendations/appraisal reports	no.	37	27	26	20
Series/disposal classes covered in disposal authorities	no.	3,909	2,500	2,400	2,000
Records taken into archival control (metres)	no.	2,300	1,400	1,500	1,500
Users of uncopied material	thous	5	5	6	6
Total original items issued	thous	30	30	27	29
Written and telephone enquiries	thous	14	14	10	11
Public programs participants	no.	5,056	3,140	2,900	3,200
Publications produced	no.	38	53	18	18
Agency training programs participants	no.	537	996	350	350
Number of catalogue items discoverable on-line	no.	73	108	104	170
Website hits	thous	903	1,454	1,800	2,000
<u>Average Staffing:</u>	EFT	121	125	129	132

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

16 STATE RECORDS AUTHORITY

16.1 State Records Authority

16.1.1 State Records Authority (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	8,561	8,843	9,410
Other operating expenses	2,862	2,912	2,433
Maintenance	397	330	317
Depreciation and amortisation	2,682	2,603	1,850
Borrowing costs			
Interest on public sector borrowings and advances	...	3	3
interest on T-Corp loans	...	225	550
Total Expenses	14,502	14,916	14,563
Less:			
Retained Revenue -			
Sales of goods and services			
Publication sales	310	330	316
Fees for services	8,097	8,200	8,855
Investment income	100	100	90
Grants and contributions	...	59	14
Total Retained Revenue	8,507	8,689	9,275
NET COST OF SERVICES	5,995	6,227	5,288
<hr/>			
CAPITAL EXPENDITURE	12,845	17,345	2,845

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

17 NEW SOUTH WALES FILM AND TELEVISION OFFICE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	1,847	1,869	1,966
Other operating expenses	1,974	1,960	1,854
Maintenance	30	30	31
Depreciation and amortisation	32	32	32
Grants and subsidies	6,627	6,627	6,242
Total Expenses	10,510	10,518	10,125
Less:			
Retained Revenue -			
Sales of goods and services	460	...	476
Investment income	250	250	259
Other revenue	...	468	...
Total Retained Revenue	710	718	735
NET COST OF SERVICES	9,800	9,800	9,390

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

17 NEW SOUTH WALES FILM AND TELEVISION OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	1,817	1,838	1,940
Grants and subsidies	6,627	6,627	6,242
Other	2,777	2,764	2,525
Total Payments	11,221	11,229	10,707
Receipts			
Sale of goods and services	460	...	476
Interest	249	249	259
Other	775	1,243	640
Total Receipts	1,484	1,492	1,375
NET CASH FLOWS FROM OPERATING ACTIVITIES	(9,737)	(9,737)	(9,332)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(44)	(44)	(44)
Advances made	...	(845)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(44)	(889)	(44)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	9,349	9,349	9,070
Capital appropriation	44	44	44
Cash reimbursements from the Consolidated Fund Entity	126	126	...
NET CASH FLOWS FROM GOVERNMENT	9,519	9,519	9,114
NET INCREASE/(DECREASE) IN CASH	(262)	(1,107)	(262)
Opening Cash and Cash Equivalents	6,523	7,552	6,445
CLOSING CASH AND CASH EQUIVALENTS	6,261	6,445	6,183
CASH FLOW RECONCILIATION			
Net cost of services	(9,800)	(9,800)	(9,390)
Non cash items added back	63	63	58
Net cash flow from operating activities	(9,737)	(9,737)	(9,332)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

17 NEW SOUTH WALES FILM AND TELEVISION OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	6,261	6,445	6,183
Receivables	10	(46)	(46)
Other financial assets	1,083	1,760	1,760
Other	...	57	57
Total Current Assets	7,354	8,216	7,954
Non Current Assets -			
Property, plant and equipment -			
Land and building	(2)	...	...
Plant and equipment	112	109	121
Total Non Current Assets	110	109	121
Total Assets	7,464	8,325	8,075
LIABILITIES -			
Current Liabilities -			
Payables	642	737	737
Provisions	131	141	141
Total Current Liabilities	773	878	878
Non Current Liabilities -			
Provisions	4	5	5
Other	52	52	52
Total Non Current Liabilities	56	57	57
Total Liabilities	829	935	935
NET ASSETS	6,635	7,390	7,140
EQUITY			
Accumulated funds	6,635	7,390	7,140
TOTAL EQUITY	6,635	7,390	7,140

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

17 NEW SOUTH WALES FILM AND TELEVISION OFFICE

17.1 New South Wales Film and Television Office

17.1.1 New South Wales Film and Television Office

Program Objective(s): To promote and assist the New South Wales film and television industry.

Program Description: The New South Wales Film and Television Office promotes, encourages and facilitates film and television production, invests in script development, provides grants for industry and audience development and new media and offers a liaison service between filmmakers and location owners.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Script and Project Development -					
Projects supported	no.	89	106	85	90
Projects which went into production	no.	12	16	12	12
Assistance provided	\$m	1.0	1.7	1.0	1.2
Return on assistance	\$000	130	200	400	325
Production Investment -					
Productions supported	no.	22	29	20	17
Investment provided	\$m	2.1	3.6	4.0	3.7
Return on investment	\$m	0.3	0.3	0.3	0.3
Aggregate budgets of invested productions	\$m	30	46	50	43
FTO investment as a proportion of aggregate budgets	%	7.0	7.8	8.0	8.0
Industry and audience development -					
Organisations and events assisted	no.	43	54	53	53
Funds provided (excluding ACTF)	\$000	607	702	610	750
Young Filmmakers -					
Productions assisted	no.	4	8	8	8
Funds provided	\$000	120	240	240	240
Production Loan Fund -					
Productions assisted	no.	3	1	3	3
Loans provided	\$m	1.0	0.4	1.0	1.0

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

17 NEW SOUTH WALES FILM AND TELEVISION OFFICE

17.1 New South Wales Film and Television Office

17.1.1 New South Wales Film and Television Office (cont)

New Media -					
Funds provided	\$000	217	136	125	125
Regional Film Fund -					
Productions assisted	no.	6	5	7	6
Funds provided	\$000	384	430	420	400
<u>Average Staffing:</u>	EFT	19	21	20	18

———2004-05———		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,847	1,869	1,966
Other operating expenses	1,974	1,960	1,854
Maintenance	30	30	31
Depreciation and amortisation	32	32	32
Grants and subsidies			
Australian Children's Television Foundation	110	110	110
Promotion of the industry	6,517	6,517	6,132
Total Expenses	10,510	10,518	10,125

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	460	...	476
Investment income	250	250	259
Other revenue	...	468	...
Total Retained Revenue	710	718	735

NET COST OF SERVICES

9,800	9,800	9,390
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CAPITAL EXPENDITURE

44	44	44
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

18 COMMUNITY RELATIONS COMMISSION

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	10,533	10,998	10,683
Other operating expenses	2,226	2,238	2,229
Maintenance	110	36	110
Depreciation and amortisation	648	680	650
Grants and subsidies	1,546	1,546	1,546
Total Expenses	15,063	15,498	15,218
Less:			
Retained Revenue -			
Sales of goods and services	3,114	3,084	3,090
Investment income	80	73	80
Grants and contributions	213	349	200
Other revenue	...	16	...
Total Retained Revenue	3,407	3,522	3,370
NET COST OF SERVICES	11,656	11,976	11,848

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

18 COMMUNITY RELATIONS COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	10,372	10,878	9,827
Grants and subsidies	1,546	1,546	1,546
Other	2,486	1,928	2,358
Total Payments	14,404	14,352	13,731
Receipts			
Sale of goods and services	3,060	2,995	3,064
Interest	80	73	80
Other	363	510	350
Total Receipts	3,503	3,578	3,494
NET CASH FLOWS FROM OPERATING ACTIVITIES	(10,901)	(10,774)	(10,237)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	...	(333)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	...	(333)	...
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	9,946	10,459	10,914
Cash reimbursements from the Consolidated Fund Entity	592	558	...
NET CASH FLOWS FROM GOVERNMENT	10,538	11,017	10,914
NET INCREASE/(DECREASE) IN CASH	(363)	(90)	677
Opening Cash and Cash Equivalents	2,328	2,075	1,985
CLOSING CASH AND CASH EQUIVALENTS	1,965	1,985	2,662
CASH FLOW RECONCILIATION			
Net cost of services	(11,656)	(11,976)	(11,848)
Non cash items added back	1,458	1,224	1,274
Change in operating assets and liabilities	(703)	(22)	337
Net cash flow from operating activities	(10,901)	(10,774)	(10,237)

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

18 COMMUNITY RELATIONS COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,965	1,985	2,662
Receivables	852	946	972
Other	97	10	10
Total Current Assets	2,914	2,941	3,644
Non Current Assets -			
Property, plant and equipment -			
Land and building	804	844	616
Plant and equipment	538	799	377
Total Non Current Assets	1,342	1,643	993
Total Assets	4,256	4,584	4,637
LIABILITIES -			
Current Liabilities -			
Payables	848	1,645	2,004
Provisions	475	595	599
Other	116	251	251
Total Current Liabilities	1,439	2,491	2,854
Total Liabilities	1,439	2,491	2,854
NET ASSETS	2,817	2,093	1,783
EQUITY			
Accumulated funds	2,817	2,093	1,783
TOTAL EQUITY	2,817	2,093	1,783

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

18 COMMUNITY RELATIONS COMMISSION

18.1 Services for Ethnic Communities

18.1.1 Community Support Services

Program Objective(s): To promote the equal rights and responsibilities of all the people of New South Wales within a cohesive and harmonious multicultural society.

Program Description: Provision of community relations policy advice to the Government, implementation of the Principles of Multiculturalism by all Government agencies, involvement in community projects and administration of the Community Development Grants program.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :			
	Research and policy advice	15	21
	Administration of grants	2	2
	Administration	27	18
	Community Projects	3	3
		47	44

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	4,244	4,634	4,517
Other operating expenses	1,718	1,856	1,746
Maintenance	110	36	110
Depreciation and amortisation	648	680	650
Grants and subsidies			
Grants and community outreach	1,546	1,546	1,546
Total Expenses	8,266	8,752	8,569

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

18 COMMUNITY RELATIONS COMMISSION

18.1 Services for Ethnic Communities

18.1.1 Community Support Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	90	114	90
Investment income	80	73	80
Grants and contributions	213	349	200
Other revenue	...	16	...
Total Retained Revenue	383	552	370
NET COST OF SERVICES	7,883	8,200	8,199

CAPITAL EXPENDITURE	...	333	...
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**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

18 COMMUNITY RELATIONS COMMISSION

18.1 Services for Ethnic Communities

18.1.2 Interpreting and Translation Services

Program Objective(s): To promote the full participation of people of ethnic background in community life. To ensure the quality and efficient use of interpreting and translation services within the State.

Program Description: Provision of efficient and reliable interpreting and translating services of a professional standard in community languages (particularly small communities) in a form relevant to client needs by appropriately trained interpreters and translators.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Interpreting services booked (including cancellations)	thous	25.7	23.6	24.0	25.0
Interpreting assignments performed on a fee-for-service basis	thous	8.2	7.7	8.0	8.5
Interpreting assignments performed without charge	thous	11.2	11.4	11.5	11.5
Words booked for translation (including cancellations)	thous	2,950	2,980	3,000	3,200
Words translated on a fee-for-service basis	thous	2,507	2,500	2,500	2,500
Words translated without charge	thous	269	260	260	260
Words translated within 24 hours	thous	257	260	250	260
Languages provided by the Interpreting and Translation Unit Service	no.	75	75	75	75
Multi-lingual documents translated	no.	841	872	850	850
<u>Average Staffing</u> :	EFT	72	72	72	72

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

18 COMMUNITY RELATIONS COMMISSION

18.1 Services for Ethnic Communities

18.1.2 Interpreting and Translation Services (cont)

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	6,289	6,364	6,166
Other operating expenses	508	382	483
Total Expenses	6,797	6,746	6,649
Less:			
Retained Revenue -			
Sales of goods and services			
Language services	3,024	2,970	3,000
Total Retained Revenue	3,024	2,970	3,000
NET COST OF SERVICES	3,773	3,776	3,649

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

AUDIT OFFICE OF NEW SOUTH WALES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	26,783	27,345	29,630
Investment income	80	110	100
Other revenue	...	19	...
Total Retained Revenue	26,863	27,474	29,730
Less:			
Expenses -			
Operating Expenses -			
Employee related	22,700	22,843	23,701
Other operating expenses	4,708	4,213	4,194
Maintenance	189	85	52
Depreciation and amortisation	676	459	702
Other expenses	...	43	44
Total Expenses	28,273	27,643	28,693
SURPLUS/(DEFICIT)	(1,410)	(169)	1,037

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

AUDIT OFFICE OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	26,783	27,345	29,630
Interest	80	110	100
Other	2,100	2,119	2,100
Total Receipts	28,963	29,574	31,830
Payments			
Employee Related	22,700	22,904	23,701
Other	6,997	6,741	5,986
Total Payments	29,697	29,645	29,687
NET CASH FLOWS FROM OPERATING ACTIVITIES	(734)	(71)	2,143
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(320)	(794)	(1,048)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(320)	(794)	(1,048)
NET INCREASE/(DECREASE) IN CASH	(1,054)	(865)	1,095
Opening Cash and Cash Equivalents	2,073	3,242	2,377
CLOSING CASH AND CASH EQUIVALENTS	1,019	2,377	3,472
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(1,410)	(169)	1,037
Non cash items added back	676	459	702
Change in operating assets and liabilities	...	(361)	404
Net cash flow from operating activities	(734)	(71)	2,143

**PREMIER, MINISTER FOR THE ARTS AND MINISTER FOR
CITIZENSHIP**

AUDIT OFFICE OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,019	2,377	3,472
Receivables	4,172	4,832	4,832
Other	53	1,933	1,933
Total Current Assets	5,244	9,142	10,237
Non Current Assets -			
Property, plant and equipment -			
Land and building	1,651	1,664	1,920
Plant and equipment	1,361	775	865
Other	9,468	11,400	5,097
Total Non Current Assets	12,480	13,839	7,882
Total Assets	17,724	22,981	18,119
LIABILITIES -			
Current Liabilities -			
Payables	1,558	1,720	1,720
Provisions	2,308	3,544	3,544
Other	627	632	632
Total Current Liabilities	4,493	5,896	5,896
Non Current Liabilities -			
Provisions	6,919	5,983	8,103
Other	...	...	404
Total Non Current Liabilities	6,919	5,983	8,507
Total Liabilities	11,412	11,879	14,403
NET ASSETS	6,312	11,102	3,716
EQUITY			
Accumulated funds	6,312	11,102	3,716
TOTAL EQUITY	6,312	11,102	3,716

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Attorney General's Department			
Total Expenses	554.2	604.9	9.1
Capital Expenditure	82.9	95.4	15.1
Judicial Commission of New South Wales			
Total Expenses	4.3	4.8	11.7
Capital Expenditure .....	....	0.2	n.a.
Legal Aid Commission of New South Wales			
Total Expenses	145.1	155.5	7.2
Capital Expenditure	4.9	5.3	9.3
Office of the Director of Public Prosecutions			
Total Expenses	81.9	92.4	12.9
Capital Expenditure	1.2	4.5	265.1
Department of Environment and Conservation			
Total Expenses	453.0	506.6	11.8
Capital Expenditure	27.9	43.8	57.0
Environmental Trust			
Total Expenses	25.0	30.8	23.2
Capital Expenditure .....	...	...	...
Royal Botanic Gardens and Domain Trust			
Total Expenses	30.9	31.3	1.3
Capital Expenditure	3.6	4.2	16.7
Public Trustee NSW			
Total Expenses	28.5	30.8	8.3
Capital Expenditure	3.2	3.2	...
Registry of Births, Deaths and Marriages			
Total Expenses	16.7	20.3	21.6
Capital Expenditure	3.0	6.0	100.0

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Stormwater Trust			
Total Expenses	0.9	1.0	2.2
Capital Expenditure .....	...	...	...
Waste Fund			
Total Expenses	28.9	30.4	5.2
Capital Expenditure .....	...	...	...
Total, Attorney General and Minister for the Environment			
Total Expenses	1,369.4	1,508.8	10.2
Capital Expenditure	126.7	162.6	28.3

ATTORNEY GENERAL'S DEPARTMENT

The Attorney General's Department has a crucial role in justice, human rights and community safety. The Department aims to resolve civil disputes and criminal matters and co-ordinate legal services for New South Wales. The Department supports the Attorney General as the first Law Officer of the Crown in the development of legislation and provision of information to Parliament.

Services include the provision of courts and tribunals, legal and professional services, alternative dispute resolution, criminal diversion and crime prevention programs, and counselling for the victims of violent crime.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Department has concentrated on improved court operations, criminal diversion programs, equitable access to services and improved business processes.

Key achievements in 2004-05 included:

- ◆ announcement of the Parramatta Justice precinct. The precinct will include six specialist Children's Courts, eight criminal trial courts and consolidated offices with about 800 staff to be relocated from the Sydney CBD. The precinct is expected to operate from 2008;
- ◆ the implementation of new court security as part of an election commitment. Sixteen courts have full time perimeter security including security scanning, walk-through magnetometers and X-ray screening for baggage;

- ◆ increased usage of video-conferencing equipment with bail video appearances now averaging 1,500 per month. Reductions in the movements of prisoners on remand from correctional centres to courts results in estimated savings of \$3 million per annum for the Department of Corrective Services;
- ◆ release of the Aboriginal Justice plan in January 2005 to address the over-representation of Aboriginal people in the justice system;
- ◆ undertaking Aboriginal justice programs including the establishment of an Aboriginal Child Sexual Assault Taskforce, intensive court supervision, increased availability of community justice centres, and implementation of crime prevention initiatives such as Aboriginal community night patrols in La Perouse, Coonamble, Gulargambone, Bourke, Bowraville, Brewarrina and Walgett;
- ◆ expansion of circle sentencing courts as an alternative for adult Aboriginal defendants. These courts are held in a community setting with a Magistrate and Aboriginal community representatives. Circle Sentencing Courts are at Nowra, Dubbo, Brewarrina and Walgett. Circle Sentencing has reduced recidivism with 96 percent of the 92 participants not re-offending;
- ◆ introduction of a rural diversion program to provide adult defendants with alcohol abuse problems with the opportunity for rehabilitation as part of the bail process. The program is based on the successful Magistrates Early Referral Into Treatment program to make treatment available for illicit drug users who are adult defendants eligible for bail;
- ◆ reduction of red tape and simplified procedures for the management of criminal matters with over 700 forms reduced to less than 100;
- ◆ transfer of local payroll processing from the Office of the Protective Commissioner and the Public Guardian to the centralised Corporate Human Resources payroll system with plans for the further development of Shared Services;
- ◆ merger of the Local Court with the Office of the Sheriff to increase the efficiency of operations;
- ◆ survey of staff to develop workforce strategies; and
- ◆ update of the Land and Environment Court website to improve access to information and make online lodgements easier.

STRATEGIC DIRECTIONS

The Department supports the Government's priority of a safe, just and harmonious society, and focuses on:

- ◆ access to effective justice;
- ◆ protection of rights and promotion of responsibilities; and
- ◆ community safety.

Key priorities of the Department include:

- ◆ continued development of courts, tribunals and legal processes to resolve civil disputes and criminal matters. This includes improvements in security, timelines and cost effectiveness through the further development of business processes and systems;
- ◆ preparation of a civil procedures bill to rationalise and simplify civil court rules resulting in common procedures for the Supreme, District and Local Courts. It is anticipated that this will increase efficiency, improve staff training and development opportunities, and reduce court delays;
- ◆ introduce criminal case processing reforms for indictable matters in the Local Court to encourage timely pleas of guilty and save trial time and justice resources;
- ◆ develop service delivery channels to improve access to information and services and increase efficiency. This will include a review of face-to-face, online, telephone and video conferencing services and Government Access Centres;
- ◆ continue to develop services and staff responsiveness to disadvantaged groups to ensure equality;
- ◆ address the over-representation of Aboriginal people in legal processes, particularly through mediation and diversionary programs and the further extension of Circle Sentencing Courts to Bourke, Lismore, Kempsey, Armidale and Western Sydney;
- ◆ improve the court procedures for the victims of sexual assault including closed circuit television, video link or segregated seating, audiovisual recording of complainant's evidence and new processes to protect complainants from unfair processes;

- ◆ increased collaboration with justice sector agencies including the development of a Justice sector Results and Services Plan and expansion of *LawAccess* information services;
- ◆ improved leadership skills, increased training opportunities, more flexible work arrangements and enhanced recruitment procedures that improve workplace behaviour, increase the number of young people, encourage more women into senior roles, and lift the overall performance of the Department; and
- ◆ improved performance measurement and reporting including more consistent national indicators for courts.

2005-06 BUDGET

Total Expenses

In 2005-06 total expenses of the Attorney General's Department are estimated to be \$604.9 million, an increase of \$50.7 million on the Department's 2004-05 Budget. This increase is mainly attributable to refurbishment costs of the Law Courts building, operating costs of the Tirkandi Inaburra Cultural and Development Centre, and salaries of Statutory Office holders.

In recognition of the increasing workload of the Crown Solicitor's Office, additional funding of \$3.9 million per annum has been provided. The Office provides the most cost effective legal services to Government through its fee structure and negotiation power to reduce legal representation costs.

The Public Trust Office has been allocated an additional \$0.7 million per annum to ensure the Office is better equipped to meet its Community Service Obligations.

Additional funding of \$0.2 million per annum has been provided for the Office of the Public Guardian to allow the Office to better respond to external stakeholder expectations and demands, and achieve more acceptable outcomes for people under guardianship.

The Office of the Sheriff will receive a further \$0.5 million per annum to continue the upgrade of court security through the employment of additional sheriff's officers.

Capital Expenditure

The Department's capital expenditure provides for the construction of new courthouses, expansion and modification of existing courthouses, upgrade of information technology infrastructure, and the purchase and replacement of plant and equipment.

Funding of \$95.4 million has been provided in 2005-06 for several projects including:

- ◆ implementation of the strategic court upgrade program. The 2005-06 allocation of \$7 million is for improvement works at 30 courthouses including continued works to improve prisoner holding facilities at Bathurst, Central, Moss Vale, Goulburn and Penrith Local Courts, upgrade of electronic security at the Downing Centre, and cyclic maintenance at 15 regional court facilities;
- ◆ the construction of major new court facilities at:
 - Bankstown – demolition of the existing police/court facility and construction of a four-court complex. Construction commenced in June 2004 with completion due in April 2006 (ETC \$21.2 million, \$8.6 million in 2005-06);
 - Hunter Children's Court – the demolition of the existing facility and construction of a new specialised children's court complex, providing appropriate facilities and technology to adequately deal with children's matters. The new complex is due for completion in April 2006 (ETC \$9.4 million, \$3.9 million in 2005-06);
 - Blacktown – an additional Local Court room is being constructed within the existing complex. Construction commenced in September 2004 with completion due in December 2005 (ETC \$4.4 million, \$0.6 million in 2005-06); and
 - Nowra – an extension of the existing courthouse will provide a new criminal court facility to complement the existing Local Court. Construction is to commence in May 2005 with completion due in mid to late 2006 (ETC \$6.1 million, \$3.7 million 2005-06);
- ◆ Mount Druitt – construction of a new court complex to include two courtrooms, a call over court, four cells, and associated functional areas for the judiciary, staff and the public. Construction began in December 2004 with completion due in January 2006 (ETC \$11.5 million, \$5 million in 2005-06);

- ◆ the completion of perimeter security installations at a number of priority court complexes including the Downing Centre, Central, Sutherland, Burwood, Liverpool, Penrith, Campbelltown, Newcastle, and Goulburn Courthouses (ETC \$8.1 million, \$2.4 million in 2005-06);
- ◆ a continuing program to achieve compliance with a number of building and facility related codes including those relating to Occupational Health and Safety, fire safety, security and access (\$7.5 million in 2005-06);
- ◆ continued development and implementation of Courtlink, the new web-based case management system for which \$7.3 million has been allocated in 2005-06. CourtLink will provide seamless access to the Supreme, District and Local Courts together with the Coroner's, Drug and Children's Courts as well as the Sheriff's Office. The centralised database structure of the software will mean that matters can be easily transferred between courts and locations. The estimated total cost of this phase of the project is \$21 million;
- ◆ the second phase of the Cross Justice Agency Video Conferencing project which will extend the sector video conferencing network to another 30 installations in courts, Legal Aid offices and corrections facilities in rural and regional centres. The project will also rationalise the existing video conferencing infrastructure to provide more flexible facilities that will operate at a lower cost. The estimated total capital cost is \$9.3 million over three years, with \$2.8 million allocated in 2005-06. The project is aiming to increase the number of video conferencing sessions in the New South Wales justice sector to 30,000 per annum by 2010;
- ◆ continuation of the program to enhance the Department's information technology infrastructure (network, services, web portal access, disaster recovery facilities, etc) to meet growing demand for electronic services (ETC \$11.4 million, \$0.6 million in 2005-06);
- ◆ ongoing cyclic upgrade/replacement of the Department's desktop, laptop, and printer equipment. The allocation for 2005-06 is \$6.7 million;
- ◆ construction will be completed on the Tirkandi Inaburra Cultural and Development Centre, the first community-controlled residential outstation for Aboriginal young people at risk of contact with the criminal justice system. The Centre will provide culturally-based educational, vocational and life skills programs for Aboriginal boys, preventing future contact with the criminal justice system through improving their health, learning outcomes, cultural identity and sense of responsibility (ETC \$4 million, \$0.6 million in 2005-06); and

- ◆ the Parramatta justice precinct, which is a major Government development. The initiative will enhance delivery of justice services in Parramatta for major criminal trials, management of children's matters, sittings of the Parole Board and a wide range of service through Legal Aid, the Public Guardian and the Protective Commissioner. The project includes construction of:
 - a major criminal trial court complex comprising 8 courts;
 - a metropolitan Children's Court comprising 6 courts; and
 - a new justice building to accommodate over 1,200 staff from the Attorney General's Department, Legal Aid Commission, and the Office of the Public Guardian and Protective Commissioner.

JUDICIAL COMMISSION OF NEW SOUTH WALES

The Commission's major functions are:

- ◆ the organisation and supervision of a scheme for the continuing education and training of judicial officers;
- ◆ assisting the courts to achieve consistency in imposing sentences; and
- ◆ the examination of complaints against judicial officers.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over the last five years, the core responsibilities of the Judicial Commission have largely remained unchanged. Expenditure trends over that period have also not varied markedly.

STRATEGIC DIRECTIONS

The Commission will continue to focus on the provision of high quality professional development programs for judicial officers. The emphasis will be on provision of timely and practical information through publications, conferences and seminars and the computerised Judicial Information Research System (JIRS) containing sentencing and other information relevant to judicial decision making.

In particular, the Commission will offer an extensive conference and seminar program for judicial officers in each court, ranging from induction courses for new appointees to specialist conferences on specific aspects of law, procedure, judicial skills and technique as well as an Annual Conference for each court. The Commission will also pursue initiatives to ensure that judicial officers are aware of social context issues involving children, women, sexual offences, domestic violence and ethnic minorities.

The Commission will continue to work with other judicial education bodies within Australia to share information and experience, and to explore the possibility of collaborating on joint programs to reduce cost.

The Commission will assist the Sentencing Council in collecting information necessary to monitor guidelines and standard non parole period offences.

2005-06 BUDGET

Total Expenses

Total expenses of the Commission are projected to be \$4.8 million in 2005-06.

An amount of \$82,000 has been provided to meet an increase in property rental cost for the Commission's premises.

In addition, an amount of \$0.1 million has been provided to continue to maintain the current Sentencing Statistics Collection System to allow the Commission to obtain statistical information direct from the District Court for JIRS. An amount of \$0.2 million has also been provided to revise and update the Commission's Civil Trials Bench Book.

Capital Expenditure

An amount of \$0.2 million has been provided to meet the Commission's ongoing plant and equipment needs.

LEGAL AID COMMISSION OF NEW SOUTH WALES

The Legal Aid Commission is established under the *Legal Aid Commission Act 1979*, and provides legal assistance in matters arising under New South Wales and Commonwealth law. The Commission promotes access to justice for disadvantaged people by providing legal information, advice, alternative dispute resolution and representation.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The primary sources of funds for the Legal Aid Commission are the State and Commonwealth Governments and the Public Purpose Fund. The Commission is funded by the Commonwealth to provide legal assistance in matters arising under Commonwealth law in line with the priorities and guidelines set by the Commonwealth.

The provision of Commission services continues to change as a result of initiatives introduced by other justice system stakeholders.

In 2005-06, the Commission will participate in a justice sector-wide initiative to reduce the number of matters committed for trial in the District Court. This will ultimately provide significant efficiencies and cost reductions to the criminal justice system.

STRATEGIC DIRECTIONS

In 2005-06, the Commission will improve service delivery and better manage costs through the following initiatives:

- ◆ progress our initiative to improve the provision of legal services to remote areas across the State through partnerships with other legal service providers;
- ◆ reviewing policies and procedures to support the early resolution of disputes and use of court diversionary programs;
- ◆ reviewing our fee structures for payments to private practitioners in criminal cases to better reflect the work associated with preparing and conducting these cases;
- ◆ working with our justice partners to streamline court processes and procedures, particularly in relation to the management of long and expensive cases;
- ◆ improving the use of technology to support our business including expanding the on-line legal applications and resources available to our clients on the internet; and
- ◆ enhancing our links with Government, courts and partners in the justice system.

2005-06 BUDGET

Total Expenses

Total expenses of the Commission are projected to be \$155.5 million in 2005-06.

The Criminal Law Program has been allocated \$2.8 million in 2005-06 to fund the Commission's participation in a whole of justice sector reform of criminal case processing. This initiative will ultimately significantly reduce the number of cases committed to the District Court for trial.

An additional \$0.6 million has been allocated in 2005-06 to meet an increased demand from persons detained under the *Mental Health Act (NSW) 1990* and provide appropriate representation for mentally ill people involved in proceedings before the Guardianship Tribunal.

Funding for the Women's Domestic Violence Court Assistance Program has been enhanced by \$0.6 million to meet the additional demand for services currently being experienced at the scheme's thirty three locations throughout the State.

The Commission is negotiating a new four year agreement with the Commonwealth for work performed under Commonwealth legislation, which had not been finalised at the time of Budget preparation. Commonwealth funding has been assumed to be the same as in the 2004-05 year for the purposes of the Budget papers.

Capital Expenditure

The Commission's capital expenditure of \$5.3 million in 2005-06 will enable:

- ◆ the ongoing replacement of its core business system, LA Office;
- ◆ continued implementation of electronic lodgement of applications and pro-forma invoicing by the private profession and in-house solicitors; and
- ◆ the ongoing upgrade or replacement of the Commission's accommodation and equipment as it reaches the end of its useful life.

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

The Office of the Director of Public Prosecutions is responsible for the prosecution of all indictable and certain summary offences under the laws of New South Wales, and the conduct of appeals in the District, Supreme and High Courts.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Since 1999-2000, the Office has received additional recurrent funding of \$14 million per annum as a result of increased workloads. This \$14 million included \$3.1 million per annum from 2002-03 to meet increased costs associated with the appointment of additional police officers, and \$2.5 million per annum from 2003-04 for Witness Assistance services.

Programs that were funded in 2004-05 included:

- ◆ the Witness Assistance Scheme - \$2.5 million per annum to engage additional Witness Assistance officers to comply with the amendments in 2003 to the *Victims Rights Act 1996*; and
- ◆ operational workload changes - \$3.9 million per annum to engage additional solicitors and administrative officers.

A centralised committal project that commenced in Sydney in 1998 has been extended to Sydney West and some regional centres, and continues to result in a major reduction in the criminal trial caseload before the District Court.

The Drug Court program commenced in 1999 in Parramatta and continued through 2004-05. The Office will continue its commitment to the program during 2005-06.

The *Criminal Procedure Amendment (Pre-Trial Disclosure) Act 2001* commenced on 19 November 2001. The legislation allows the court, on a case-by-case basis, to impose pre-trial disclosure requirements on both the prosecution and the defence in order to reduce delays in complex criminal matters in both the District and Supreme Courts.

Under this legislation, strict limitations apply to the presentation and amendment of indictments in trials before the District Court and Supreme Court. In order to settle a final indictment within the limited timeframe allowed, and to avoid serious consequences of an unamendable error in the indictment, additional Crown Prosecutors were appointed and funding of \$2.5 million per annum is included in the Office's 2005-06 Budget. The Office contributed to a review of the longer-term financial implications of the legislation by the Attorney General and the Legislative Standing Committee on Law and Justice during 2003-04.

The Child Sexual Assault Jurisdiction pilot commenced in March 2003 at Parramatta, and was rolled out to Penrith and Campbelltown courts during October 2003. The program was extended to the District and Local Court at Dubbo, where it commenced in February 2004. The Office will continue its commitment to the pilot, and provide the assistance required in the evaluation being conducted during 2005-06.

STRATEGIC DIRECTIONS

The Office will continue its commitment to improving the criminal justice system and to providing the people of New South Wales with an independent, fair and just prosecution service.

The Office, as a result of proposed amendments to the *Criminal Procedure Act 1986* and the *Crimes (Sentencing Procedure) Act 1999*, will provide advice to Police in their investigations of indictable offences and in relation to the appropriate indictable charges.

The Office is also implementing an Activity Based Costing system for recording and reporting costs associated with the prosecution of indictable matters, to enable the Office to compare costs across the agency, and to identify benchmarks for improved management of those costs.

The Office's Strategic Plan for 2003-06 proposed a number of projects which are included in the Information Communication Technology Infrastructure Upgrade program. This program is essential to sustain core business operations and to comply with the Government's initiatives and directives in information security, business requirements and licensing obligations.

In 2005-06, the program expenditure will include security certification, improved remote access from regional areas, "Warm" site for disaster recovery, software upgrade, ODPP Portal and upgrade of the wide area network and internet access.

During 2005-06, the Office will continue to give high priority to increased co-operation with other criminal justice agencies to improve performance of the criminal justice system. Additionally, emphasis will continue to be placed on the provision of services to victims and witnesses.

2005-06 BUDGET

Total Expenses

In 2005-06, the Office's total expenses are estimated at \$92.4 million, which includes \$3.1 million for the reimbursement of witnesses' expenses, \$5.5 million for the implementation of the criminal cases processing reforms, and \$2.5 million for the continuation of the pre-trial disclosure regime.

The *Criminal Procedure Act 1986* and the *Crimes (Sentencing Procedure) Act 1999* are expected to be amended by Parliament to provide enhanced justice outcomes through greater charge and sentencing certainty and to significantly reduce the costs associated with late pleas of guilty. Recurrent funding of \$5.4 million in 2005-06 and \$1.7 million in 2006-07 has been allocated to implement the criminal cases processing reforms.

Capital Expenditure

The Office's capital expenditure in 2005-06 is \$4.5 million.

The Office will continue to implement the information technology infrastructure upgrade program.

In addition, the Office will spend its minor works allocation of \$1.6 million for various ongoing plant and equipment replacement, and furniture and fittings. The Office is also purchasing information technology equipment.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION

The Department of Environment and Conservation (DEC) is the primary agency responsible for protecting and conserving the environment in New South Wales. DEC manages over six million hectares of parks and reserves – more than seven percent of all land in New South Wales.

DEC goals are to support New South Wales in achieving:

- ◆ protection of ecological and human health;
- ◆ conservation of natural and cultural values across the landscape; and
- ◆ sustainable consumption, production, resource use and waste management.

Although DEC incorporates the Royal Botanic Gardens and Domain Trust, the Budget appropriation for the Trust is shown separately to reflect the specific statutory, reporting and operational arrangements of the Trust.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Total expenditure for 2004-05 is estimated at \$463.7 million, including delivering:

- ◆ the creation of three new national parks/reserves in 2004-05, increasing the number of new national parks and reserves to nearly 350 since 1995-96 (more than two million hectares). The total national park estate now exceeds six million hectares and there are now more than 630 national parks, marine parks and other reserves;
- ◆ the whole-of-government *Update to Action for Air* initiative targeting smog and particle pollution, and the implementation of petrol volatility regulation resulting in an estimated reduction of 2,713 tonnes of volatile organic compounds (VOCs) released to the Greater Metropolitan Region during 2004-05;
- ◆ the Government's water and natural resources reform package covering water quality management, river flows, biodiversity conservation and Aboriginal cultural heritage;
- ◆ the reform of threatened species laws to protect native plants and animals;
- ◆ integration of regulation with economic tools, such as through the load-based licensing review, to improve the environmental performance of industry and stimulating resource recovery and recycling;
- ◆ the regulation of chemicals and implementation of a Household Chemical Collection program designed to clean out stocks of unwanted chemicals from household storage;
- ◆ implementing the Government's Aboriginal community strategy "Two Ways Together" including chairing the Culture and Heritage Cluster; and
- ◆ implementation of programs to support the Waste Avoidance and Resource Recovery Strategy.

STRATEGIC DIRECTIONS

DEC works with key stakeholders and the community to:

- ◆ promote a cleaner and healthier New South Wales environment, where air, water and land is cleaner and impacts from chemicals and radiation are minimised;

- ◆ improve community well-being by minimising impacts from noise, dust, odour and vibration;
- ◆ protect and restore biodiversity (including threatened species) across New South Wales;
- ◆ protect Aboriginal cultural heritage (e.g. cultural values, heritage objects, sites and places);
- ◆ actively manage national parks, reserves and botanical gardens for conservation, leading to a comprehensive, adequate and representative land and marine protected area network;
- ◆ facilitate sustainable and enjoyable public visitation to national parks, reserves and botanical gardens;
- ◆ improve conservation and recovery of natural resources including minimising waste and preventing harmful waste disposal; and
- ◆ promote environmental sustainability in government processes and decisions.

Each of these results is underpinned by DEC's regulatory enforcement activities and scientific and socio-economic analysis.

Specific priorities for DEC include:

- ◆ improving approaches to compliance for regulatory activities for cultural heritage, environmental protection and threatened species to ensure the highest risks to the environment are managed effectively;
- ◆ increasing the active participation of Aboriginal communities in conservation management;
- ◆ contributing to the process of reforming New South Wales threatened species conservation laws, systems and approaches;
- ◆ providing tools and knowledge to support catchment management authorities and councils in their protection of the natural and cultural values of biodiversity;
- ◆ developing and implementing a plan to improve the protection of New South Wales wetland systems;

- ◆ progressing the return to Aboriginal communities of ancestral remains, cultural materials and knowledge, including working with Aboriginal communities and the Australian Museum;
- ◆ continuing to build a conservation and reserve system, with emphasis on under-represented areas such as central and western New South Wales and marine environments; and
- ◆ guiding purchasing and resource use by government agencies towards more sustainable practices.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are estimated at \$506.6 million.

Major expenditure areas include:

- ◆ environmental protection and regulation, with emphasis on maintaining and restoring the quality of the environment, reducing environmental risks to human health and promoting ecologically sustainable development;
- ◆ waste avoidance and resource recovery initiatives;
- ◆ fire management and pest species management; and
- ◆ maintenance of essential infrastructure to facilitate management, access and enjoyment of the reserve system by the community.

DEC will focus on the effective integration of systems and platforms across financial, information technology and human resources management areas to realise efficiencies from the 2003 merger of the former National Parks and Wildlife Service, Environment Protection Authority, Royal Botanic Gardens and Domain Trust and Resource NSW.

DEC will also work to support and provide tools to promote the Government's natural resources reform and the work of the new Catchment Management Authorities and the Natural Resources Commission.

To support the Government's fiscal targets in 2005-06, DEC aims to maximise the departmental efficiencies realised from the merger, the close collaboration with Catchment Management Authorities and improved coordination of DEC's operations with those of the Department of Infrastructure, Planning and Natural Resources and the Department of Primary Industries.

The main areas of additional expenditure include:

- ◆ \$5 million for park management costs associated with acquired lands and anticipated new acquisitions;
- ◆ \$1.5 million to address maintenance liabilities in park infrastructure;
- ◆ \$1 million for Northern reserves as a follow-on from the North East Forest Agreement;
- ◆ \$1 million for pest, animal and weed control;
- ◆ \$0.6 million over three years to complete conservation assessment of Crown lands in collaboration with the Department of Lands;
- ◆ \$0.5 million for regional parks as part of the Green Cities concept in the greater metropolitan area;
- ◆ \$0.5 million for Aboriginal joint management of national parks to fund commitments under Part 4A Aboriginal-owned reserves and other co-management arrangements;
- ◆ \$0.4 million for the management of high conservation value areas on the Illawarra Escarpment;
- ◆ \$0.4 million for the Bargo State Conservation Area addition to the circle of reserves around Sydney; and
- ◆ \$0.4 million to progress the implementation of the Department's IT infrastructure integration.

Other expenditures include:

- ◆ \$3.1 million to continue the road and bridges maintenance program in the Kosciuszko National Park;
- ◆ \$0.6 million to improve the modelling capacity and maintenance of the air quality monitoring network;
- ◆ \$0.5 million to better manage the national park system in the Hunter consistent with the Hunter Reserves Strategy;

- ◆ resumption of an annual contribution to the Waste Fund, \$29.6 million per year, following a two-year suspension. During the two years, priority waste programs were funded from monies already in the Waste Fund. DEC continues to support locally delivered regional waste and household hazardous waste programs, community-based household chemical clean-up, and waste compliance and enforcement; and
- ◆ a contribution of \$32.8 million (\$14.2 million in recurrent and \$18.6 million in capital funding) to the Zoological Parks Board for the continuation of a comprehensive program to upgrade or enhance facilities, research capability and public education.

Capital Expenditure

Total capital expenditure in 2005-06 is estimated at \$43.8 million.

Allocated capital expenditure provided includes:

- ◆ an initial \$7.3 million out of a total 4-year program of \$32.1 million to upgrade visitor facilities and other infrastructure in national parks;
- ◆ \$5.7 million for park management costs associated with acquired lands and anticipated new acquisitions; and
- ◆ \$0.5 million to establish new parks in the Hunter consistent with the Hunter Reserves Strategy.

In addition, the 2005-06 capital works program will include:

- ◆ \$2 million to progress the implementation of the Department's information technology infrastructure integration;
- ◆ \$1 million as part of a \$5 million program to establish reserves in western New South Wales;
- ◆ \$1 million to establish regional parks as part of the Green Cities concept in the greater metropolitan area;
- ◆ strategic land acquisition (\$0.5 million) for the Dunphy Wilderness Fund to purchase private properties identified as wilderness for addition to the wilderness estate;
- ◆ continuing the \$0.9 million program, over three years, to create an unbroken chain of reserves stretching from the Victorian border, through the suburbs of Sydney, and on to the Hunter Valley;

- ◆ \$1.5 million to develop and establish parks and reserves on recently acquired land;
- ◆ a further \$2.8 million to finalise land and lease acquisitions in north-east New South Wales, as a follow-on from the North East Forest Agreement;
- ◆ \$1.6 million for continued improvement of sewerage works and facilities in parks throughout New South Wales; and
- ◆ a further \$1 million to continue the work of revitalising Sydney's major metropolitan parks and reserves.

ENVIRONMENTAL TRUST

The Environmental Trust operates under the *Environmental Trust Act 1998* to fund environmental projects and programs. The Trust's main function is to make, and supervise the expenditure of, grants.

The objectives of the Trust are:

- ◆ to encourage and support restoration and rehabilitation projects that reduce pollution, the waste stream or environmental degradation;
- ◆ to promote research into environmental problems;
- ◆ to promote environmental education and increase the awareness of environmental issues; and
- ◆ to fund acquisition of land for national parks.

A wide range of organisations access the Trust's widely promoted grants programs, including community groups, Aboriginal organisations, schools, research bodies, and state and local government organisations.

The Trust is also subject to the *Forestry Restructuring and Nature Conservation Act 1995* which requires the Trust to reimburse the Consolidated Fund for authorised expenditure associated with restructuring of the timber industry for the purpose of conserving NSW forests.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Under the *Environmental Trust Act 1998*, the Trust receives a standing indexed appropriation from the Consolidated Fund to fund its programs (\$17 million in 2005-06, \$16.4 million in 2004-05).

Since 2000-01, the *Environmental Trust Act 1998* has enabled the Trust to fund numerous grants programs, land acquisition for national parks and a number of major environmental projects. The specific projects funded change from year to year but the overall funding for the grants programs has remained at approximately the same level. The Trust awards nearly 200 new grants each year, under ten different grants programs, and most projects run over two or three years.

In 2004-05, the Trust implemented a new funding program to address priority environmental issues of state significance through collaborative projects between community organisations, government, industry and councils.

Eight new major projects have commenced under this program, which totals \$12.7 million, focussed on restoration, research and education priorities for the NSW environment.

Payments for forestry restructuring can be made until 30 June 2006 or until \$80 million in total has been spent on the program, whichever comes first. As at March 2005, a total of \$62 million has been paid from the Trust for these purposes.

STRATEGIC DIRECTIONS

The demand for the Trust's funds remains high, especially from community organisations and local government.

Around 50 percent of the Trust's funding continues to be for environmental restoration projects, with the remainder divided between the other three objectives of the Trust – research, education and land acquisition for national parks.

The Trust recently commenced a program to disseminate the results and lessons from completed projects so that the environmental benefits achieved by successful projects can be spread to other geographical areas or other community sectors.

In line with an election commitment, the Environmental Trust will be reformed during 2005-06 to enable significant levels of funding for major policy initiatives. These will include forestry decisions (such as Brigalow), marine parks and environmental flows for inland rivers and wetlands. Legislative amendments to implement these reforms will be introduced during 2005.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are projected at \$30.8 million.

This includes \$11.9 million for forest industry restructuring expenditure incurred under the *Forestry Restructuring and Nature Conservation Act 1995*. 2005-06 is the last year that payments will be made under the Act.

Spending on programs to achieve the Trust's environmental objectives includes:

- ◆ around \$4 million in new annual grants awarded to community groups, councils, schools, Aboriginal organisations, registered training organisations, State government agencies and research bodies;
- ◆ \$3.8 million for acquisition of land for national parks estate, targeting areas least represented in the reserve system;
- ◆ \$1 million for a new program to address the most serious contamination issues on former council gasworks sites; and
- ◆ around \$8 million for progress payments on approved annual grants and major projects already underway.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST

The Royal Botanic Gardens and Domain Trust maintains the Royal Botanic Gardens, the Domain, the National Herbarium of New South Wales, Mount Tomah Botanic Garden and Mount Annan Botanic Garden. The Trust also provides scientific and horticultural research, together with advice and education on botanical, horticultural and biodiversity issues.

The Trust is part of the Department of Environment and Conservation. However, the Budget appropriation for the Trust is shown separately to reflect its specific statutory, reporting and operational arrangements.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenses for 2004-05 are estimated at \$31.4 million. The cost of operations has generally grown over recent years from \$26.1 million in 1999-2000. Trust revenue (grants, donations and user charges) comprises approximately 30 percent annually of Trust expenses.

The capital expenditure program for 2004-05 included:

- ◆ redevelopment of the Central Depot in the Royal Botanic Gardens;
- ◆ refurbishment of offices and staff facilities at the Mount Tomah Botanic Garden; and
- ◆ replacement of information technology equipment.

STRATEGIC DIRECTIONS

The major priorities for the Trust include:

- ◆ managing and developing the horticultural displays and living collection of plants at the Royal Botanic Gardens, Mount Annan and Mount Tomah Botanic Gardens;
- ◆ maintaining and developing all sites, including the Domain, to accommodate multiple uses including recreation, relaxation, celebration, events, education and the promotion of conservation;
- ◆ advancing knowledge and understanding of plant biodiversity, horticulture and conservation through scientific research, the Centre for Plant Conservation, completion of the New South Wales node of Australia's Virtual Herbarium which will make available on the internet the one million collections held in the National Herbarium of New South Wales, and a wide range of targeted school and community education programs including programs for regional and disadvantaged communities; and
- ◆ managing and developing viable commercial businesses and hosting externally operated commercial services to increase and diversify the Trust's revenue base.

2005-06 BUDGET

Total Expenses

Budgeted expenses for the Trust total \$31.3 million in 2005-06. The Trust has a strong focus on generating additional revenue to offset increased expenses to ensure that services can be maintained and improved. The revenue target for 2005-06 is \$9.2 million, including \$5.5 million from user charges.

Capital Expenditure

The Trust's capital expenditure program for 2005-06 includes:

- ◆ \$3 million for continuing the redevelopment of the Central Depot, due for completion in 2007-08 at a total cost of \$7.1 million; and
- ◆ privately funded capital works including continuing the redevelopment of the Rose Garden, renovating the landscaping at the Choragic Monument and a major refurbishment of the Australian Rockery at the Opera House Gate.

PUBLIC TRUSTEE NSW

The Public Trustee NSW (the "Public Trustee") provides the people of New South Wales with access to professional personal trust services in meeting the functions defined in Section 12 of the *Public Trustee Act 1913*. These services include:

- ◆ will making;
- ◆ administration of deceased estates;
- ◆ trustee of trusts created by wills, deeds, court orders and legislation;
- ◆ private client services through being an attorney;
- ◆ asset and fund administration; and
- ◆ financial management of 'protected persons'.

Additionally, the Public Trustee is named in legislation as the trustee for:

- ◆ workers compensation death benefits; and
- ◆ assets pursuant to the *Confiscation of Proceeds of Crime Act 1989*, *Criminal Assets Recovery Act 1990*, and the *Damages (Infants and Persons of Unsound Mind) Act 1929*.

The Public Trustee's total expenses and capital expenditure program are funded mostly through revenue generated from clients. The Public Trustee has a statutory obligation to accept all estates regardless of their value. The 2005-06 Budget contains funding for community service obligation payments of approximately \$2.4 million from the Consolidated Fund to meet obligations for administering low value estates and trusts and the preparation of small value wills.

The Public Trustee's fee structure was reviewed in 2001. The next fee structure review is due in 2006-07.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Overall expenditure has been contained in the last two financial years with a focus on efficiencies in processing and service delivery. Employee costs have had a significant impact for 2005-06 as a consequence of a new award. Operating and maintenance costs are being targeted for containment in 2005-06 in an effort to generate a reasonable operating surplus in a period of flat revenues.

STRATEGIC DIRECTIONS

The Office is currently reviewing service delivery centres to determine optimum location for business growth as well as providing a model for front office/back office centres. The aim is to improve customer access and enhance technical control. Linked to this strategy is a knowledge management framework for updating and disseminating technical knowledge.

In respect of business growth, both client and business to business marketing and communication strategies are being reviewed with an emphasis on getting back to simple information about the benefits of our products and maximising sales to clients.

The Office is also implementing a structure re-alignment as a result of corporate services reform and to improve management of its business.

2005-06 BUDGET

Total Expenses

The 2005-06 Budget provides for total expenses of \$30.8 million, an increase of approximately \$2.4 million or 8.3 percent from 2004-05. This increase principally comprises an additional \$1.8 million for salaries due to the new award. Employee related items account for approximately 73 percent of total expenses.

The Office commenced paying a dividend to the Government in 2003-04 and has been part of the income tax equivalent regime since 1 July 2003.

The Public Trustee's business volumes are expected to decline during 2005-06, driven by a lower number of wills made in the 1990's.

Capital Expenditure

The 2005-06 capital expenditure program is \$3.2 million. This includes continuing development of the Trust Estate Asset Management System as a business system.

REGISTRY OF BIRTHS, DEATHS AND MARRIAGES

The NSW Registry of Births, Deaths and Marriages records in perpetuity all births, adoptions, changes of name, changes of sex, marriages and deaths occurring in New South Wales, and provides documentation on these events to individuals to help establish a range of legal entitlements. The Registry also collects statistical data for government and other organisations, performs civil marriages and undertakes searches for records.

The Registry has been operating as a commercial entity since 1992 and falls within the Tax Equivalent Regime. Sufficient revenue is generated from commercial activities to offset the cost of the registration function and pay a dividend to the Consolidated Fund.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Registry expects to exceed revenue targets with total revenue estimated to be \$21.4 million in 2004-05. Demand for Registry services continues to grow as government agencies and private organisations introduce more stringent proof of identification requirements. In September 2004 fees were increased in line with changes in the CPI.

Expenses for 2004-05 are estimated to remain within the targets set at \$16.7 million. The dividend payment to the Consolidated Fund for 2004-05 is estimated to be \$1.9 million and the tax equivalent payment to be \$1.4 million.

Achievements during 2004-05 included:

- ◆ average waiting times at the Registry front counter have been maintained at 6 minutes;
- ◆ implementation of an electronic birth notification system to improve birth verification and identify unregistered births;
- ◆ 27 percent increase in Changes of Name being managed within existing service standards;
- ◆ reduction in the guarantee of service for registration of birth from ten to five working days;
- ◆ the completion and approval of the Business Case for the new registration system LifeLink;
- ◆ completion of the final conversion of marriage and death records 1952 to 1992 to electronic format; and

- ◆ the successful amalgamation of human resource services with the Attorney General's Department.

STRATEGIC DIRECTIONS

The Registry's strategic priorities for the coming year will focus on; building new customer service channels; developing new products and services, influencing national efforts to reduce identity crime; developing and maintaining a secure registrations system and renewing the organisation.

Key priorities for 2005-06 will be:

- ◆ the merging of the Registry's call centre operations with LawAccess NSW to significantly improve service levels and address unmet customer demand;
- ◆ the procurement of the new LifeLink registration system;
- ◆ the expansion of on-line certificate validation services;
- ◆ further implementation of shared corporate services within the Attorney General's portfolio;
- ◆ extension of Registry services to Government Access Centres throughout New South Wales; and
- ◆ further development of on-line systems to improve the security and integrity of the registration process.

2005-06 BUDGET

Total Expenses

Total expenses for 2005-06 are estimated to be \$20.3 million. Most of the increase over the 2004-05 budget of \$16.7 million is due to the cost of enhanced call centre services (\$3.5 million). As well as improving customer services, this will address unmet demand through answering additional calls. It will also reduce the cost per call by 24 percent over the next three years. Allowance has also been made in 2005-06 for a four percent increase in employee related expenses and costs associated with meeting an estimated 12 percent increase in demand for Registry services. Leasing costs have been reduced as the Registry moves to purchase IT hardware.

Revenue is forecast to increase to \$23.5 million. The only fees to be increased in 2005-06 will be change of name, and birth card. Both these products have significant identity fraud risks and comprehensive checking and compliance arrangements have been introduced. Fees will be increased to cover these new costs. All other fees will remain unchanged.

The Registry is forecasting a total return to consolidated revenue of \$2.1 million comprising \$0.9 million in tax equivalent payments and a dividend of \$1.2 million.

Capital Expenditure

The Registry's capital expenditure in 2005-06 will be \$6 million. This includes \$2.6 million for the LifeLink registration system, \$0.4 million for further development of on-line registration systems, \$0.5 million for data conversion of 1856 to 1952 registrations, \$0.1 million for conversion of the pre - 1856 early church records from paper to digital format, and \$0.6 million to begin replacing information technology hardware previously leased.

The Registry has requested a \$5.8 million Treasury Advance to fund the LifeLink registration project. This loan is projected to be repaid by December 2009.

STORMWATER TRUST

In May 1997, the NSW Government released the Waterways Package, which contained a range of initiatives to improve the quality of the State's waterways. A key initiative of the package was improved management of urban stormwater. This was achieved by requiring councils to prepare Stormwater Management Plans, trialling innovative stormwater treatment measures and implementing remedial works linked to these plans. Educating the community about essential changes in behaviour was another critical component of the package.

STRATEGIC DIRECTIONS

The Government has committed up to \$82 million since 1997-98 for the Stormwater Trust Fund to assist with the implementation of stormwater initiatives under the Waterways Package.

This funding has been allocated to:

- ◆ assist councils and certain State government agencies to pilot innovative stormwater management techniques or to undertake remedial activities;
- ◆ provide assistance to councils for the preparation of Stormwater Management Plans;

- ◆ a State-wide education program coordinated by the then Environment Protection Authority (now part of the Department of Environment and Conservation);
- ◆ engage nine officers to support council stormwater initiatives; and
- ◆ assist the Trust in continuing its program while it explores alternative methods of funding urban stormwater initiatives.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Total spending in 2004-05 is expected to be \$4 million for final part-payments of council grants, finalising existing stormwater improvement projects and providing training for councils in state-of-the-art stormwater practices, through guidance developed as part of the stormwater component of the Waterways Package.

An evaluation of the stormwater grants and management plans found they have been successful in reducing waterway pollution and increasing the ability of local councils to manage urban stormwater. The evaluation also found that further efforts should be made to increase the capacity of councils to manage urban stormwater in a more sustainable way. The Government is currently considering these needs in the context of the Government's natural resources and catchment management reforms.

2005-06 BUDGET

Total Expenses

The program expenditure will focus on managing remaining grants, comprising \$1 million to be spent in 2005-06 for finalisation of guidance material developed as part of the Urban Stormwater Program, and conduct of an associated program of workshops throughout the State for council officers.

WASTE FUND

The Waste Fund is established under the *Waste Avoidance and Resource Recovery Act 2001*. Its purpose is to fund waste avoidance, resource recovery and waste management (including enforcement and regulation). The Waste Fund is administered by the Department of Environment and Conservation (DEC).

In earlier years the Waste Fund provided for the establishment, operations and waste reduction programs of regional waste boards and their successor organisation, Resource NSW. These programs are now being progressed by DEC following the 2003 merger of Resource NSW into the new Department.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Total spending in 2004-05 is projected to be \$28.9 million, a significant increase from 2003-04, for waste avoidance, resource recovery and waste management programs.

The programs have been consolidated within DEC. Many of these programs continue to focus on achieving the targets of the Government's Waste Avoidance and Resource Recovery Strategy announced in February 2003. The programs' consolidation within DEC has enabled better coordination. For example, programs supporting improved resource recovery by councils, industry and the community are underpinned by regulatory programs to stop illegal dumping. Illegal dumping undermines the whole resource recovery system and harms the environment.

STRATEGIC DIRECTIONS

Spending from the Waste Fund is aimed at achieving two complementary outcomes:

- ◆ resource conservation (including waste avoidance and resource recovery); and
- ◆ protection of the environment from the harmful impacts of waste.

The Waste Fund is the primary source of funding for the Waste Avoidance and Resource Recovery Strategy, which is the major driver of resource conservation. The Strategy has four main elements: avoiding and preventing waste; increasing the use of renewable and recovered materials; reducing toxicity in products and materials; and reducing litter and illegal dumping. The 2004 progress report on implementation of the Strategy showed that more focus is required on waste avoidance and resource recovery in the commercial and industrial waste stream.

Under the *Waste Avoidance and Resource Recovery Act 2001* the Extended Producer Responsibility schemes for key wastes of concern will continue to develop and grow in importance. This initiative provides an important example of a statutory program to achieve resource conservation outcomes, complementing voluntary programs.

For improved environment protection, strategic directions include flexible waste regulation and enforcement/education campaigns which:

- ◆ regulate the whole waste system (or "market") to complement existing strong regulation of high-risk premises and activities; and
- ◆ reduce risks from the generation, transport and treatment of liquid and hazardous wastes.

2005-06 BUDGET

Total Expenses

Annual contribution of \$29.6 million to the Waste Fund, via the Department of Environment and Conservation, will restart in 2005-06 following a two-year funding suspension. The suspension was to allow funds already available in the Waste Fund to be used on priority waste programs.

The Waste Fund will spend \$30.4 million in 2005-06. Waste avoidance and resource recovery initiatives will include:

- ◆ regional and rural support programs for groups (including councils) working cooperatively to tackle waste issues;
- ◆ developing partnerships with industry aimed at avoiding waste, recovering resources and accelerating the shift to more environmentally sustainable operations;
- ◆ improved waste and resource recovery practices and services in both municipal and commercial waste streams;
- ◆ enforcement and education programs to reduce litter and illegal dumping, including ongoing support for regional illegal dumping initiatives by councils;
- ◆ funding the collection and disposal of hazardous waste from households; and
- ◆ whole-of-system product stewardship initiatives to prevent waste generation, recover resources and phase out toxic substances.

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	303,465	310,163	331,435
Other operating expenses	76,839	76,738	73,840
Maintenance	12,158	11,601	10,709
Depreciation and amortisation	28,593	32,568	35,786
Grants and subsidies	14,211	16,487	18,699
Other expenses	118,972	136,699	134,469
Total Expenses	554,238	584,256	604,938
Less:			
Retained Revenue -			
Sales of goods and services	91,545	94,391	100,448
Investment income	301	451	312
Retained taxes, fees and fines	3,400	6,836	5,500
Grants and contributions	17,561	15,638	10,101
Other revenue	10,086	10,978	11,569
Total Retained Revenue	122,893	128,294	127,930
Gain/(loss) on disposal of non current assets	10	(502)	10
NET COST OF SERVICES	431,335	456,464	476,998

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	266,097	267,286	286,399
Grants and subsidies	14,211	16,487	18,699
Finance costs	2,615	2,615	2,515
Other	220,747	235,892	230,888
Total Payments	503,670	522,280	538,501
Receipts			
Sale of goods and services	91,545	92,391	98,448
Interest	346	451	312
Other	47,547	50,033	43,670
Total Receipts	139,438	142,875	142,430
NET CASH FLOWS FROM OPERATING ACTIVITIES	(364,232)	(379,405)	(396,071)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	10	113	10
Purchases of property, plant and equipment	(82,888)	(68,730)	(95,443)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(82,878)	(68,617)	(95,433)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	(1,485)	(1,486)	(1,589)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(1,485)	(1,486)	(1,589)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	355,397	371,003	397,467

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT (cont)			
Capital appropriation	84,305	70,147	96,959
Cash reimbursements from the Consolidated Fund Entity	10,162	12,042	...
Cash transfers to Consolidated Fund	...	(1,517)	...
NET CASH FLOWS FROM GOVERNMENT	449,864	451,675	494,426
NET INCREASE/(DECREASE) IN CASH	1,269	2,167	1,333
Opening Cash and Cash Equivalents	9,598	5,591	7,758
CLOSING CASH AND CASH EQUIVALENTS	10,867	7,758	9,091
CASH FLOW RECONCILIATION			
Net cost of services	(431,335)	(456,464)	(476,998)
Non cash items added back	65,793	74,702	78,822
Change in operating assets and liabilities	1,310	2,357	2,105
Net cash flow from operating activities	(364,232)	(379,405)	(396,071)

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	10,867	7,758	9,091
Receivables	21,295	20,321	20,321
Other	1,873	1,688	1,688
Total Current Assets	34,035	29,767	31,100
Non Current Assets -			
Receivables	27,362	20,253	20,253
Property, plant and equipment -			
Land and building	591,428	603,285	664,169
Plant and equipment	79,798	75,879	49,281
Intangibles	...	...	25,371
Other	6,046	4,482	4,297
Total Non Current Assets	704,634	703,899	763,371
Total Assets	738,669	733,666	794,471
LIABILITIES -			
Current Liabilities -			
Payables	16,973	15,151	16,368
Interest bearing	1,588	1,589	1,699
Provisions	22,065	21,691	21,720
Other	13,328	12,753	12,753
Total Current Liabilities	53,954	51,184	52,540
Non Current Liabilities -			
Interest bearing	36,890	36,891	35,192
Provisions	13,180	11,783	14,097
Total Non Current Liabilities	50,070	48,674	49,289
Total Liabilities	104,024	99,858	101,829
NET ASSETS	634,645	633,808	692,642
EQUITY			
Reserves	192,962	225,424	225,424
Accumulated funds	441,683	408,384	467,218
TOTAL EQUITY	634,645	633,808	692,642

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.1 Justice Policy and Planning

Program Objective(s): To contribute to the development of a legal system and laws in New South Wales that further the principles of justice and contribute to the achievement of the goals of the Government.

Program Description: Conduct research and provide information to assist the Government in formulating and initiating new policies and developing legislation. Review laws and services in consultation with the community to ensure they are relevant to contemporary needs. Develop initiatives to promote a safer community.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Proposals for legislative reform considered by Parliament	no.	27	38	30	34
Advicings provided to the Attorney General and Director General	no.	1,795	2,358	2,250	2,300
<u>Average Staffing</u> :	EFT	145	141	117	137

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	13,000	10,645	12,235
Other operating expenses	4,207	3,656	4,291
Maintenance	279	188	229
Depreciation and amortisation	337	349	461
Grants and subsidies			
Recurrent grants to non-profit organisations	3,507	3,607	5,624
Criminology Research	66	56	65
Australian Institute of Judicial Administration	64	63	63

Total Expenses	21,460	18,564	22,968
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.1 Justice Policy and Planning (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	22	72	41
Services provided to departmental commercial activities	78	69	81
Minor sales of goods and services	10	2	11
Investment income	13	16	12
Grants and contributions	3,346	1,881	1,679
Other revenue	52	93	32
Total Retained Revenue	3,521	2,133	1,856
Gain/(loss) on disposal of non current assets	...	(13)	...
NET COST OF SERVICES	17,939	16,444	21,112

CAPITAL EXPENDITURE	4,179	4,200	1,462
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.2 Regulatory Services

Program Objective(s): To assist the community in New South Wales to receive professional services that are affordable, accountable and of a high standard.

Program Description: Regulation and education of professionals and members of occupational associations to improve service standards. Hearing and determination of complaints against legal practitioners, law clerks and licensed conveyancers in New South Wales. Promotion of educational awareness of social issues for the legal profession. Assistance to and promotion of the self regulation of professional associations.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Telephone inquiries concerning dissatisfaction with legal practitioners	no.	9,840	8,800	9,000	9,200
Complaints and consumer disputes received	no.	2,852	2,795	2,850	2,900
Admissions to legal practice	no.	1,817	1,907	1,990	2,000
<u>Average Staffing:</u>	EFT	27	29	27	32

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	2,172	2,306	2,729
Other operating expenses	1,203	898	942
Maintenance	60	70	69
Depreciation and amortisation	36	32	50
Grants and subsidies			
Recurrent grants to non-profit organisations	51	43	52
Total Expenses	3,522	3,349	3,842

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.2 Regulatory Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	1	2	1
Services provided to departmental commercial activities	4	2	2
Minor sales of goods and services	...	12	41
Investment income	1	...	...
Other revenue	3,412	3,384	3,754
Total Retained Revenue	3,418	3,400	3,798
Gain/(loss) on disposal of non current assets	...	(1)	...
NET COST OF SERVICES	104	(50)	44

CAPITAL EXPENDITURE	126	301	290
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.3 Legal and Support Services

Program Objective(s): To ensure members of the public have full access to the legal system and are adequately represented in legal matters affecting them and enhance the cost-effectiveness of the legal services used by the Government.

Program Description: Representation of and advice to members of the public granted legal aid and appearing before Coronial Inquiries, and persons called before the Police Integrity Commission and the Independent Commission Against Corruption. Provision of advice/consultancy services to Government departments/agencies on legal services.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Higher Court matters completed by Public Defenders	no.	533	538	565	570
Higher Court and Criminal Court of Appeal written advices/ appeals finalised by Public Defenders	no.	414	440	445	450
Matters dealt with through the Community Justice Centres	no.	7,153	6,828	7,000	7,200
<u>Average Staffing:</u>	EFT	128	135	145	184

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related	14,504	15,163		18,214
Other operating expenses	6,067	5,991		6,921
Maintenance	286	251		445
Depreciation and amortisation	539	641		785
Grants and subsidies				
Recurrent grants to non-profit organisations	51	15		53
Commercial Disputes Centre	82	82		81

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.3 Legal and Support Services (cont)

OPERATING STATEMENT (cont)

Other expenses			
Compensation for legal costs	467	1,009	462
Costs associated with the Criminal Cases Act	1,329	1,600	1,369
Costs awarded against the Crown in criminal matters	876	1,619	1,163
Legal Representation Office	970	700	967
Compensation - Crimes Act inquiries	277	...	...
Witnesses expenses	482	25	100
Special inquiries	...	6,826	...
Legal assistance claims	370	803	45
Dormant Funds on Public Trust	26	26	27
Crown Solicitor's Office	18,826	23,900	22,740
Total Expenses	45,152	58,651	53,372
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	22	106	55
Services provided to departmental commercial activities	77	86	110
Minor sales of goods and services	68	164	3,396
Investment income	13	20	17
Grants and contributions	2,909	2,700	2,973
Other revenue	756	906	795
Total Retained Revenue	3,845	3,982	7,346
Gain/(loss) on disposal of non current assets	...	(17)	1
NET COST OF SERVICES	41,307	54,686	46,025
CAPITAL EXPENDITURE	689	1,087	1,096

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.4 Justice Support Services

Program Objective(s): To promote the earliest, most effective and efficient resolution of proceedings.

Program Description: Provision of a range of services to the Judiciary, court staff, departmental officers and people who use or are involved in the court system. These services include library services, independent recording and transcript of court proceedings, jury management, building and in-court security, and enforcement of court orders.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Court security hours provided	no.	142,831	187,888	205,000	240,000
Court hours recorded	no.	84,000	79,562	83,500	85,000
Court hours transcribed	no.	68,000	60,720	66,500	70,000
Executory processes actioned	no.	94,176	88,336	89,000	90,000
<u>Average Staffing</u> :	EFT	831	876	839	895

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	54,179	51,806	57,814
Other operating expenses	13,370	14,534	13,073
Maintenance	1,917	1,335	1,481
Depreciation and amortisation	2,752	3,289	3,800
Other expenses			
Jury costs	6,545	7,196	6,741
Ex gratia payments	...	4	...
Total Expenses	78,763	78,164	82,909

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.4 Justice Support Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	135	529	267
Family Law Court	...	19	...
Sale of transcripts	...	311	...
Sheriff's fees	4,560	4,691	4,720
Services provided to departmental commercial activities	536	563	594
Minor sales of goods and services	20	128	18
Investment income	81	118	82
Grants and contributions	865	819	907
Other revenue	893	951	923
Total Retained Revenue	7,090	8,129	7,511
Gain/(loss) on disposal of non current assets	3	(98)	3
NET COST OF SERVICES	71,670	70,133	75,395

CAPITAL EXPENDITURE	3,265	4,889	4,597
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.5 Human Rights Services

Program Objective(s): To reduce social disharmony through programs which protect human rights.

Program Description: Provision of advice and education to the community about discrimination and privacy to assist in the minimisation of human rights abuses. Provision of redress when violation of human rights has occurred. Making substitute decision for people with decision making disabilities. Provision of assistance to victims of violent crime. Provision of avenues for appeal.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Administrative Decisions Tribunal- Total cases finalised	no.	884	901	1,100	1,400
Anti-Discrimination Board- Complaints lodged	no.	1,666	943	1,300	1,500
Office of Public Guardian- Clients assisted by the Public Guardian	no.	2,183	2,082	2,106	2,273
Privacy NSW- Privacy Complaints lodged	no.	182	124	100	140
Victims Compensation Tribunal- Applications received	no.	5,693	5,268	5,100	5,500
Counselling hours funded	no.	20,018	22,757	22,500	23,000
<u>Average Staffing</u> :	EFT	163	162	147	152

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	6,716	6,772	7,518
Other operating expenses	4,359	4,042	3,987
Maintenance	233	186	179
Depreciation and amortisation	440	525	597

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.1 Justice Services

19.1.5 Human Rights Services (cont)

OPERATING STATEMENT (cont)

Grants and subsidies			
Office of The Protective Commissioner	8,488	8,488	7,918
Recurrent grants to non-profit organisations	161	40	42
Grants to organisations - other general government agencies	1,730	1,730	2,390
Other expenses			
Office of the Public Guardian	5,782	5,782	6,112
Compensation to victims of crimes	67,246	70,684	69,346
Total Expenses	95,155	98,249	98,089
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	23	94	45
Services provided to departmental commercial activities	83	90	91
Minor sales of goods and services	822	747	831
Investment income	14	21	14
Retained taxes, fees and fines	3,400	6,836	5,500
Other revenue	1,090	1,056	1,092
Total Retained Revenue	5,432	8,844	7,573
Gain/(loss) on disposal of non current assets	1	(18)	...
NET COST OF SERVICES	89,722	89,423	90,516
CAPITAL EXPENDITURE	633	1,510	3,064

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.1 Supreme Court

Program Objective(s): To promote the earliest, most effective and efficient resolution of criminal matters and civil disputes.

Program Description: The provision of courts, judicial officers, registry services and support staff to hear appeals and conduct criminal and civil trials, and to administer deceased estates.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Civil cases finalised (including Court of Appeal)	no.	10,522	11,091	12,850	13,000
Criminal cases finalised (including Court of Criminal Appeal)	no.	833	691	725	750
<u>Average Staffing:</u>	EFT	325	327	328	326

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	39,433	42,423	46,076
Other operating expenses	6,665	6,788	6,009
Maintenance	608	775	633
Depreciation and amortisation	2,366	2,708	2,968
Grants and subsidies			
Grants to agencies for recurrent purposes	...	419	420
Other expenses			
Law Courts Limited	9,286	9,286	18,112
Fees for the arbitration of civil claims	50	2	31
Total Expenses	58,408	62,401	74,249

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.1 Supreme Court (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	47	202	97
Sale of transcripts	1,441	1,378	1,492
Supreme Court fees	35,070	36,399	37,000
Services provided to departmental commercial activities	169	194	195
Minor sales of goods and services	30	2	31
Investment income	29	45	30
Other revenue	533	486	534
Total Retained Revenue	37,319	38,706	39,379
Gain/(loss) on disposal of non current assets	1	(40)	1
NET COST OF SERVICES	21,088	23,735	34,869
CAPITAL EXPENDITURE	4,733	3,366	5,567

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.2 District Court

Program Objective(s): To promote the earliest, most effective and efficient resolution of criminal matters and civil disputes through State-wide intermediate court services.

Program Description: The provision of courts, judicial officers, registry services and support staff to hear indictable offences and civil matters up to a limit of \$750,000. The provision of an appeal mechanism for decisions handed down in Local Courts and various Tribunals. The listing of criminal proceedings for hearing in the Supreme and District Courts.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Civil cases finalised	no.	16,401	10,154	8,000	7,000
Civil cases determined by Court hearings	no.	1,677	1,965	1,540	1,500
Criminal cases finalised	no.	9,252	9,504	9,600	9,650
<u>Average Staffing:</u>	EFT	282	333	309	306

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	46,297	49,241	48,043
Other operating expenses	10,451	9,405	8,285
Maintenance	1,668	1,655	1,176
Depreciation and amortisation	3,730	3,777	4,046
Grants and subsidies			
Grants to agencies for recurrent purposes	...	335	360
Other expenses			
Fees for the arbitration of civil claims	500	251	515
Fees for inquests and post mortems	...	1	...
Ex gratia payments	...	2	...
Contingent expenses - financing leases	1,106	1,106	1,240
Interest expenses - financing leases	2,615	2,615	2,515
Total Expenses	66,367	68,388	66,180

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.2 District Court (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	1,969	2,121	2,081
Dust Diseases Tribunal fees	1,000	963	974
Sale of transcripts	1,245	1,373	1,323
District Court fees	11,504	9,505	9,750
Arbitration fees	650	350	450
Services provided to departmental commercial activities	145	269	168
Minor sales of goods and services	4	8	5
Investment income	25	36	26
Grants and contributions	10,441	10,238	4,542
Other revenue	1,246	1,425	2,125
Total Retained Revenue	28,229	26,288	21,444
Gain/(loss) on disposal of non current assets	1	(145)	1
NET COST OF SERVICES	38,137	42,245	44,735

CAPITAL EXPENDITURE	7,194	5,005	16,878
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.3 Local Courts

Program Objective(s): To promote the earliest, most effective and efficient resolution of criminal matters and civil disputes through State-wide lower or magistrate court services.

Program Description: The provision of courts, magistrates, registry services and support staff to hear matters in criminal and civil areas. The provision of a range of other specialist justice functions including Children's Court (juvenile prosecutions and care proceedings), family law and coronial matters.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Civil claims finalised by judicial officers	no.	14,433	12,708	11,500	12,000
Criminal matters finalised	no.	228,913	239,503	243,100	246,800
Other matters (Family Law & Children's Court) finalised	no.	31,964	29,905	25,500	25,300
<u>Average Staffing:</u>	EFT	1,220	1,236	1,245	1,258

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	105,839	109,681	115,719
Other operating expenses	25,495	26,721	25,578
Maintenance	6,679	6,762	6,105
Depreciation and amortisation	15,856	17,730	19,326
Grants and subsidies			
Recurrent grants to non-profit organisations	11	12	11
Grants to agencies for recurrent purposes	...	1,597	1,620
Other expenses			
Fees for the arbitration of civil claims	432	411	437
Fees for inquests and post mortems	1,787	2,811	2,547
Ex gratia payments	...	40	...
Total Expenses	156,099	165,765	171,343

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.3 Local Courts (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	181	947	528
Legal Aid services	60	...	...
Family Law Court	1,739	1,477	1,550
Sale of transcripts	825	847	854
Local Court fees	24,087	25,696	28,628
Services provided to departmental commercial activities	647	739	759
Birth, death and marriage fees	385	484	475
Minor sales of goods and services	29	250	80
Investment income	110	171	115
Other revenue	1,800	2,279	2,012
Total Retained Revenue	29,863	32,890	35,001
Gain/(loss) on disposal of non current assets	4	(151)	4
NET COST OF SERVICES	126,232	133,026	136,338

CAPITAL EXPENDITURE	56,077	42,847	58,817
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.4 Land and Environment Court

Program Objective(s): To promote the earliest, most effective and efficient resolution of land and environment matters.

Program Description: The provision of courts, judicial officers, assessors, registry services and support staff to deal with local government appeals, land valuation, development, building and environment matters.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Total disputes finalised	no.	1,750	2,061	2,000	1,900
<u>Average Staffing:</u>	EFT	55	57	54	54

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	7,204	7,610	8,130
Other operating expenses	1,080	1,133	927
Maintenance	189	82	99
Depreciation and amortisation	849	935	979

Total Expenses	9,322	9,760	10,135
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Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	9	33	16
Sale of transcripts	66	119	89
Land and Environment Court fees	2,392	2,049	2,100
Services provided to departmental commercial activities	30	32	32
Minor sales of goods and services	1	...	1

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.4 Land and Environment Court (cont)

OPERATING STATEMENT (cont)

Investment income	5	8	5
Other revenue	116	116	115
Total Retained Revenue	2,619	2,357	2,358
Gain/(loss) on disposal of non current assets	...	(6)	...
NET COST OF SERVICES	6,703	7,409	7,777
CAPITAL EXPENDITURE	250	402	313

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.5 Industrial Relations Commission

Program Objective(s): To promote the earliest, most effective and efficient resolution of industrial matters.

Program Description: The provision of courts, judicial officers, registry services and support services in an endeavour to settle industrial disputes and the hearing of certain criminal prosecutions for offences under industrial laws. The fixing of conditions of employment by either the making of industrial awards or approving enterprise agreements.

	Units	2002-03	2003-04	2004-05	2005-06																								
<u>Outputs:</u>																													
Total disputes finalised	no.	7,325	7,451	8,450	7,550																								
<u>Average Staffing:</u>	EFT	123	116	116	114																								
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;"></th> <th style="width: 10%; text-align: center;">2004-05</th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> </tr> <tr> <td></td> <td style="text-align: center;">Budget</td> <td style="text-align: center;">Revised</td> <td></td> <td></td> <td style="text-align: center;">2005-06</td> </tr> <tr> <td></td> <td style="text-align: center;">\$000</td> <td style="text-align: center;">\$000</td> <td></td> <td></td> <td style="text-align: center;">Budget</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">\$000</td> </tr> </thead> </table>							2004-05						Budget	Revised			2005-06		\$000	\$000			Budget						\$000
	2004-05																												
	Budget	Revised			2005-06																								
	\$000	\$000			Budget																								
					\$000																								

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	14,121	14,516	14,957
Other operating expenses	3,942	3,570	3,827
Maintenance	239	297	293
Depreciation and amortisation	1,688	2,582	2,774

Total Expenses	19,990	20,965	21,851
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Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	17	71	34
Industrial Court fees	724	463	749
Sale of transcripts	439	550	492
Services provided to departmental commercial activities	60	68	68
Minor sales of goods and services	119	115	123

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
19 ATTORNEY GENERAL'S DEPARTMENT

19.2 Court Services

19.2.5 Industrial Relations Commission (cont)

OPERATING STATEMENT (cont)

Investment income	10	16	11
Other revenue	188	282	187
Total Retained Revenue	1,557	1,565	1,664
Gain/(loss) on disposal of non current assets	...	(13)	...
NET COST OF SERVICES	18,433	19,413	20,187
CAPITAL EXPENDITURE	5,742	5,123	3,359

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
20 JUDICIAL COMMISSION OF NEW SOUTH WALES

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	2,992	3,017	3,197
Other operating expenses	1,153	1,178	1,480
Maintenance	10	10	10
Depreciation and amortisation	110	121	75
Total Expenses	4,265	4,326	4,762
Less:			
Retained Revenue -			
Sales of goods and services	80	102	83
Investment income	2	2	2
Other revenue	5	5	5
Total Retained Revenue	87	109	90
NET COST OF SERVICES	4,178	4,217	4,672

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
20 JUDICIAL COMMISSION OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	2,865	2,850	2,994
Other	1,316	1,337	1,674
Total Payments	4,181	4,187	4,668
Receipts			
Sale of goods and services	100	102	83
Interest	2	2	2
Other	184	159	184
Total Receipts	286	263	269
NET CASH FLOWS FROM OPERATING ACTIVITIES	(3,895)	(3,924)	(4,399)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(48)	(48)	(150)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(48)	(48)	(150)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	3,751	3,781	4,404
Capital appropriation	48	48	150
Cash reimbursements from the Consolidated Fund Entity	123	123	...
NET CASH FLOWS FROM GOVERNMENT	3,922	3,952	4,554
NET INCREASE/(DECREASE) IN CASH	(21)	(20)	5
Opening Cash and Cash Equivalents	60	93	73
CLOSING CASH AND CASH EQUIVALENTS	39	73	78
CASH FLOW RECONCILIATION			
Net cost of services	(4,178)	(4,217)	(4,672)
Non cash items added back	292	303	256
Change in operating assets and liabilities	(9)	(10)	17
Net cash flow from operating activities	(3,895)	(3,924)	(4,399)

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
20 JUDICIAL COMMISSION OF NEW SOUTH WALES

	2004-05	
	Budget	Revised
	\$000	\$000
	2005-06	
	Budget	
	\$000	
STATEMENT OF FINANCIAL POSITION		
ASSETS -		
Current Assets -		
Cash assets	39	73
Receivables	35	53
Other	45	23
Total Current Assets	119	149
Non Current Assets -		
Property, plant and equipment - Plant and equipment	203	195
Total Non Current Assets	203	195
Total Assets	322	344
LIABILITIES -		
Current Liabilities -		
Payables	101	83
Provisions	216	189
Other	63	34
Total Current Liabilities	380	306
Non Current Liabilities -		
Provisions	125	129
Total Non Current Liabilities	125	129
Total Liabilities	505	435
NET ASSETS	(183)	(91)
EQUITY		
Accumulated funds	(183)	(91)
TOTAL EQUITY	(183)	(91)

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
20 JUDICIAL COMMISSION OF NEW SOUTH WALES

20.1 Judicial Commission of New South Wales

20.1.1 Judicial Commission of New South Wales

Program Objective(s): To monitor sentencing consistency, provide judicial education and training, and examine complaints against judicial officers.

Program Description: Collation, examination and dissemination of data to assist Courts in achieving consistency in imposing sentences. Development and delivery of continuing education and training programs to assist judicial officers. Examination of complaints concerning the ability or behaviour of judicial officers.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :			
	Sentencing consistency and judicial education/training	29	29
	Complaints	2	2
	Administration, management support and stenographic services	4	4
		35	35

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	2,992	3,017	3,197
Other operating expenses	1,153	1,178	1,480
Maintenance	10	10	10
Depreciation and amortisation	110	121	75
Total Expenses	4,265	4,326	4,762

**ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
20 JUDICIAL COMMISSION OF NEW SOUTH WALES**

20.1 Judicial Commission of New South Wales

20.1.1 Judicial Commission of New South Wales (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	80	102	83
Investment income	2	2	2
Other revenue	5	5	5
Total Retained Revenue	87	109	90

NET COST OF SERVICES	4,178	4,217	4,672
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CAPITAL EXPENDITURE	48	48	150
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	53,142	53,745	57,802
Other operating expenses	12,015	12,470	12,518
Maintenance	1,334	750	1,361
Depreciation and amortisation	2,311	2,100	3,000
Grants and subsidies	12,987	13,410	14,251
Other expenses	63,314	63,193	66,585
Total Expenses	145,103	145,668	155,517
Less:			
Retained Revenue -			
Sales of goods and services	43,669	47,696	46,186
Investment income	1,901	2,219	1,902
Grants and contributions	24,693	24,874	25,196
Other revenue	154	180	154
Total Retained Revenue	70,417	74,969	73,438
Gain/(loss) on disposal of non current assets	...	(40)	...
NET COST OF SERVICES	74,686	70,739	82,079

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	53,140	52,265	56,302
Grants and subsidies	12,987	13,410	14,251
Other	88,915	86,774	89,707
Total Payments	155,042	152,449	160,260
Receipts			
Sale of goods and services	43,150	47,351	45,840
Interest	1,901	2,219	1,902
Other	37,517	35,778	34,939
Total Receipts	82,568	85,348	82,681
NET CASH FLOWS FROM OPERATING ACTIVITIES	(72,474)	(67,101)	(77,579)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(4,862)	(4,905)	(5,316)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(4,862)	(4,905)	(5,316)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	75,087	75,469	82,927
Capital appropriation	2,937	4,118	3,716
NET CASH FLOWS FROM GOVERNMENT	78,024	79,587	86,643
NET INCREASE/(DECREASE) IN CASH	688	7,581	3,748
Opening Cash and Cash Equivalents	22,914	26,738	34,319
CLOSING CASH AND CASH EQUIVALENTS	23,602	34,319	38,067
CASH FLOW RECONCILIATION			
Net cost of services	(74,686)	(70,739)	(82,079)
Non cash items added back	2,311	2,100	3,000
Change in operating assets and liabilities	(99)	1,538	1,500
Net cash flow from operating activities	(72,474)	(67,101)	(77,579)

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	23,602	34,319	38,067
Receivables	3,947	3,037	3,037
Other	749	1,206	1,206
Total Current Assets	28,298	38,562	42,310
Non Current Assets -			
Receivables	2,700	2,555	2,555
Property, plant and equipment -			
Land and building	4,846	4,788	4,641
Plant and equipment	5,916	6,078	5,887
Intangibles	...	...	2,654
Other	...	215	215
Total Non Current Assets	13,462	13,636	15,952
Total Assets	41,760	52,198	58,262
LIABILITIES -			
Current Liabilities -			
Payables	13,348	15,410	15,410
Provisions	3,854	3,733	3,808
Total Current Liabilities	17,202	19,143	19,218
Non Current Liabilities -			
Provisions	10,705	12,059	20,734
Other	7	33	33
Total Non Current Liabilities	10,712	12,092	20,767
Total Liabilities	27,914	31,235	39,985
NET ASSETS	13,846	20,963	18,277
EQUITY			
Accumulated funds	13,846	20,963	18,277
TOTAL EQUITY	13,846	20,963	18,277

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

21.1 Legal Aid and Other Legal Services

**21.1.1 Legal Aid and Other Legal Services for Eligible Persons in Disputes
 Arising from Family Relationships**

Program Objective(s): To provide legal services for eligible persons under Commonwealth family law and relevant State legislation. To promote the role of alternative dispute resolution in family law matters.

Program Description: Provision of legal services for persons by the Commission or private legal practitioners in matters under the Family Law Act, the Property (Relationships) Act and the Adoption Act in disputes arising from family relationships, including domestic violence and in child maintenance matters under the Child Support Scheme. All legal assistance is subject to guidelines, discretions, means and merit tests.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
<u>Grants to Access and Equity Target</u>					
Group clients -					
Female	%	64.3	64.0	63.1	62.6
Non-English speaking background	%	8.0	9.2	8.7	9.0
Aboriginal & Torres Strait Islander	%	4.8	5.5	7.4	8.5
Non-urban	%	42.1	41.4	41.6	41.8
Receiving Commonwealth benefits	%	67.9	70.5	70.0	70.9
Approval rate of applications for legal aid	%	76.0	77.1	74.4	75.0
<u>Outputs:</u>					
Advice and minor assistance	no.	24,199	24,131	29,063	30,661
Telephone information services	no.	42,391	38,722	50,918	52,537
Alternative Dispute Resolution	no.	1,426	1,732	1,935	2,138
Case approvals	no.	11,724	12,055	12,172	12,289
Duty appearances	no.	5,191	5,118	5,129	5,141
<u>Average Staffing:</u>	EFT	175	194	206	206

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

21.1 Legal Aid and Other Legal Services

**21.1.1 Legal Aid and Other Legal Services for Eligible Persons in Disputes
Arising from Family Relationships (cont)**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	15,860	16,492	17,741
Other operating expenses	3,773	4,155	4,187
Maintenance	422	238	431
Depreciation and amortisation	772	700	1,000
Other expenses			
Payments to private practitioners	21,477	24,711	22,738
Total Expenses	42,304	46,296	46,097
Less:			
Retained Revenue -			
Sales of goods and services			
Contributions by legally assisted persons	1,150	1,200	1,148
Legal aid services - Commonwealth matters	34,000	35,374	35,374
Investment income	489	636	465
Grants and contributions	854	854	876
Other revenue	64	51	...
Total Retained Revenue	36,557	38,115	37,863
Gain/(loss) on disposal of non current assets	...	(12)	...
NET COST OF SERVICES	5,747	8,193	8,234
<hr/>			
CAPITAL EXPENDITURE	1,448	1,386	1,836

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

21.1 Legal Aid and Other Legal Services

21.1.2 Legal Aid and Other Legal Services for Eligible Persons in Criminal Law Matters

Program Objective(s): To provide legal services for eligible persons in relation to criminal charges, including domestic violence.

Program Description: Provision of legal services for persons by the Commission or private legal practitioners or by instructing Public Defenders in relation to criminal offences subject to guidelines and means tests. Legal representation in appeals in respect of such matters is subject to a merit test.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Grants to Access and Equity Target					
Group clients -					
Female	%	17.8	18.1	18.2	18.3
Non-English speaking background	%	13.4	14.0	14.7	14.9
Aboriginal & Torres Strait Islander	%	4.4	4.9	5.6	5.9
Non-urban	%	24.8	24.7	23.2	23.9
Receiving Commonwealth benefits	%	55.1	55.7	54.7	54.7
Approval rate of applications for legal aid	%	90.2	91.9	94.0	94.0
 <u>Outputs:</u>					
Advice and minor assistance	no.	21,031	22,492	23,988	25,461
Telephone information services	no.	29,151	25,730	29,825	30,238
Case approvals	no.	41,360	41,132	40,257	40,791
Duty appearances	no.	88,908	86,537	87,583	88,628
 <u>Average Staffing:</u>	 EFT	 337	 371	 369	 376

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

21.1 Legal Aid and Other Legal Services

**21.1.2 Legal Aid and Other Legal Services for Eligible Persons in Criminal
Law Matters (cont)**

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	29,809	29,506	31,470
Other operating expenses	6,363	6,136	6,268
Maintenance	721	405	735
Depreciation and amortisation	1,161	1,056	1,509
Other expenses			
Payments to private practitioners	38,851	35,104	40,033
Total Expenses	76,905	72,207	80,015
Less:			
Retained Revenue -			
Sales of goods and services			
Contributions by legally assisted persons	577	1,250	589
Legal aid services - Commonwealth matters	3,403	5,228	4,717
Investment income	1,252	1,350	1,276
Grants and contributions	13,745	13,746	14,089
Other revenue	75	123	154
Total Retained Revenue	19,052	21,697	20,825
Gain/(loss) on disposal of non current assets	...	(20)	...
NET COST OF SERVICES	57,853	50,530	59,190
<hr/>			
CAPITAL EXPENDITURE	2,667	2,645	3,205

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

21.1 Legal Aid and Other Legal Services

21.1.3 Legal Aid and Other Legal Services for Eligible Persons in Civil Law Matters

Program Objective(s): To provide legal services for eligible persons in civil matters that fall within Commission guidelines.

Program Description: Provision of legal services for persons by the Commission or private practitioners in civil matters subject to policy guidelines, discretions, means and merit tests.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outcomes:</u>					
Grants to Access and Equity Target					
Group clients -					
Female	%	45.1	43.5	42.6	41.6
Non-English speaking background	%	16.2	19.9	17.6	17.9
Aboriginal & Torres Strait Islander	%	1.8	2.1	2.2	2.5
Non-urban	%	28.6	27.2	28.6	28.6
Receiving Commonwealth benefits	%	73.8	83.0	79.1	79.5
Approval rate of applications for legal aid	%	53.1	55.7	57.2	58.5
<u>Outputs:</u>					
Advice and minor assistance	no.	19,394	18,692	18,759	18,826
Telephone information services	no.	60,524	57,584	63,533	65,438
Case approvals	no.	1,150	1,158	1,124	1,167
Duty appearances	no.	18,022	22,096	22,922	23,747
<u>Average Staffing:</u>	EFT	91	101	94	97

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

21.1 Legal Aid and Other Legal Services

**21.1.3 Legal Aid and Other Legal Services for Eligible Persons in Civil Law
Matters (cont)**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	7,100	7,397	8,203
Other operating expenses	1,791	1,825	1,858
Maintenance	184	103	188
Depreciation and amortisation	349	318	453
Other expenses			
Payments to private practitioners	2,986	3,378	3,814
Total Expenses	12,410	13,021	14,516
Less:			
Retained Revenue -			
Sales of goods and services			
Contributions by legally assisted persons	368	650	364
Legal aid services - Commonwealth matters	4,171	3,994	3,994
Investment income	160	233	161
Grants and contributions	3,847	3,875	3,942
Other revenue	15	6	...
Total Retained Revenue	8,561	8,758	8,461
Gain/(loss) on disposal of non current assets	...	(8)	...
NET COST OF SERVICES	3,849	4,271	6,055
<hr/>			
CAPITAL EXPENDITURE	710	843	233

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

21.1 Legal Aid and Other Legal Services

21.1.4 Funding for Community Legal Centres and Other Community Legal Services

Program Objective(s): To provide community based legal services in generalist and specialised legal areas. To provide court assistance and other support to female victims of domestic violence. To undertake community legal education and provide advice to the socially and economically disadvantaged.

Program Description: Provision of funds and assistance, under a joint Commonwealth/State funding program, to Community Legal Centres and Domestic Violence Court Assistance Schemes.

		Average Staffing (EFT)										
		2004-05	2005-06									
<u>Activities</u> :	Administration	4	4									
		<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">2004-05</th> <th style="text-align: center; border-bottom: 1px solid black;">2005-06</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Budget</th> <th style="text-align: center; border-bottom: 1px solid black;">Revised</th> <th style="text-align: center; border-bottom: 1px solid black;">Budget</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> <th style="text-align: center; border-bottom: 1px solid black;">\$000</th> </tr> </thead> </table>		2004-05		2005-06	Budget	Revised	Budget	\$000	\$000	\$000
2004-05		2005-06										
Budget	Revised	Budget										
\$000	\$000	\$000										

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	373	350	388
Other operating expenses	88	354	205
Maintenance	7	4	7
Depreciation and amortisation	29	26	38
Grants and subsidies			
Grants to community legal centres	9,347	9,770	9,939
Women's domestic violence court assistance program	3,019	3,019	3,679
Domestic Violence Advocacy Service	379	379	386
Community Legal Centres Secretariat - NSW	242	242	247
Total Expenses	13,484	14,144	14,889

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
21 LEGAL AID COMMISSION OF NEW SOUTH WALES

21.1 Legal Aid and Other Legal Services

21.1.4 Funding for Community Legal Centres and Other Community Legal Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Grants and contributions	6,247	6,399	6,289
Total Retained Revenue	6,247	6,399	6,289
NET COST OF SERVICES	7,237	7,745	8,600

CAPITAL EXPENDITURE	37	31	42
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
22 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	65,203	68,892	73,500
Other operating expenses	10,702	11,120	11,449
Maintenance	600	667	661
Depreciation and amortisation	2,250	2,628	3,603
Other expenses	3,143	3,146	3,235
Total Expenses	81,898	86,453	92,448
Less:			
Retained Revenue -			
Sales of goods and services	32	78	33
Investment income	37	78	55
Other revenue	250	232	234
Total Retained Revenue	319	388	322
Gain/(loss) on disposal of non current assets	5	5	5
NET COST OF SERVICES	81,574	86,060	92,121

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
22 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	58,891	61,625	67,394
Other	15,825	16,843	17,062
Total Payments	74,716	78,468	84,456
Receipts			
Sale of goods and services	32	78	33
Interest	37	83	61
Other	1,419	1,733	1,518
Total Receipts	1,488	1,894	1,612
NET CASH FLOWS FROM OPERATING ACTIVITIES	(73,228)	(76,574)	(82,844)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	5	5	5
Purchases of property, plant and equipment	(1,225)	(2,475)	(4,472)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(1,220)	(2,470)	(4,467)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	71,324	74,291	82,860
Capital appropriation	1,225	2,475	4,472
Cash reimbursements from the Consolidated Fund Entity	2,424	2,850	...
NET CASH FLOWS FROM GOVERNMENT	74,973	79,616	87,332
NET INCREASE/(DECREASE) IN CASH	525	572	21
Opening Cash and Cash Equivalents	1,438	1,880	2,452
CLOSING CASH AND CASH EQUIVALENTS	1,963	2,452	2,473
CASH FLOW RECONCILIATION			
Net cost of services	(81,574)	(86,060)	(92,121)
Non cash items added back	8,369	9,322	9,827
Change in operating assets and liabilities	(23)	164	(550)
Net cash flow from operating activities	(73,228)	(76,574)	(82,844)

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
22 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,963	2,452	2,473
Receivables	230	341	398
Inventories	2	2	2
Other	590	955	1,100
Total Current Assets	2,785	3,750	3,973
Non Current Assets -			
Property, plant and equipment -			
Plant and equipment	14,099	15,018	13,487
Intangibles	...	...	2,400
Total Non Current Assets	14,099	15,018	15,887
Total Assets	16,884	18,768	19,860
LIABILITIES -			
Current Liabilities -			
Payables	2,080	2,029	2,226
Provisions	3,959	4,203	3,855
Other	220	203	203
Total Current Liabilities	6,259	6,435	6,284
Non Current Liabilities -			
Provisions	1,386	1,484	1,495
Other	677	694	491
Total Non Current Liabilities	2,063	2,178	1,986
Total Liabilities	8,322	8,613	8,270
NET ASSETS	8,562	10,155	11,590
EQUITY			
Reserves	551	551	551
Accumulated funds	8,011	9,604	11,039
TOTAL EQUITY	8,562	10,155	11,590

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
22 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

22.1 Criminal Prosecutions

22.1.1 Crown Representation in Criminal Prosecutions

Program Objective(s): To provide the people of New South Wales with an independent, fair and just prosecution service.

Program Description: The prosecution of all indictable and certain summary offences against New South Wales' laws, and the conduct of appeals in the Local, District, Supreme and High Courts.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Supreme Court -					
Trials registered	no.	135	122	82	100
Trials completed	no.	81	95	114	120
District Court -					
Trials registered	no.	2,341	2,351	2,154	1,960
Trials completed	no.	2,115	2,153	1,976	1,980
Sentences registered	no.	1,559	1,693	1,550	1,740
Sentences completed	no.	1,475	1,764	1,588	1,590
All grounds appeals registered	no.	1,422	1,331	1,446	1,400
All grounds appeals completed	no.	1,347	1,390	1,284	1,350
Local Courts -					
Committals registered	no.	6,318	5,944	5,562	5,600
Committals completed	no.	6,362	6,487	6,286	6,300
<u>Average Staffing</u> :	EFT	589	602	633	650

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	65,203	68,892	73,500
Other operating expenses	10,702	11,120	11,449
Maintenance	600	667	661
Depreciation and amortisation	2,250	2,628	3,603
Other expenses			
Allowances to witnesses	3,053	3,053	3,145
Ex gratia payments	...	84	...
Living expenses of non-Australian citizen defendants	90	9	90
Total Expenses	81,898	86,453	92,448

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
22 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

22.1 Criminal Prosecutions

22.1.1 Crown Representation in Criminal Prosecutions (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	32	78	33
Investment income	37	78	55
Other revenue	250	232	234

Total Retained Revenue	319	388	322
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Gain/(loss) on disposal of non current assets	5	5	5
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NET COST OF SERVICES	81,574	86,060	92,121
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CAPITAL EXPENDITURE	1,225	2,475	4,472
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	213,126	223,930	225,240
Other operating expenses	142,076	140,496	136,364
Maintenance	21,298	20,315	23,120
Depreciation and amortisation	41,789	46,400	48,289
Grants and subsidies	34,715	32,524	73,570
Borrowing costs	...	2	...
Total Expenses	453,004	463,667	506,583
Less:			
Retained Revenue -			
Sales of goods and services	36,094	36,269	39,328
Investment income	2,229	2,500	2,218
Retained taxes, fees and fines	2,551	2,551	2,640
Grants and contributions	47,951	36,443	47,592
Other revenue	5,600	5,544	4,500
Total Retained Revenue	94,425	83,307	96,278
Gain/(loss) on disposal of non current assets	(60)	(385)	(60)
NET COST OF SERVICES	358,639	380,745	410,365

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	201,529	215,749	208,780
Grants and subsidies	31,715	31,524	70,570
Finance costs	...	2	...
Other	183,712	178,629	181,090
Total Payments	416,956	425,904	460,440
Receipts			
Sale of goods and services	36,094	36,859	39,033
Retained taxes	...	162	(162)
Interest	2,229	2,615	2,103
Other	75,050	68,757	72,641
Total Receipts	113,373	108,393	113,615
NET CASH FLOWS FROM OPERATING ACTIVITIES	(303,583)	(317,511)	(346,825)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	575	627	575
Purchases of property, plant and equipment	(27,940)	(34,099)	(43,801)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(27,365)	(33,472)	(43,226)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	...	3,899	...
Repayment of borrowings and advances	...	...	(1,000)
NET CASH FLOWS FROM FINANCING ACTIVITIES	...	3,899	(1,000)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	298,133	309,554	355,948
Capital appropriation	24,660	28,459	40,089
Cash reimbursements from the Consolidated Fund Entity	10,654	10,654	...
NET CASH FLOWS FROM GOVERNMENT	333,447	348,667	396,037
NET INCREASE/(DECREASE) IN CASH	2,499	1,583	4,986
Opening Cash and Cash Equivalents	50,888	53,687	55,270
CLOSING CASH AND CASH EQUIVALENTS	53,387	55,270	60,256

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

Net cost of services	(358,639)	(380,745)	(410,365)
Non cash items added back	56,302	59,868	62,545
Change in operating assets and liabilities	(1,246)	3,366	995
Net cash flow from operating activities	(303,583)	(317,511)	(346,825)

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	53,387	55,270	60,256
Receivables	8,418	9,045	9,308
Other financial assets	16	16	16
Inventories	997	997	1,200
Other	400	1,500	1,465
Total Current Assets	63,218	66,828	72,245
Non Current Assets -			
Property, plant and equipment -			
Land and building	1,491,149	1,821,836	1,830,828
Plant and equipment	30,829	38,843	32,298
Infrastructure systems	523,647	726,931	715,211
Intangibles	...	...	4,150
Other	79	52	52
Total Non Current Assets	2,045,704	2,587,662	2,582,539
Total Assets	2,108,922	2,654,490	2,654,784
LIABILITIES -			
Current Liabilities -			
Payables	9,356	10,234	10,043
Provisions	17,776	20,345	21,853
Other	598	...	...
Total Current Liabilities	27,730	30,579	31,896
Non Current Liabilities -			
Interest bearing	17,500	21,362	20,362
Provisions	7,402	3,987	3,836
Total Non Current Liabilities	24,902	25,349	24,198
Total Liabilities	52,632	55,928	56,094
NET ASSETS	2,056,290	2,598,562	2,598,690
EQUITY			
Reserves	319,414	953,508	953,508
Accumulated funds	1,736,876	1,645,054	1,645,182
TOTAL EQUITY	2,056,290	2,598,562	2,598,690

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.1 Environment Protection and Regulation

23.1.1 Environment Protection and Regulation

Program Objective(s): To require and encourage environment protection across industry, government and the broader community.

Program Description: Delivering credible, targeted and cost effective regulation across a range of environment protection, conservation and Aboriginal heritage areas. Implementing market-based and regulatory programs for industry and local government to reduce environmental impacts. Investigating breaches of legislation and undertaking strategic enforcement. Responding to pollution incidents.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Successful prosecutions under EPA legislation	%	95	94	n.a.	n.a.
<u>Outputs:</u>					
Load Reduction Agreements negotiated with industry	no.	24	26	27	29
New Pollution Reduction Programs initiated with licensees	no.	280	400	250	250
Penalty Infringement Notices issued	no.	4,549	4,627	4,500	4,500
Completed audits for compliance with EPA legislation	no.	70	199	218	187
Completed prosecutions under EPA legislation	no.	115	111	n.a.	n.a.
Licences under EPA legislation in effect	no.	3,100	3,170	3,220	3,270
Hazardous materials incidents where the Department provides technical advice on clean-up	no.	65	82	88	88
Regulatory actions on contaminated sites	no.	88	85	78	80
General terms of approval issued to consent authorities for Integrated Development Approval processes within statutory timeframes	%	94	95	95	90
<u>Average Staffing:</u>	EFT	...	...	486	486

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.1 Environment Protection and Regulation

23.1.1 Environment Protection and Regulation (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	35,477	50,173	49,272
Other operating expenses	18,254	14,848	14,467
Maintenance	948	766	872
Depreciation and amortisation	2,100	415	433
Grants and subsidies			
Environment and conservation organisations	...	11	11
Research grants	19	...	...
Recurrent grants to non-profit organisations	250	207	202
Grants to agencies for recurrent purposes	...	20	...
Current grants paid to other organisations	...	38	76
Local Government - capital grants	...	10	...
Local Government - current grants	77	69	76
Grants to organisations - other general government agencies	84	19	19
Total Expenses	57,209	66,576	65,428
Less:			
Retained Revenue -			
Investment income	126	171	161
Grants and contributions	9,265	7,958	9,312
Other revenue	1,500	27	27
Total Retained Revenue	10,891	8,156	9,500
NET COST OF SERVICES	46,318	58,420	55,928
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CAPITAL EXPENDITURE	550	550	550

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.2 Sustainability Programs

23.2.1 Sustainability Programs

Program Objective(s): To enable government, industry and the community to adopt actions that accelerate the shift towards environmentally sustainable practices.

Program Description: Managing the waste avoidance and resource recovery strategies. Providing community education and information. Working with businesses, the community and NSW government agencies to improve their environmental performance.

<u>Outcomes</u> :	Units	2002-03	2003-04	2004-05	2005-06
Beachwatch and Harbourwatch sites with >90% compliance with Beachwatch swimming water quality guidelines:					
summer	%	74	78	73	73
winter	%	91	64	80	80
Beverage Industry Environment Council's community litter disposal behaviour index for Sydney (1=extreme littering, 7=minimal or no littering)	no.	5	5	5	5
Change in NSW government agencies purchasing products with recycled content:					
office products (measured bi-annually)	%	17	n.a.	15	n.a.
construction products (measured bi-annually)	%	21	n.a.	n.a.	n.a.
Change in NSW Government agencies' recovery of used office paper	%	10	n.a.	3	n.a.
Provision of information to the public:					
external visits to DEC website (incorporating visits to former EPA and NPWS websites)	thous	2,211	2,350	2,700	3,100
requests to DEC Information Centres (incorporating EPA Pollution Line and National Parks Centre)	no.	129,600	126,000	128,600	120,000

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.2 Sustainability Programs

23.2.1 Sustainability Programs (cont)

Outputs:

Beachwatch and Harbourwatch daily reports providing timely and accurate data	%	97	97	97	97
Organisations participating in Industry Partnerships Program on cleaner production	no.	260	352	323	120
NSW Government agencies submitting bi-annual waste reports	%	n.a.	100	n.a.	100
<u>Average Staffing:</u>	EFT	...	...	94	94

2004-05		2005-06
Budget \$000	Revised \$000	Budget \$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	18,050	10,633	10,715
Other operating expenses	9,931	10,399	10,539
Maintenance	148	151	171
Depreciation and amortisation	200	81	85
Grants and subsidies			
Subsidies for the promotion of sustainable energy technologies	4,919	...	...
Environment and conservation organisations	...	2	2
Government recurrent contribution to Zoological Parks Board	13,517	13,517	14,193
Research grants	10	...	...
Recurrent grants to non-profit organisations	136	45	3,777
Grant to Waste Fund	1,480	1,480	29,601
Grants to agencies for recurrent purposes	...	4	...
Current grants paid to other organisations	...	912	1,425
Local Government - capital grants	...	178	...
Local Government - current grants	42	1,690	1,425
Zoological Parks Board - capital grants	10,927	10,927	18,621
Grants to organisations - other general government agencies	46	354	354
Total Expenses	59,406	50,373	90,908

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.2 Sustainability Programs

23.2.1 Sustainability Programs (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Investment income	69	37	35
Grants and contributions	22,993	14,928	25,232
Other revenue	...	233	233

Total Retained Revenue	23,062	15,198	25,500
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NET COST OF SERVICES	36,344	35,175	65,408
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CAPITAL EXPENDITURE	850	850	850
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.3 Policy and Science

23.3.1 Policy and Science

Program Objective(s): To ensure environmental protection and conservation efforts by government, industry and the community are underpinned by sound policy and strong science.

Program Description: Developing and promoting rigorous policy and scientific frameworks in a range of environmental and conservation areas. Interpreting and communicating environmental data to inform internal and external decision making. Providing laboratory and analytical services for the Department.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outcomes:</u>					
Estimated tonnes of Volatile Organic Compounds (VOC) emissions to Sydney GMR airshed following regulation of petrol volatility:					
VOC emissions if NO regulation (tonnes)	no.	n.a.	n.a.	15,072	14,121
VOC emissions WITH regulation (tonnes)	no.	n.a.	n.a.	12,359	11,476
Days when air quality goals were exceeded in the Sydney GMR	no.	59	45	n.a.	n.a.
<u>Outputs:</u>					
Time the Department of Environment and Conservation's air quality network provided valid data	%	91	95	95	95
Major legislative / regulatory reviews undertaken	no.	n.a.	25	25	17
Chemical tests undertaken for pollution investigations and air and water monitoring / research	no.	75,000	76,200	40,500	40,000
Ecotoxicological tests undertaken for responses to impacts of chemical mixtures on plants and animals	no.	160	345	200	250
Threatened species, endangered populations, ecological communities, and key threatening processes for which a plan has been prepared or initiated (to be reviewed following legislative changes)	no.	346	430	430	n.a.
<u>Average Staffing:</u>	EFT	...	...	280	280

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.3 Policy and Science

23.3.1 Policy and Science (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	20,075	24,651	24,843
Other operating expenses	9,851	9,336	9,567
Maintenance	1,588	798	909
Depreciation and amortisation	3,500	432	452
Grants and subsidies			
Environment and conservation organisations	...	5	5
Research grants	10	...	...
Recurrent grants to non-profit organisations	136	102	315
Grants to agencies for recurrent purposes	...	10	...
Current grants paid to other organisations	...	60	119
Local Government - capital grants	...	15	...
Local Government - current grants	42	108	119
Grants to organisations - other general government agencies	46	30	30
Total Expenses	35,248	35,547	36,359
Less:			
Retained Revenue -			
Investment income	69	85	79
Grants and contributions	...	4,202	4,386
Other revenue	...	35	35
Total Retained Revenue	69	4,322	4,500
NET COST OF SERVICES	35,179	31,225	31,859
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CAPITAL EXPENDITURE	1,550	1,550	2,800

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.4 Parks and Wildlife

23.4.1 Parks and Wildlife

Program Objective(s): To protect biodiversity and cultural heritage by managing NSW protected areas, including national parks, wilderness areas, marine parks and partnering communities on off-park protected areas.

Program Description: Managing and acquiring parks, and protected areas. Controlling pests and weeds, suppressing and managing fires and providing visitor facilities. Partnering Aboriginal communities and private landholders for conservation outcomes. Managing on-park Aboriginal cultural and historic heritage objects, places and buildings of significance. Undertaking field-based wildlife management.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outcomes:</u>					
Area of NSW managed by the Department for conservation outcomes:					
NSW land	%	7.4	7.4	7.6	7.6
land in New South Wales	'000ha	5,900	5,949	6,052	6,052
marine areas in New South Wales	'000ha	141	163	163	163
Agreements in place with Aboriginal communities for management or use of protected areas	no.	4	4	7	15
Historic site protection on reserves:					
protected sites	no.	15	15	15	15
areas of protected sites	ha	3,065	3,065	3,065	3,065
NSW landholders' private lands managed for conservation outcomes in the Department's administered programs (including wildlife refuge and voluntary conservation)	%	2	2	2	2
<u>Outputs:</u>					
Service areas covered by a Plan of Management or where a draft Plan has been on exhibition:					
national parks	no.	103	104	112	120
historic sites	no.	10	10	11	11
natural reserves	no.	134	145	160	175
Discovery community education programs conducted	no.	2,475	3,086	3,000	3,000
Participants in community conservation programs	no.	87,000	90,000	80,000	80,000

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.4 Parks and Wildlife

23.4.1 Parks and Wildlife (cont)

Conservation agreements on private land:					
wildlife refuges in place	no.	587	599	620	631
voluntary conservation agreements					
in place	no.	133	159	190	213
<u>Average Staffing:</u>	EFT	...	...	1,676	1,722

	———2004-05———		
	Budget	Revised	2005-06
	\$000	\$000	Budget
			\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	135,402	132,289	134,169
Other operating expenses	101,879	103,927	99,741
Maintenance	18,393	18,539	21,098
Depreciation and amortisation	35,789	45,439	47,284
Grants and subsidies			
Environment and conservation organisations	50	31	31
Research grants	69	...	...
Recurrent grants to non-profit organisations	936	619	983
Lord Howe Island Board	1,267	1,297	1,305
Grants to agencies for recurrent purposes	...	56	...
Current grants paid to other organisations	...	186	371
Local Government - capital grants	...	46	...
Local Government - current grants	288	335	371
Grants to organisations - other general			
government agencies	314	93	93
Borrowing costs			
Interest on public sector borrowings and			
advances	...	2	...
Total Expenses	294,387	302,859	305,446

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.4 Parks and Wildlife

23.4.1 Parks and Wildlife (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	11,269	10,769	11,644
Publication sales	2,400	2,400	2,484
Fees for services	9,100	6,479	7,500
Entry fees	11,000	14,321	15,000
Use of recreation facilities	675	2,000	2,500
Sale of manufactured goods	1,000	100	100
Minor sales of goods and services	650	200	100
Investment income	1,950	2,185	1,923
Retained taxes, fees and fines	2,551	2,551	2,640
Grants and contributions	15,693	9,287	8,584
Other revenue	4,100	5,247	4,203
Total Retained Revenue	60,388	55,539	56,678
Gain/(loss) on disposal of non current assets	(60)	(385)	(60)
NET COST OF SERVICES	234,059	247,705	248,828

CAPITAL EXPENDITURE	24,870	31,029	39,481
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.5 Cultural Heritage

23.5.1 Cultural Heritage

Program Objective(s): To manage and protect cultural heritage.

Program Description: Working with Aboriginal and other communities and agencies to manage and protect cultural heritage. Conducting and disseminating cultural heritage research and promoting new models for cultural heritage assessment and management. Developing and maintaining high quality cultural heritage information systems to support internal and external decision-making. Setting and implementing the Department's policy, programs and technical standards for protecting and managing cultural heritage. Implementing NSW Government's Aboriginal Affairs Plan "Two Ways Together".

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Aboriginal remains and cultural materials protected under National Parks' legislation repatriated to Aboriginal communities	no.	40	20	27	30
Aboriginal Place declarations (for sites of cultural significant) made under NSW legislation	no.	5	1	3	6
Aboriginal oral histories recorded or collected	no.	11	60	12	25
 <u>Outputs:</u>					
Aboriginal communities assisted with repatriation of cultural and ancestral remains protected under NSW legislation	no.	6	16	11	11
Aboriginal Place nomination investigations	no.	12	9	10	8
Data licence agreements for use of Aboriginal information issued by the Department	no.	71	88	98	104
Items and locations listed on the Department's heritage registers:					
Aboriginal Heritage Information Management System	no.	39,014	42,231	44,405	45,305
Historic Heritage Information Management System	no.	n.a.	9,656	9,816	9,976
Searches undertaken for external users on the Department's heritage registers	no.	1,530	2,310	2,100	1,200
<u>Average Staffing:</u>	EFT	...	...	64	64

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
23 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

23.5 Cultural Heritage

23.5.1 Cultural Heritage (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	4,122	6,184	6,241
Other operating expenses	2,161	1,986	2,050
Maintenance	221	61	70
Depreciation and amortisation	200	33	35
Grants and subsidies			
Environment and conservation organisations	...	1	1
Research grants	2	...	...
Recurrent grants to non-profit organisations	29	27	23
Grants to agencies for recurrent purposes	...	3	...
Current grants paid to other organisations	...	4	9
Local Government - capital grants	...	1	...
Local Government - current grants	9	8	9
Grants to organisations - other general government agencies	10	4	4
Total Expenses	6,754	8,312	8,442
Less:			
Retained Revenue -			
Investment income	15	22	20
Grants and contributions	...	68	78
Other revenue	...	2	2
Total Retained Revenue	15	92	100
NET COST OF SERVICES	6,739	8,220	8,342
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CAPITAL EXPENDITURE	120	120	120

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
24 ENVIRONMENTAL TRUST

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	380	...	...
Other operating expenses	164	744	744
Grants and subsidies	24,488	23,216	30,023
Total Expenses	25,032	23,960	30,767
Less:			
Retained Revenue -			
Investment income	1,200	1,200	1,100
Other revenue	2	91	2
Total Retained Revenue	1,202	1,291	1,102
NET COST OF SERVICES	23,830	22,669	29,665

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
24 ENVIRONMENTAL TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	380	(85)	34
Grants and subsidies	24,488	23,216	30,023
Other	414	965	994
Total Payments	25,282	24,096	31,051
Receipts			
Interest	1,200	1,231	1,100
Other	252	109	252
Total Receipts	1,452	1,340	1,352
NET CASH FLOWS FROM OPERATING ACTIVITIES	(23,830)	(22,756)	(29,699)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	16,443	16,443	17,019
NET CASH FLOWS FROM GOVERNMENT	16,443	16,443	17,019
NET INCREASE/(DECREASE) IN CASH	(7,387)	(6,313)	(12,680)
Opening Cash and Cash Equivalents	36,867	38,974	32,661
CLOSING CASH AND CASH EQUIVALENTS	29,480	32,661	19,981
CASH FLOW RECONCILIATION			
Net cost of services	(23,830)	(22,669)	(29,665)
Change in operating assets and liabilities	...	(87)	(34)
Net cash flow from operating activities	(23,830)	(22,756)	(29,699)

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
24 ENVIRONMENTAL TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	29,480	32,661	19,981
Receivables	884	884	884
Total Current Assets	30,364	33,545	20,865
Total Assets	30,364	33,545	20,865
LIABILITIES -			
Current Liabilities -			
Payables	1,528	1,494	1,494
Provisions	26	62	62
Total Current Liabilities	1,554	1,556	1,556
Non Current Liabilities -			
Provisions	36	39	5
Total Non Current Liabilities	36	39	5
Total Liabilities	1,590	1,595	1,561
NET ASSETS	28,774	31,950	19,304
EQUITY			
Accumulated funds	28,774	31,950	19,304
TOTAL EQUITY	28,774	31,950	19,304

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
24 ENVIRONMENTAL TRUST

24.1 Support of the Environment

24.1.1 Support of the Environment

Program Objective(s): To support environmental restoration, research and education.
 To fund the acquisition of land for national parks.

Program Description: Managing grants programs accessible to community groups, Aboriginal organisations, schools, research bodies, councils and NSW Government agencies. Disseminating the environmental benefits of funded projects.

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	380	...	...
Other operating expenses	164	744	744
Grants and subsidies			
Recurrent grants to non-profit organisations	2,500	2,500	2,500
Grants to agencies for recurrent purposes	21,988	20,716	27,523
Total Expenses	25,032	23,960	30,767
Less:			
Retained Revenue -			
Investment income	1,200	1,200	1,100
Other revenue	2	91	2
Total Retained Revenue	1,202	1,291	1,102
NET COST OF SERVICES	23,830	22,669	29,665

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	18,784	20,243	19,754
Other operating expenses	6,844	6,362	6,341
Maintenance	1,344	1,270	1,670
Depreciation and amortisation	3,848	3,445	3,445
Grants and subsidies	53	90	90
Borrowing costs	...	3	3
Total Expenses	30,873	31,413	31,303
Less:			
Retained Revenue -			
Sales of goods and services	5,762	6,110	5,504
Investment income	72	151	201
Retained taxes, fees and fines	1,199	986	1,286
Grants and contributions	3,058	858	1,506
Other revenue	455	879	709
Total Retained Revenue	10,546	8,984	9,206
Gain/(loss) on disposal of non current assets	50	...	40
NET COST OF SERVICES	20,277	22,429	22,057

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	17,581	17,521	18,404
Grants and subsidies	53	90	90
Finance costs	...	3	3
Other	8,710	7,974	8,610
Total Payments	26,344	25,588	27,107
Receipts			
Sale of goods and services	5,718	6,596	4,824
Interest	72	151	201
Other	4,698	1,080	4,049
Total Receipts	10,488	7,827	9,074
NET CASH FLOWS FROM OPERATING ACTIVITIES	(15,856)	(17,761)	(18,033)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	50	...	40
Purchases of property, plant and equipment	(3,621)	(576)	(4,234)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(3,571)	(576)	(4,194)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	68	...	...
Repayment of borrowings and advances	...	(24)	(50)
NET CASH FLOWS FROM FINANCING ACTIVITIES	68	(24)	(50)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	15,900	16,427	17,135
Capital appropriation	2,035	2,620	4,734
Cash reimbursements from the Consolidated Fund Entity	834	861	...
NET CASH FLOWS FROM GOVERNMENT	18,769	19,908	21,869
NET INCREASE/(DECREASE) IN CASH	(590)	1,547	(408)
Opening Cash and Cash Equivalents	1,680	2,931	4,478
CLOSING CASH AND CASH EQUIVALENTS	1,090	4,478	4,070

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
<hr/>			
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(20,277)	(22,429)	(22,057)
Non cash items added back	5,359	5,531	5,279
Change in operating assets and liabilities	(938)	(863)	(1,255)
Net cash flow from operating activities	(15,856)	(17,761)	(18,033)

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,090	4,478	4,070
Receivables	909	2,078	2,280
Inventories	484	374	480
Other	64	299	505
Total Current Assets	2,547	7,229	7,335
Non Current Assets -			
Property, plant and equipment -			
Land and building	130,259	196,634	197,745
Plant and equipment	37,763	38,122	37,563
Infrastructure systems	37,034	32,911	33,148
Total Non Current Assets	205,056	267,667	268,456
Total Assets	207,603	274,896	275,791
LIABILITIES -			
Current Liabilities -			
Payables	491	1,188	870
Provisions	1,206	1,839	1,342
Other	800	100	200
Total Current Liabilities	2,497	3,127	2,412
Non Current Liabilities -			
Interest bearing	126	50	...
Provisions	301	361	375
Total Non Current Liabilities	427	411	375
Total Liabilities	2,924	3,538	2,787
NET ASSETS	204,679	271,358	273,004
EQUITY			
Reserves	44,624	109,524	108,733
Accumulated funds	160,055	161,834	164,271
TOTAL EQUITY	204,679	271,358	273,004

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

25.1 Royal Botanic Gardens and Domain Trust

25.1.1 Research

Program Objective(s): To investigate the systematics, ecology, horticulture and pathology of plants and related organisms and disseminate the results.

Program Description: Collecting, maintaining and studying the State collection of preserved plants, making information about plants available, researching the cultivation and pathology of plants, and contributing to plant related State, national and international policies.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Scientific publications	no.	60	65	70	70
Species and genera described	no.	20	25	35	25
Species reclassified	no.	45	50	40	60
Herbarium specimens databased	no.	92,000	70,000	96,000	90,000
Herbarium acquisitions	no.	24,000	25,000	22,000	25,000
Plant identifications	no.	23,000	16,000	16,000	20,000
Disease diagnosis	no.	190	250	250	250
Books and periodicals catalogued and accessioned	no.	1,500	1,700	1,900	2,000
<u>Average Staffing:</u>	EFT	67	63	61	60

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	4,531	4,029	3,973
Other operating expenses	852	1,266	1,275
Maintenance	25	253	335
Depreciation and amortisation	...	686	686
Grants and subsidies			
Recurrent grants to non-profit organisations	...	18	18
Borrowing costs			
Interest on public sector borrowings and advances	...	1	1
Total Expenses	5,408	6,253	6,288

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

25.1 Royal Botanic Gardens and Domain Trust

25.1.1 Research (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	...	281	233
Publication sales	20	1	2
Retail sales	...	171	251
Entry fees	...	55	81
Use of recreation facilities	...	32	227
Minor sales of goods and services	40	84	32
Investment income	...	15	30
Retained taxes, fees and fines	...	101	193
Grants and contributions	914	88	211
Other revenue	...	90	106
Total Retained Revenue	974	918	1,366
Gain/(loss) on disposal of non current assets	...	...	6
NET COST OF SERVICES	4,434	5,335	4,916

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

25.1 Royal Botanic Gardens and Domain Trust

25.1.2 Botanic Gardens and Parks

Program Objective(s): To manage and develop garden sites to accommodate multiple uses including recreation, relaxation, celebrations, education and the promotion of conservation.

Program Description: Managing, making accessible and interpreting the landscapes and living collections of plants in the botanic gardens. Maintaining conservation collections and conserving and interpreting the Aboriginal and contemporary heritage of the gardens.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Accessions of rare and endangered species at Mount Annan Seed Bank	no.	684	784	800	848
Hectares of turf maintained	no.	68.4	95.5	95.5	95.5
Hectares of garden beds maintained	no.	31	40	40	40
Plants propagated	no.	54,875	109,655	114,000	60,445
Visitors to Mount Tomah Botanic Gardens	no.	75,000	80,775	84,810	85,100
Visitors to Mount Annan Botanic Gardens	no.	80,000	85,000	87,500	88,200
Visitors to Royal Botanic Gardens	thous	3,100	3,340	3,200	3,300
Visitors to the Domain (approximate)	thous	4,000	4,100	4,150	4,200
<u>Average Staffing:</u>	EFT	171	164	158	147

———2004-05———		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	10,829	13,467	12,898
Other operating expenses	3,898	4,233	4,128
Maintenance	1,204	844	1,101
Depreciation and amortisation	3,848	2,292	2,292
Grants and subsidies			
Recurrent grants to non-profit organisations	53	60	60
Borrowing costs			
Interest on public sector borrowings and advances	...	2	2
Total Expenses	19,832	20,898	20,481

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

25.1 Royal Botanic Gardens and Domain Trust

25.1.2 Botanic Gardens and Parks (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	...	415	186
Publication sales	...	2	1
Retail sales	80	252	200
Entry fees	403	81	64
Use of recreation facilities	47	47	181
Minor sales of goods and services	187	124	26
Investment income	72	23	24
Retained taxes, fees and fines	...	149	154
Grants and contributions	2,139	130	159
Other revenue	299	132	85
Total Retained Revenue	3,227	1,355	1,080
Gain/(loss) on disposal of non current assets	50	...	5
NET COST OF SERVICES	16,555	19,543	19,396

CAPITAL EXPENDITURE	3,621	576	4,234
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ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

25.1 Royal Botanic Gardens and Domain Trust

25.1.3 Public Programs

Program Objective(s): To promote community awareness and knowledge of plants, plant conservation and the importance of plants in the natural world through on-site and off-site programs.

Program Description: Researching, designing and delivering plant related programs for specific groups of visitors, including school students, home gardeners and tourists. Outreach program includes visits to regional schools and urban and regional communities, including disadvantaged communities.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Community gardens established	no.	42	60	85	78
Participants in school programs	no.	18,000	20,314	20,500	22,500
Participants in guided tours	no.	8,500	8,900	9,000	9,500
<u>Average Staffing:</u>	EFT	21	18	17	17

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,749	1,156	1,160
Other operating expenses	835	364	378
Maintenance	65	74	97
Depreciation and amortisation	...	197	197
Grants and subsidies			
Recurrent grants to non-profit organisations	...	5	5
Total Expenses	2,649	1,796	1,837

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

25.1 Royal Botanic Gardens and Domain Trust

25.1.3 Public Programs (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	...	116	230
Publication sales	...	1	2
Retail sales	...	71	247
Entry fees	...	23	79
Use of recreation facilities	2,128	15	223
Minor sales of goods and services	...	35	32
Investment income	...	6	30
Retained taxes, fees and fines	...	42	190
Grants and contributions	5	36	206
Other revenue	115	37	105
Total Retained Revenue	2,248	382	1,344
Gain/(loss) on disposal of non current assets	...	...	6
NET COST OF SERVICES	401	1,414	487

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

25.1 Royal Botanic Gardens and Domain Trust

25.1.4 Commercial Services

Program Objective(s): To manage and develop viable commercial businesses and to host externally operated commercial services that generate income to support the objectives of the Trust.

Program Description: Providing opportunities for commercial activities on the Trust's sites operated by licensees or by the Trust, and by exploiting commercial opportunities in other locations that relate to the Trust's objectives.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Premises serviced by commercial horticultural program	no.	9	10	10	10
Leases and licences	no.	43	43	43	43
<u>Average Staffing:</u>	EFT	22	23	24	26

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,675	1,591	1,723
Other operating expenses	1,259	499	560
Maintenance	50	99	137
Depreciation and amortisation	...	270	270
Grants and subsidies			
Recurrent grants to non-profit organisations	...	7	7
Total Expenses	2,984	2,466	2,697

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
25 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

25.1 Royal Botanic Gardens and Domain Trust

25.1.4 Commercial Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	964	1,942	907
Publication sales	...	8	7
Retail sales	1,555	1,178	974
Entry fees	...	379	314
Use of recreation facilities	111	219	880
Minor sales of goods and services	227	578	125
Investment income	...	107	117
Retained taxes, fees and fines	1,199	694	749
Grants and contributions	...	604	930
Other revenue	41	620	413
Total Retained Revenue	4,097	6,329	5,416
Gain/(loss) on disposal of non current assets	...	...	23
NET COST OF SERVICES	(1,113)	(3,863)	(2,742)

**ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
PUBLIC TRUSTEE NSW**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	25,041	29,776	28,509
Investment income	1,584	1,584	2,378
Social program policy payments	1,730	1,730	2,390
Other revenue	4,757	22	12
Total Retained Revenue	33,112	33,112	33,289
Less:			
Expenses -			
Operating Expenses -			
Employee related	20,601	20,601	22,384
Other operating expenses	5,562	5,575	5,611
Maintenance	846	833	964
Depreciation and amortisation	1,454	1,454	1,873
Total Expenses	28,463	28,463	30,832
SURPLUS BEFORE DISTRIBUTIONS	4,649	4,649	2,457
Distributions -			
Dividends and capital repatriations	1,879	2,278	1,295
Tax equivalents	1,150	1,395	793
SURPLUS AFTER DISTRIBUTIONS	1,620	976	369

**ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
PUBLIC TRUSTEE NSW**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	25,041	30,905	28,509
Interest	1,956	2,182	2,378
Other	8,642	3,822	4,557
Total Receipts	35,639	36,909	35,444
Payments			
Employee Related	20,601	20,806	22,242
Equivalent Income Tax	1,264	3,356	883
Other	8,563	9,060	8,722
Total Payments	30,428	33,222	31,847
NET CASH FLOWS FROM OPERATING ACTIVITIES	5,211	3,687	3,597
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	1,378	1,378	1,841
Purchases of property, plant and equipment	(3,151)	(1,430)	(3,160)
Purchases of investments	(812)	(12,556)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(2,585)	(12,608)	(1,319)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	(2,626)	(3,673)	(2,278)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(2,626)	(3,673)	(2,278)
NET INCREASE/(DECREASE) IN CASH	...	(12,594)	...
Opening Cash and Cash Equivalents	1,506	14,100	1,506
CLOSING CASH AND CASH EQUIVALENTS	1,506	1,506	1,506
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	3,499	3,254	1,664
Non cash items added back	1,826	1,826	1,685
Change in operating assets and liabilities	(114)	(1,393)	248
Net cash flow from operating activities	5,211	3,687	3,597

**ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
PUBLIC TRUSTEE NSW**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,506	1,506	1,506
Receivables	260	260	260
Other	80	80	80
Total Current Assets	1,846	1,846	1,846
Non Current Assets -			
Other financial assets	29,836	38,235	36,394
Property, plant and equipment -			
Land and building	8,788	12,165	11,945
Plant and equipment	10,899	8,416	5,635
Intangibles	...	...	4,288
Other	2,034	2,034	1,077
Total Non Current Assets	51,557	60,850	59,339
Total Assets	53,403	62,696	61,185
LIABILITIES -			
Current Liabilities -			
Payables	270	270	270
Tax	288	288	198
Provisions	3,279	3,878	2,895
Other	90	90	92
Total Current Liabilities	3,927	4,526	3,455
Non Current Liabilities -			
Provisions	10,903	14,900	27,422
Other	270	270	276
Total Non Current Liabilities	11,173	15,170	27,698
Total Liabilities	15,100	19,696	31,153
NET ASSETS	38,303	43,000	30,032
EQUITY			
Reserves	...	3,358	3,358
Accumulated funds	38,303	39,642	26,674
TOTAL EQUITY	38,303	43,000	30,032

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
REGISTRY OF BIRTHS, DEATHS AND MARRIAGES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	18,874	21,208	23,373
Investment income	100	193	152
Other revenue	47	39	1
Total Retained Revenue	19,021	21,440	23,526
Less:			
Expenses -			
Operating Expenses -			
Employee related	11,258	10,646	10,947
Other operating expenses	3,866	3,529	7,078
Maintenance	426	516	483
Depreciation and amortisation	1,001	1,849	1,623
Borrowing costs	194	194	218
Total Expenses	16,745	16,734	20,349
SURPLUS BEFORE DISTRIBUTIONS	2,276	4,706	3,177
Distributions -			
Dividends and capital repatriations	735	1,878	1,211
Tax equivalents	552	1,412	910
SURPLUS AFTER DISTRIBUTIONS	989	1,416	1,056

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
REGISTRY OF BIRTHS, DEATHS AND MARRIAGES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	18,869	21,194	23,359
Interest	197	193	151
Other	554	787	770
Total Receipts	19,620	22,174	24,280
Payments			
Employee Related	11,258	10,668	10,614
Finance costs	194	194	218
Equivalent Income Tax	348	1,428	1,036
Other	4,790	4,783	8,321
Total Payments	16,590	17,073	20,189
NET CASH FLOWS FROM OPERATING ACTIVITIES	3,030	5,101	4,091
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(3,016)	(2,560)	(6,019)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(3,016)	(2,560)	(6,019)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	...	...	3,000
Repayment of borrowings and advances	(1,200)	(1,200)	(1,200)
Dividends paid	(463)	(867)	(1,878)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(1,663)	(2,067)	(78)
NET INCREASE/(DECREASE) IN CASH	(1,649)	474	(2,006)
Opening Cash and Cash Equivalents	4,260	3,795	4,269
CLOSING CASH AND CASH EQUIVALENTS	2,611	4,269	2,263
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	1,724	3,294	2,267
Non cash items added back	1,001	1,849	1,623
Change in operating assets and liabilities	305	(42)	201
Net cash flow from operating activities	3,030	5,101	4,091

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
REGISTRY OF BIRTHS, DEATHS AND MARRIAGES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	2,611	4,269	2,263
Receivables	235	577	601
Other	203	234	241
Total Current Assets	3,049	5,080	3,105
Non Current Assets -			
Property, plant and equipment -			
Land and building	6,689	6,234	6,250
Plant and equipment	6,253	5,503	6,148
Intangibles	...	...	3,735
Other	1,694	2,362	2,100
Total Non Current Assets	14,636	14,099	18,233
Total Assets	17,685	19,179	21,338
LIABILITIES -			
Current Liabilities -			
Payables	444	642	661
Interest bearing	1,200	1,200	1,200
Tax	658	353	227
Provisions	1,807	2,764	2,123
Total Current Liabilities	4,109	4,959	4,211
Non Current Liabilities -			
Interest bearing	1,200	1,200	3,000
Provisions	1,511	1,627	1,678
Total Non Current Liabilities	2,711	2,827	4,678
Total Liabilities	6,820	7,786	8,889
NET ASSETS	10,865	11,393	12,449
EQUITY			
Accumulated funds	10,865	11,393	12,449
TOTAL EQUITY	10,865	11,393	12,449

**ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
STORMWATER TRUST**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Investment income	58	100	10
Other revenue	...	86	50
Total Retained Revenue	58	186	60
Less:			
Expenses -			
Operating Expenses -			
Employee related	320	356	150
Other operating expenses	24	1,761	815
Grants and subsidies	600	1,886	...
Total Expenses	944	4,003	965
DEFICIT	(886)	(3,817)	(905)

**ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
STORMWATER TRUST**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest	58	100	(5)
Other	...	98	50
Total Receipts	58	198	45
Payments			
Employee Related	320	356	308
Grants and subsidies	600	1,886	...
Other	24	1,737	818
Total Payments	944	3,979	1,126
NET CASH FLOWS FROM OPERATING ACTIVITIES	(886)	(3,781)	(1,081)
NET INCREASE/(DECREASE) IN CASH	(886)	(3,781)	(1,081)
Opening Cash and Cash Equivalents	2,115	4,862	1,081
CLOSING CASH AND CASH EQUIVALENTS	1,229	1,081	...
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(886)	(3,817)	(905)
Change in operating assets and liabilities	...	36	(176)
Net cash flow from operating activities	(886)	(3,781)	(1,081)

**ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
STORMWATER TRUST**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,229	1,081	...
Receivables	8	138	141
Other	...	2	2
Total Current Assets	1,237	1,221	143
Total Assets	1,237	1,221	143
LIABILITIES -			
Current Liabilities -			
Payables	...	158	143
Provisions	...	69	...
Total Current Liabilities	...	227	143
Non Current Liabilities -			
Provisions	98	89	...
Total Non Current Liabilities	98	89	...
Total Liabilities	98	316	143
NET ASSETS	1,139	905	...
EQUITY			
Accumulated funds	1,139	905	...
TOTAL EQUITY	1,139	905	...

**ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
WASTE FUND**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Retained Revenue -			
Investment income	503	1,403	803
Grants and contributions	1,380	1,480	29,601
Total Retained Revenue	1,883	2,883	30,404
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	16	76	101
Grants and subsidies	28,864	28,804	30,299
Total Expenses	28,880	28,880	30,400
SURPLUS/(DEFICIT)	(26,997)	(25,997)	4

**ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
WASTE FUND**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest	503	1,397	803
Other	1,480	1,572	29,701
Total Receipts	1,983	2,969	30,504
Payments			
Employee Related	...	3	...
Grants and subsidies	28,864	28,804	30,299
Other	116	159	195
Total Payments	28,980	28,966	30,494
NET CASH FLOWS FROM OPERATING ACTIVITIES	(26,997)	(25,997)	10
NET INCREASE/(DECREASE) IN CASH	(26,997)	(25,997)	10
Opening Cash and Cash Equivalents	48,443	47,021	21,024
CLOSING CASH AND CASH EQUIVALENTS	21,446	21,024	21,034
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(26,997)	(25,997)	4
Change in operating assets and liabilities	...	...	6
Net cash flow from operating activities	(26,997)	(25,997)	10

ATTORNEY GENERAL AND MINISTER FOR THE ENVIRONMENT
WASTE FUND

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	21,446	21,024	21,034
Receivables	17	17	17
Total Current Assets	21,463	21,041	21,051
Total Assets	21,463	21,041	21,051
LIABILITIES -			
Current Liabilities -			
Payables	...	20	26
Total Current Liabilities	...	20	26
Total Liabilities	...	20	26
NET ASSETS	21,463	21,021	21,025
EQUITY			
Accumulated funds	21,463	21,021	21,025
TOTAL EQUITY	21,463	21,021	21,025

MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR YOUTH

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Community Services			
Total Expenses	903.7	1,014.0	12.2
Capital Expenditure	13.7	20.6	50.4
Office of the Children's Guardian			
Total Expenses	3.4	3.5	2.7
Capital Expenditure .....	...	...	...
Commission for Children and Young People			
Total Expenses	8.3	8.4	2.0
Capital Expenditure	0.2	0.2	...
Businesslink			
Total Expenses	102.9	109.3	6.2
Capital Expenditure	34.0	14.0	-58.8
Total, Minister for Community Services and Minister for Youth^(a)			
Total Expenses	973.6	1,105.2	13.5
Capital Expenditure	47.9	34.8	-27.3

(a) The Ministerial totals have been reduced to exclude recurrent payments of the Department of Community Services to Businesslink.

DEPARTMENT OF COMMUNITY SERVICES

The Department's primary role is to promote and enhance the safety and wellbeing of children, young people and their families.

It also provides a range of community support and community strengthening services. These were significantly enhanced in 2004-05 when a number of programs were transferred to the Department including: Families First; Better Futures; Community Solutions; Strengthening Communities; Domestic/Family Violence and Violence Against Women; and the Area Assistance Scheme.

The Department's key responsibilities are:

- ◆ working with the community and with its service and agency partners to keep children safe and to support their families;
- ◆ providing protection for children at risk of harm;
- ◆ providing funding, accommodation and support services for children and young people who can no longer live at home;
- ◆ funding and regulating children's services such as pre-schools and day care centres;
- ◆ co-ordinating recovery services to help people affected by disasters;
- ◆ offering a range of community support services to help homeless people and families move to independent living;
- ◆ working with disadvantaged communities to build their resilience, give them access to appropriate services and increase their capacity to provide services themselves; and
- ◆ delivering services, programs and assistance to support and strengthen local communities in general.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Department continues to experience high levels of demand for child protection and out-of-home care and expenditure will exceed \$1 billion for the first time in 2005-06.

The number of child protection reports received continues to increase, with 176,271 reports received in 2002-03 and 185,198 in 2003-04. It is estimated that 210,000 will be received in 2004-05, based on data from July to December 2004. During the three years to 30 June 2004, the number of child protection reports increased by 25,000 or 15.6 percent.

This increase is due to increasing social and economic pressure on families; greater community awareness of child abuse and neglect; and the expansion of mandatory reporting in December 2000.

The number of children receiving out-of-home care services is also continuing to rise, although at a much slower rate than in previous years. On 30 June 2004, 10,377 children and young people were in out-of-home care, a 2.8 percent increase on 30 June 2003. It is estimated that 10,600 children and young people will be in out-of-home care on 30 June 2005.

In December 2002, the Government announced the Department would receive additional funding of \$1.2 billion over the following five years (the Funding Package). The Funding Package is providing the necessary resources for the Department to work more efficiently by testing new models of service delivery, reducing the rate of growth in demand for statutory intervention and, together with funded service providers, improving outcomes for those in out-of-home care. By the end of 2004-05 the Department will have received \$319.5 million from this package, including:

- ◆ \$136.6 million to improve the out-of-home care system;
- ◆ \$109.5 million to rebuild the Department's service delivery infrastructure and capacity in research, operational support, staff development and information technology; and
- ◆ \$73.4 million to improve the child protection system, including extra caseworkers and support services and the introduction of an early intervention program to assist vulnerable and at risk families.

Following the April 2004 mini-Budget, the programs which now form the new Communities Division were transferred to the Department with the following funding:

- ◆ \$10.6 million from the Department of Infrastructure, Planning and Natural Resources for the Area Assistance Scheme;
- ◆ \$5.9 million from The Cabinet Office for community-related programs including: Families First; Better Futures; the Aboriginal Child, Youth and Family Strategy; and the Youth Advisory Council; and
- ◆ \$15.4 million from Premier's Department for community-related programs and projects including: Community Solutions; Strengthening Communities; the Redfern/Waterloo Project; the Cabramatta Anti-Drug Strategy and the Cabramatta Project; Youth Partnership; and the Canterbury/Bankstown Place Project.

In January 2005 the Violence Against Women Specialist Unit transferred from the Attorney General's Department to the Department of Community Services. The Unit coordinates the NSW Strategy to Reduce Violence Against Women.

Key results in 2004-05 were:

- ◆ More than 150 new caseworkers were recruited for prevention and early intervention, statutory child protection, and out-of-home care services. This included recruitment for six high needs Community Services Centres including Mt Druitt, St Marys and Campbelltown. These new caseworkers will help to improve services to better meet client needs.
- ◆ The Department received over 600 expressions of interest from Aboriginal potential claimants under the Aboriginal Trust Fund Repayment Scheme. The Department helped develop the processes to identify and claim monies owed. Management of the scheme was transferred to the Premier's Department on 1 February 2005.
- ◆ Nine sites were selected as Enhanced Service Delivery sites in 2004-05: Coffs Harbour, Narrabri, Batemans Bay, Parkes, St George, Wagga, Shellharbour, Broken Hill and Redfern. These sites will deliver the full continuum of prevention, early intervention and child protection services.
- ◆ Two Indigenous Intensive Family Based Services, which aim to help families to keep their children safely at home, opened in Bourke and Dapto, with another to follow soon in Campbelltown. The existing service at Casino received an additional \$0.3 million per annum. Recruitment is underway for an Intensive Family Based Service based in the Arabic Communities Council in Bankstown to serve Sydney's Arabic community.
- ◆ 27 projects, including five new projects, received \$3.7 million under the Early Intervention Program. A further State-wide Expression of Interest commenced in May 2005 and will be completed in late 2005.
- ◆ The Department's Expression of Interest for services for children and young people with high and complex needs will result in five agencies receiving program funding to provide accommodation and support services to up to 260 children/young people. These agencies will provide a mix of residential and specialised foster care placements in seven regions to help to ensure a better match between services and client needs.
- ◆ Resources were developed and training provided to Departmental staff, and a communications strategy commenced for service providers, to enable Children's Services licensees and child care staff to understand and comply with the *Children's Services Regulation 2004*.

- ◆ An Occupational Health and Safety Strategic Plan was put in place from July 2004. A major risk management policy and processes were developed under this plan including: training for managers; basic occupational health and safety awareness training for all staff; and the development of local plans to address identified hazards.

STRATEGIC DIRECTIONS

The department's objectives for the next five years include:

- ◆ major expansion and upgrade of child protection and out-of-home care services, matched to the needs of diverse groups;
- ◆ greater emphasis on prevention and early intervention;
- ◆ delivery of a strategic community-building agenda;
- ◆ better processes and systems to support frontline service delivery;
- ◆ stronger partnerships with other agencies, service providers and peak bodies; and
- ◆ policy-making and service development and delivery based on sound research and analysis, including economic analysis.

The Department's key priorities for 2005-06 are to:

- ◆ work with the non-government sector to build strategically located, high quality, sustainable service delivery models for out-of-home care and early intervention;
- ◆ develop and commence implementation of a comprehensive strategy for working effectively with Indigenous communities;
- ◆ progress the statutory review of the *Children and Young Persons (Care and Protection) Act 1998*;
- ◆ continue to achieve greater operational consistency across the Department and provide staff with appropriate systems and supports; and
- ◆ start to evaluate the effectiveness and efficiency of reforms implemented under the Funding Package.

Significant emphasis will also be placed on: furthering permanency planning for children and young people in out-of-home care; the integration of the Communities Division, while preserving its whole-of-government role; and making knowledge management and business analysis essential parts of the Department's culture.

2005-06 BUDGET

Total Expenses

Total expenses for the Department in 2005-06 are estimated at more than \$1 billion, an increase of \$110.2 million or 12.2 percent on the 2004-05 Budget, largely due to the Funding Package.

Funding in 2005-06 from the Government's 2002 Funding Package totals \$218.6 million, an increase of \$75.6 million on the \$143 million provided in 2004-05. Major initiatives include:

- ◆ an extra \$16.1 million compared with 2004-05 for child protection and early intervention caseworkers and associated professional support staff. This will allow 125 new caseworkers to be employed and will further improve the quality and timeliness of response to reports of children and young people at risk of harm;
- ◆ an extra \$14 million for services to assist vulnerable and at-risk families under the early intervention program including supported playgroups, centre-based childcare, sustained home visiting and parental education; and
- ◆ an extra \$45.5 million for out-of-home care compared with 2004-05, including funding for an additional 25 caseworkers and improved placement options and services available to children and young people who cannot live at home.

The program areas and their forecast expenditure in 2005-06 are:

- ◆ Community Services - \$265.2 million including the Supported Accommodation Assistance Program, Disaster Recovery and the Communities Division;

- ◆ Prevention and Early Intervention - \$186 million to safely divert children and young people away from statutory child protection and support their development while improving their families' capacity to care for them.

In 2004-05, early intervention funding of \$14.6 million was shown under the Community Services program and this is now shown under the Prevention and Early Intervention Services program – Family and Individual Support Grants to better reflect the nature of the services provided;

- ◆ Statutory Child Protection - \$241.1 million to ensure children and young people who need statutory intervention are safe, either at home or in out-of-home care; and
- ◆ Out-of-Home Care - \$321.7 million to provide support, care and stability for children and young people who are unable to live at home.

Capital Expenditure

The Department's \$20.6 million capital program will provide:

- ◆ \$16.2 million for the continued relocation and/or expansion of Community Services Centres to meet the accommodation needs of additional caseworkers and associated staff;
- ◆ \$1.5 million to relocate the Communities Division and the Parramatta and Bankstown offices to head office in Ashfield to promote organisational efficiency; and
- ◆ \$2.9 million for refurbishment, essential maintenance and minor works.

OFFICE OF THE CHILDREN'S GUARDIAN

The Office of the Children's Guardian promotes and safeguards the best interests and rights of children in out-of-home care, and children who are employed by prescribed employers in New South Wales.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Following the proclamation of the out-of-home care provisions of the *Children and Young Persons (Care and Protection) Act 1998* during 2003-04, the Office has continued to operate the Accreditation and Quality Improvement program for designated agencies. During 2004-05, eight agency accreditations were completed, 21 commenced and a further 50 agencies entered the Quality Improvement program.

The Case File Audit program was implemented in 2004-05. The Office conducted 723 audits. The audits are used to monitor compliance with legislation, with the results identifying specific issues for targeted audits. The planning phase of the 2005-06 Case File Audit program has commenced with the implementation phase scheduled to begin on 1 July 2005.

The Office provided employment authorisations to 98 prescribed children's employers during 2004-05. The *Children and Young Persons (Care and Protection – Children Employment) Regulation* was also updated during 2004-05. In response, the Office developed a communication strategy to inform the sector and guidelines for prescribed employers and parents regarding the Regulation and the Code of Practice.

STRATEGIC DIRECTIONS

In 2005-06, the major focus of the Office will be to:

- ◆ improve the quality of care to children in out-of-home care, primarily through the accreditation of designated agencies;
- ◆ develop a clear idea of compliance with legislative requirements through the Case File Audit process; and
- ◆ safeguard the rights of children employed in New South Wales by issuing authorities to prescribed employers and encouraging adherence to the Code of Practice.

2005-06 BUDGET

Total Expenses

The Office's total expenses budget for 2005-06 is estimated at \$3.5 million. This represents a 2.9 percent increase over the 2004-05 Budget.

Capital Expenditure

The total capital allocation for 2005-06 is \$40,000, which will be used for minor enhancements to the Office's information management system and the purchase of minor plant and equipment.

COMMISSION FOR CHILDREN AND YOUNG PEOPLE

The Commission aims to listen to children and young people and promote their interests by working with others in the government and community.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

During 2004-05, the Commission released its report on the “Sudden Unexpected Deaths in Infancy: the New South Wales Experience”, released a further annual report of the Child Death Review Team (CDRT) and continued research into Children in Work. Three new modules for the Commission’s TAKING PARTicipation Seriously resource were developed and released.

The independent review commissioned by the Minister in 2003-04 of the *Commission for Children and Young People Act 1998* and the *Child Protection (Prohibited Employment) Act 1998* was completed.

The pilot program for employment screening of volunteers and student placements continued in 2004-05 including the screening of volunteers in high risk categories with targeted employers. The Commission has developed resources to assist volunteer organisations to become child-safe and child-friendly.

The employment screening functions of the Department of Community Services were transferred to the Commission during 2003-04 and 2004-05 was the first full year of operation of the combined screening unit.

Overall, the Commission’s total 2004-05 expenditure is projected at \$8.4 million.

STRATEGIC DIRECTIONS

In 2005-06, the Commission will focus on assisting:

- ◆ organisations and decision makers to engage children and young people in decision-making;
- ◆ community, opinion leaders and organisations taking action to support and promote children’s and young people’s development and wellbeing; and
- ◆ child related employers and the community adopting practices to keep children and young people safe.

2005-06 BUDGET

Total Expenses

The estimated total expenditure for the Commission in 2005-06 is \$8.4 million which is consistent with total 2004-05 expenditure.

Capital Expenditure

The Commission's capital allocation of \$0.2 million in 2005-06 will allow an upgrade of the Employment Screening System hardware and the purchase of minor plant and equipment.

BUSINESSLINK

NSW Businesslink was established in 2002-03 to provide shared corporate services for the Government's major human services departments, the Departments of Ageing Disability and Home Care, Community Services and Housing.

NSW Businesslink delivers finance, human resources, property and records management and information technology services under an agreement between the three clients. It has been established to support the agencies in their service delivery by providing more efficient and better services through economies of scale, productivity gains and process improvements.

EXPENDITURE TRENDS AND RECENT DEVELOPMENT

For the period ending 30 June 2004, the Department of Housing has been the host agency of NSW Businesslink and all statutory reporting and budgeting had been included within the Department. The estimated total expenses for 2004-05 are \$111.4 million.

From 1 July 2004, NSW Businesslink separated from the Department of Housing. There are now two closely linked entities:

- ◆ NSW Businesslink Pty Ltd is a NSW Government-owned company established under Commonwealth *Corporations Act 2001* whose shareholders are the Treasurer and the Ministers for the participating agencies. The Board comprises the Director-Generals of the three client agencies, an independent Chair and the Managing Director of the company.
- ◆ NSW Businesslink Department employs all staff under the *Public Sector Employment and Management Act 2002*.

The dual arrangement has arisen from the need to give effect to two paramount considerations:

- ◆ to honour the Government's undertaking to staff that they would continue to be employed as public servants; and
- ◆ to establish NSW Businesslink as an entity jointly managed by the three participating agencies so that there could be a genuine ownership and sharing of both risks and benefits.

STRATEGIC DIRECTIONS

In 2005-06, the major focus of NSW Businesslink will be:

- ◆ implementation of product pricing and invoicing;
- ◆ investing in new systems and technology; and
- ◆ achieving gains in productivity and client service.

2005-06 BUDGET

Total Expenses

Total expenses for NSW Businesslink in 2005-06 are estimated at \$109.3 million. This comprises of market competitive shared services delivered to the client agencies, and projects specified in NSW Businesslink's 2005-06 Business Plan to minimise risk and service delivery cost.

Capital Expenditure

NSW Businesslink's 2005-06 capital program of \$14 million will fund the following major initiatives, including:

- ◆ Human Resource, Finance and rostering systems (\$6 million);
- ◆ renewal and rationalisation of information technology servers and infrastructure (\$2 million);
- ◆ records and document management systems (\$4 million); and
- ◆ a Client Portal (\$0.8 million) to integrate Businesslink's systems with those of its clients.

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	223,052	235,039	261,040
Other operating expenses	93,352	89,828	109,404
Maintenance	1,673	1,673	1,673
Depreciation and amortisation	11,000	14,000	15,400
Grants and subsidies	450,512	473,834	491,699
Other expenses	124,153	125,675	134,756
Total Expenses	903,742	940,049	1,013,972
Less:			
Retained Revenue -			
Sales of goods and services	5,100	4,760	3,985
Investment income	930	1,602	952
Grants and contributions	5,734	6,099	7,347
Total Retained Revenue	11,764	12,461	12,284
Gain/(loss) on disposal of non current assets	15,920	15,920	4,520
NET COST OF SERVICES	876,058	911,668	997,168

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	207,283	218,385	240,778
Grants and subsidies	450,512	473,834	491,699
Other	266,352	268,580	297,202
Total Payments	924,147	960,799	1,029,679
Receipts			
Sale of goods and services	5,100	4,760	3,985
Interest	921	1,335	1,277
Other	53,713	57,584	58,777
Total Receipts	59,734	63,679	64,039
NET CASH FLOWS FROM OPERATING ACTIVITIES	(864,413)	(897,120)	(965,640)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	15,920	15,920	4,520
Purchases of property, plant and equipment	(13,693)	(18,693)	(20,593)
NET CASH FLOWS FROM INVESTING ACTIVITIES	2,227	(2,773)	(16,073)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	842,743	858,203	963,849
Capital appropriation	13,693	18,693	20,593
Cash reimbursements from the Consolidated Fund Entity	8,742	12,500	...
Cash transfers to Consolidated Fund	...	(1,387)	...
NET CASH FLOWS FROM GOVERNMENT	865,178	888,009	984,442
NET INCREASE/(DECREASE) IN CASH	2,992	(11,884)	2,729
Opening Cash and Cash Equivalents	17,339	12,129	245
CLOSING CASH AND CASH EQUIVALENTS	20,331	245	2,974
CASH FLOW RECONCILIATION			
Net cost of services	(876,058)	(911,668)	(997,168)
Non cash items added back	24,573	31,615	33,319
Change in operating assets and liabilities	(12,928)	(17,067)	(1,791)
Net cash flow from operating activities	(864,413)	(897,120)	(965,640)

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	20,331	245	2,974
Receivables	7,003	7,570	7,781
Assets held for sale	...	...	9,294
Other	563	568	727
Total Current Assets	27,897	8,383	20,776
Non Current Assets -			
Property, plant and equipment -			
Land and building	60,755	77,143	63,310
Plant and equipment	38,769	35,898	41,769
Intangibles	...	...	3,822
Total Non Current Assets	99,524	113,041	108,901
Total Assets	127,421	121,424	129,677
LIABILITIES -			
Current Liabilities -			
Payables	4,361	4,213	5,487
Provisions	19,183	19,598	16,413
Total Current Liabilities	23,544	23,811	21,900
Non Current Liabilities -			
Provisions	...	...	4,732
Total Non Current Liabilities	...	...	4,732
Total Liabilities	23,544	23,811	26,632
NET ASSETS	103,877	97,613	103,045
EQUITY			
Reserves	44,394	47,851	47,851
Accumulated funds	59,483	49,762	55,194
TOTAL EQUITY	103,877	97,613	103,045

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

26.1 Child, Family and Community Services

26.1.1 Community Services

Program Objective(s): To strengthen communities and to support individual clients to overcome crises and/or resume self-sufficient living.

Program Description: Provide transitional support and accommodation services to children, young people and adults who are homeless or at risk of homelessness. Co-ordinate and provide immediate and long-term disaster welfare assistance to families and communities that experience disadvantage due to natural and other disasters. Plan and monitor funding to non-government agencies to deliver a range of support services to communities, children, young people and families across New South Wales.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Clients receiving assistance under the Supported Accommodation Assistance Program	thous	26	25	25	25
Clients of the Supported Accommodation Assistance Program who return to a SAAP service within 12 months of exit	%	23	24	24	24
<u>Average Staffing</u> :*	EFT	40	40	100	104
<hr/>					
		———2004-05———			2005-06
		Budget	Revised		Budget
		\$000	\$000		\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related		7,413	8,140	8,654
Other operating expenses		1,608	3,114	3,776
Maintenance		16	58	58
Depreciation and amortisation		120	486	535
Grants and subsidies				
Area assistance scheme		9,746	9,574	9,650
Community development		47,182	45,415	48,543
Refuges for men, women, youth, children and intoxicated persons		112,866	112,586	114,241

* The increase in 2004-05 reflects the transfer of Communities Division staff to the Department.

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

26.1 Child, Family and Community Services

26.1.1 Community Services (cont)

OPERATING STATEMENT (cont)

Early childhood projects	5,317	5,317	5,519
Community youth projects and adolescent support programs	19,281	19,369	20,055
Family and individual support	63,584	49,359	52,446
Grants to agencies	98	144	84
Capital grant to Businesslink	779	987	189
Disaster welfare relief	1,400	3,600	1,400
Total Expenses	269,410	258,149	265,150
Less:			
Retained Revenue -			
Sales of goods and services			
Recoupment of administration costs	...	165	139
Investment income	180	55	33
Grants and contributions	2,123	2,761	3,783
Total Retained Revenue	2,303	2,981	3,955
NET COST OF SERVICES	267,107	255,168	261,195
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CAPITAL EXPENDITURE	80	1,338	1,372

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

26.1 Child, Family and Community Services

26.1.2 Prevention and Early Intervention Services

Program Objective(s): To strengthen families and communities and manage demand for child protection services, by providing services that promote the safety and wellbeing of children and young people (prevention) and that give more intensive support to families where children may be at risk (early intervention).

Program Description: Plan for and provide funds towards the delivery of early childhood and related services for children, including licensing and monitoring of child care services. Provide support for community development and support services (especially for families and young children) and administer concessions.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
No. of licensed children's services	thous	3	3	3	3
Total licensed places in children's services	thous	122	128	132	136
Total DoCS-funded child care places per day (excluding vacation care)	thous	46	46	46	46
Average Staffing:	EFT	314	319	355	373

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	26,806	28,894	31,182
Other operating expenses	11,833	11,057	13,425
Maintenance	132	206	206
Depreciation and amortisation	958	1,723	1,895
Grants and subsidies			
Pre-schools and day care centres	91,232	91,154	93,584
Vacation care	2,549	2,549	2,646
Family and individual support	...	6,495	38,003
Grants to agencies	356	522	337
Capital grant to Businesslink	2,848	3,609	690
Other expenses			
Financial assistance for vulnerable families	4,039	3,788	4,039
Total Expenses	140,753	149,997	186,007

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

26.1 Child, Family and Community Services

26.1.2 Prevention and Early Intervention Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Recoupment of administration costs	713	586	494
Investment income	457	197	119
Grants and contributions	110	181	130

Total Retained Revenue	1,280	964	743
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NET COST OF SERVICES	139,473	149,033	185,264
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CAPITAL EXPENDITURE	280	636	426
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**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

26.1 Child, Family and Community Services

26.1.3 Statutory Child Protection

Program Objective(s): To respond to reports of child abuse and neglect to ensure that children and young people are protected from further risk of harm.

Program Description: Respond to reports of child abuse and neglect; assess and investigate reports; develop case plans; initiate and support court action; and work with other agencies to ensure that the safety, welfare and wellbeing of children are assured.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Children receiving protective services	thous	45	47	53	58
Total number of children for whom the Department receives reports, under the age of 18 at time of report	thous	89	94	106	117
Reports concerning children and young people	thous	176	185	210	230
<u>Average Staffing</u> :	EFT	1,293	1,501	1,690	1,853

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	131,718	137,755	154,976
Other operating expenses	56,634	52,638	64,199
Maintenance	1,224	980	980
Depreciation and amortisation	4,457	8,204	9,024
Grants and subsidies			
Child protection	3,568	3,584	3,711
Grants to agencies	1,616	2,369	1,656
Capital grant to Businesslink	12,883	16,322	3,121
Other expenses			
Financial assistance for vulnerable families	3,666	3,439	3,421
Total Expenses	215,766	225,291	241,088

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

26.1 Child, Family and Community Services

26.1.3 Statutory Child Protection (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Recoupment of administration costs	3,572	2,789	2,329
Investment income	215	939	553
Grants and contributions	1,440	1,464	1,212

Total Retained Revenue	5,227	5,192	4,094
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NET COST OF SERVICES	210,539	220,099	236,994
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CAPITAL EXPENDITURE	7,180	9,938	10,478
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**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

26.1 Child, Family and Community Services

26.1.4 Out-of-Home Care

Program Objective(s): To provide children and young people with a safe, stable, culturally appropriate environment in which they can develop optimally when they cannot live at home. To restore them successfully to their homes where this option is viable.

Program Description: Provide a range of out-of-home care options, such as foster care and kinship care for children separated from their parents; monitor and review placements; recruit and support carers. Facilitate the restoration of children to their usual carers where appropriate. Provide support to young people who are leaving or who have exited out-of-home care. Provide and regulate adoption services. Plan and monitor funding to non-government organisations to deliver a range of accommodation and support services to children and young people in care across New South Wales. Oversee the care of children with complex needs.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Children receiving out-of-home care services	thous	14	15	16	16
Children in out-of-home care at year end	thous	10	10	11	11
<u>Average Staffing</u> :	EFT	516	651	739	791

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	57,115	60,250	66,228
Other operating expenses	23,277	23,019	28,004
Maintenance	301	429	429
Depreciation and amortisation	5,465	3,587	3,946
Grants and subsidies			
Community based residential care	68,747	92,552	93,704
Grants to agencies	720	1,055	730
Capital grant to Businesslink	5,740	7,272	1,390

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

26 DEPARTMENT OF COMMUNITY SERVICES

26.1 Child, Family and Community Services

26.1.4 Out-of-Home Care (cont)

OPERATING STATEMENT (cont)

Other expenses			
Child support allowances and associated expenses for foster care	109,314	111,314	119,948
Crisis care allowance	6,809	6,809	7,013
Family group homes	325	325	335
Total Expenses	277,813	306,612	321,727
Less:			
Retained Revenue -			
Sales of goods and services			
Recoupment of administration costs	815	1,220	1,023
Investment income	78	411	247
Grants and contributions	2,061	1,693	2,222
Total Retained Revenue	2,954	3,324	3,492
Gain/(loss) on disposal of non current assets	15,920	15,920	4,520
NET COST OF SERVICES	258,939	287,368	313,715
<hr/>			
CAPITAL EXPENDITURE	6,153	6,781	8,317

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

27 OFFICE OF THE CHILDREN'S GUARDIAN

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	1,801	2,160	2,119
Other operating expenses	1,409	1,066	1,248
Maintenance	34	34	31
Depreciation and amortisation	190	190	130
Total Expenses	3,434	3,450	3,528
Less:			
Retained Revenue -			
Sales of goods and services	100	100	100
Investment income	21	21	21
Total Retained Revenue	121	121	121
Gain/(loss) on disposal of non current assets	...	(7)	...
NET COST OF SERVICES	3,313	3,336	3,407

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

27 OFFICE OF THE CHILDREN'S GUARDIAN

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	1,636	1,955	1,928
Other	1,466	1,083	1,307
Total Payments	3,102	3,038	3,235
Receipts			
Sale of goods and services	100	100	100
Interest	21	21	21
Other	4	(19)	28
Total Receipts	125	102	149
NET CASH FLOWS FROM OPERATING ACTIVITIES	(2,977)	(2,936)	(3,086)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(40)	(55)	(40)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(40)	(55)	(40)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	2,943	2,959	3,094
Capital appropriation	40	40	40
Cash reimbursements from the Consolidated Fund Entity	42	45	...
Cash transfers to Consolidated Fund	...	(100)	...
NET CASH FLOWS FROM GOVERNMENT	3,025	2,944	3,134
NET INCREASE/(DECREASE) IN CASH	8	(47)	8
Opening Cash and Cash Equivalents	555	372	325
CLOSING CASH AND CASH EQUIVALENTS	563	325	333
CASH FLOW RECONCILIATION			
Net cost of services	(3,313)	(3,336)	(3,407)
Non cash items added back	336	376	321
Change in operating assets and liabilities	...	24	...
Net cash flow from operating activities	(2,977)	(2,936)	(3,086)

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

27 OFFICE OF THE CHILDREN'S GUARDIAN

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	563	325	333
Receivables	50	58	58
Other	23	23	23
Total Current Assets	636	406	414
Non Current Assets -			
Property, plant and equipment - Plant and equipment	206	188	98
Total Non Current Assets	206	188	98
Total Assets	842	594	512
LIABILITIES -			
Current Liabilities -			
Payables	63	120	120
Provisions	149	138	138
Total Current Liabilities	212	258	258
Non Current Liabilities -			
Provisions	28	46	46
Total Non Current Liabilities	28	46	46
Total Liabilities	240	304	304
NET ASSETS	602	290	208
EQUITY			
Accumulated funds	602	290	208
TOTAL EQUITY	602	290	208

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

27 OFFICE OF THE CHILDREN'S GUARDIAN

27.1 Office of the Children's Guardian

27.1.1 Office of the Children's Guardian

Program Objective(s): To promote the best interests and rights of all children and young people in out-of-home care. To promote the welfare of children employed in the entertainment industry, exhibitions, still photography and door-to-door sales.

Program Description: Accredite and monitor designated agencies, audit case files, issue authorities to employ.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Accreditations commenced	no.	32	23	21	9
Accreditations Completed	no.	...	1	8	10
Quality Improvement Participation	no.	...	23	50	45
Case File Audit	no.	n.a.	n.a.	723	500
Information Sessions	no.	43	20	5	20
Procedures and guidelines published	no.	5	5	5	5
Authorised employers	no.	n.a.	195	98	100
<u>Average Staffing:</u>	EFT	15	16	19	20

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,801	2,160	2,119
Other operating expenses	1,409	1,066	1,248
Maintenance	34	34	31
Depreciation and amortisation	190	190	130
Total Expenses	3,434	3,450	3,528

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

27 OFFICE OF THE CHILDREN'S GUARDIAN

27.1 Office of the Children's Guardian

27.1.1 Office of the Children's Guardian (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services

Minor sales of goods and services

Investment income

100

100

100

21

21

21

Total Retained Revenue

121

121

121

Gain/(loss) on disposal of non current assets

...

(7)

...

NET COST OF SERVICES

3,313

3,336

3,407

CAPITAL EXPENDITURE

40

55

40

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

28 COMMISSION FOR CHILDREN AND YOUNG PEOPLE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	3,495	3,722	4,060
Other operating expenses	3,831	3,818	3,628
Maintenance	113	98	98
Depreciation and amortisation	273	273	273
Grants and subsidies	568	453	385
Total Expenses	8,280	8,364	8,444
Less:			
Retained Revenue -			
Sales of goods and services	...	32	...
Investment income	18	46	30
Other revenue	60	50	60
Total Retained Revenue	78	128	90
NET COST OF SERVICES	8,202	8,236	8,354

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

28 COMMISSION FOR CHILDREN AND YOUNG PEOPLE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	3,262	3,460	3,750
Grants and subsidies	568	453	385
Other	4,198	4,407	4,021
Total Payments	8,028	8,320	8,156
Receipts			
Interest	18	56	30
Other	312	194	317
Total Receipts	330	250	347
NET CASH FLOWS FROM OPERATING ACTIVITIES	(7,698)	(8,070)	(7,809)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(177)	(177)	(174)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(177)	(177)	(174)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	7,799	7,799	7,966
Capital appropriation	177	177	174
Cash reimbursements from the Consolidated Fund Entity	149	148	...
NET CASH FLOWS FROM GOVERNMENT	8,125	8,124	8,140
NET INCREASE/(DECREASE) IN CASH	250	(123)	157
Opening Cash and Cash Equivalents	719	1,042	919
CLOSING CASH AND CASH EQUIVALENTS	969	919	1,076
CASH FLOW RECONCILIATION			
Net cost of services	(8,202)	(8,236)	(8,354)
Non cash items added back	462	498	583
Change in operating assets and liabilities	42	(332)	(38)
Net cash flow from operating activities	(7,698)	(8,070)	(7,809)

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

28 COMMISSION FOR CHILDREN AND YOUNG PEOPLE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	969	919	1,076
Receivables	166	69	108
Other	33	...	...
Total Current Assets	1,168	988	1,184
Non Current Assets -			
Property, plant and equipment - Plant and equipment	460	688	589
Total Non Current Assets	460	688	589
Total Assets	1,628	1,676	1,773
LIABILITIES -			
Current Liabilities -			
Payables	405	268	267
Provisions	268	271	272
Other	...	209	209
Total Current Liabilities	673	748	748
Non Current Liabilities -			
Provisions	...	13	14
Total Non Current Liabilities	...	13	14
Total Liabilities	673	761	762
NET ASSETS	955	915	1,011
EQUITY			
Accumulated funds	955	915	1,011
TOTAL EQUITY	955	915	1,011

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

28 COMMISSION FOR CHILDREN AND YOUNG PEOPLE

28.1 Commission for Children and Young People

28.1.1 Commission for Children and Young People

Program Objective(s): To promote and enhance the safety, welfare and wellbeing of children and young people in the community, and encourage their participation in decisions that affect their lives.

Program Description: Undertake inquiries; promote, conduct and monitor research, training and community education; provide information and advice to assist children; monitor the wellbeing of children; and provide advice on services, policies and practices that affect children and young people. Participate in and monitor employment screening procedures for child related employment. Administer a voluntary accreditation scheme for persons working with persons who have committed sexual offences against children.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Inquiries completed	no.	1	...	...	...
Employment screens completed	no.	22,000	43,645	82,000	81,000
Counsellor Accreditations granted	no.	21	41	50	55
Reports and guidelines published	no.	5	10	9	4
Training courses and seminars conducted	no.	18	14	15	17
Research projects completed	no.	3	2	3	2
<u>Average Staffing:</u>	EFT	35	43	42	43

———2004-05———		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	3,495	3,722	4,060
Other operating expenses	3,831	3,818	3,628
Maintenance	113	98	98
Depreciation and amortisation	273	273	273
Grants and subsidies			
Grants to organisations	568	453	385
Total Expenses	8,280	8,364	8,444

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

28 COMMISSION FOR CHILDREN AND YOUNG PEOPLE

28.1 Commission for Children and Young People

28.1.1 Commission for Children and Young People (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Publication sales	...	2	...
Minor sales of goods and services	...	30	...
Investment income	18	46	30
Other revenue	60	50	60
Total Retained Revenue	78	128	90
NET COST OF SERVICES	8,202	8,236	8,354

CAPITAL EXPENDITURE	177	177	174
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**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH**

BUSINESSLINK

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	82,663	83,476	86,592
Investment income	380	865	369
Grants and contributions	22,250	29,222	5,390
Other revenue	3,272	3,380	3,693
Total Retained Revenue	108,565	116,943	96,044
Less:			
Expenses -			
Operating Expenses -			
Employee related	63,772	60,380	63,583
Other operating expenses	27,810	44,206	26,477
Maintenance	...	115	...
Depreciation and amortisation	9,219	6,000	16,663
Borrowing costs	2,113	655	2,549
Total Expenses	102,914	111,356	109,272
Gain/(loss) on disposal of non current assets	...	(7)	...
SURPLUS/(DEFICIT)	5,651	5,580	(13,228)

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH
BUSINESSLINK**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	82,663	83,476	86,592
Interest	380	865	369
Other	42,724	55,485	16,656
Total Receipts	125,767	139,826	103,617
Payments			
Employee Related	63,772	66,374	67,102
Finance costs	2,051	479	2,515
Other	43,740	74,062	38,359
Total Payments	109,563	140,915	107,976
NET CASH FLOWS FROM OPERATING ACTIVITIES	16,204	(1,089)	(4,359)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	50	...
Purchases of property, plant and equipment	(32,194)	(40,395)	(12,043)
Other	...	20,258	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(32,194)	(20,087)	(12,043)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	31,306	32,590	10,585
NET CASH FLOWS FROM FINANCING ACTIVITIES	31,306	32,590	10,585
NET INCREASE/(DECREASE) IN CASH	15,316	11,414	(5,817)
Opening Cash and Cash Equivalents	...	...	11,414
CLOSING CASH AND CASH EQUIVALENTS	15,316	11,414	5,597
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	5,651	5,580	(13,228)
Non cash items added back	9,219	6,000	16,663
Change in operating assets and liabilities	1,334	(12,669)	(7,794)
Net cash flow from operating activities	16,204	(1,089)	(4,359)

**MINISTER FOR COMMUNITY SERVICES AND MINISTER FOR
YOUTH
BUSINESSLINK**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	15,316	11,414	5,597
Receivables	...	1,566	7,545
Other	...	6,324	8,379
Total Current Assets	15,316	19,304	21,521
Non Current Assets -			
Property, plant and equipment -			
Land and building	...	3,639	3,566
Plant and equipment	24,741	44,110	15,975
Intangibles	...	...	25,564
Total Non Current Assets	24,741	47,749	45,105
Total Assets	40,057	67,053	66,626
LIABILITIES -			
Current Liabilities -			
Payables	3,100	1,398	5,148
Provisions	...	5,083	4,872
Total Current Liabilities	3,100	6,481	10,020
Non Current Liabilities -			
Interest bearing	31,306	32,590	43,175
Provisions	...	9,761	8,438
Total Non Current Liabilities	31,306	42,351	51,613
Total Liabilities	34,406	48,832	61,633
NET ASSETS	5,651	18,221	4,993
EQUITY			
Accumulated funds	5,651	18,221	4,993
TOTAL EQUITY	5,651	18,221	4,993

MINISTER FOR EDUCATION AND TRAINING

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Education and Training			
Total Expenses	9,163.5	9,567.0	4.4
Capital Expenditure	447.2	482.0	7.8
Office of the Board of Studies			
Total Expenses	93.7	95.8	2.2
Capital Expenditure	0.7	0.5	-28.6
Total, Minister for Education and Training			
Total Expenses	9,257.2	9,662.8	4.4
Capital Expenditure	447.9	482.5	7.7

DEPARTMENT OF EDUCATION AND TRAINING

The Department of Education and Training provides an integrated education and training system to meet the life-long learning needs of the people of New South Wales. Efforts are focused on:

- ◆ achieving excellence in education and training outcomes for all students;
- ◆ providing students with the foundations for lifelong learning;
- ◆ improving the quality of teaching and learning;
- ◆ improving transitions through school to work and further education; and
- ◆ providing the skills and values for innovation, growth, prosperity and social cohesion.

Key priorities in education and training for 2005-06:

- ◆ All children will get the best possible start in school. This will be achieved through initiatives such as the reduction in class sizes in the early years of school, the building of new public pre-schools, comprehensive early literacy and numeracy initiatives and Australia's most comprehensive testing program.

- ◆ Support will be provided for the provision of high quality teaching across the State. This will be achieved through the implementation of professional teaching standards, significant enhancements to school-based professional development and specific initiatives to attract and retain teachers.
- ◆ Schools will be further enhanced to ensure they are safe and productive learning environments. Student behaviour and discipline will be more effectively managed and school security initiatives will continue.
- ◆ Technology based learning will be further improved. Investment in professional development, system improvements and further development of information and communications technology infrastructure in schools and TAFE NSW campuses will continue.
- ◆ Resources will be directed to students and communities with education and training outcomes below the State average. This includes funding of specific programs and through major initiatives such as the class size reduction program. The class size reduction program is being implemented in schools in the most disadvantaged communities as a priority.
- ◆ Additional resources will be allocated to improve the educational outcomes of Aboriginal students. New initiatives include the provision of individualised learning plans for students, increased access to pre-schools and enhanced professional development for staff working with Aboriginal students.
- ◆ There will be continued improvement of Government schools and TAFE campuses through new capital works and maintenance.
- ◆ Strategies to improve student retention and attainment within schools and to improve outcomes in vocational education and training and other post-school pathways will continue.

SCHOOL EDUCATION SERVICES

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Department provides education services to all school students in New South Wales. For public school students these encompass core, equity and strategic education services for pre-school, primary and secondary education. This reflects general education provision and services to address the range of identified equity groups.

Expenses for government pre-school, primary and secondary education programs are estimated at \$7,206 million in 2005-06, an increase of \$315 million on the 2004-05 budget.

The Non-Government School Assistance program provides financial support of \$698 million in 2005-06 to non-government schools. This represents an increase of \$38 million compared to the 2004-05 Budget.

In relation to the Non-Government School Assistance program, it has been determined that in 2005-06, funding for secondary textbooks will now form part of Non-Government School per capita grant payments, which are calculated on the basis of 25 percent of the equivalent cost of educating students in Government schools.

Recent initiatives include:

Class Size Reductions in the Early Years of Schooling

Funding of \$583 million, including recurrent funding of \$476 million over the next four years and capital funding of \$107 million for additional classrooms is being provided to continue the class size reduction program. This initiative is being delivered in stages, having commenced in 2004 with the reduction in Kindergarten class sizes for students enrolled in disadvantaged schools.

In 2005, all Kindergarten class sizes have been reduced to a State-wide average of 20 students with disadvantaged schools progressing to a Year 1 State-wide average of 22 students.

Enhanced Teacher Professional Development

This initiative provides funding of \$146 million over four years to significantly enhance teacher professional development. Approximately \$16 million has been provided to government schools in Term 1, 2005 under the Professional Learning Policy for Schools. A similar level of funding will be allocated to government schools in Term 3, 2005. Schools have also been provided with the policy framework and associated accountability requirements for the administration of these funds.

Of the above funding, \$3 million will be used annually to target a range of professional learning purposes to meet specific needs of teachers or groups of teachers.

Behaviour and Discipline

Funding of \$13.6 million over the next four years is being spent on 20 new suspension centres to provide a wider range of support options for students with disruptive behaviour.

In 2005 funding is being provided to those regions where new suspension centres will be piloted to commence the development and implementation of suspension centre programs. These funds are being used to employ appropriately trained teaching and support staff and purchase associated materials.

STRATEGIC DIRECTIONS

The Department of Education and Training implements the strategic directions outlined in plans for NSW government schools, TAFE NSW, vocational education and training services, adult and community education and the Adult Migrant English Service. These plans reflect the NSW Government's commitment to public education and training.

The Department's 2005-06 budget allocates resources for initiatives which support existing services, strengthen the provision of public education and achieve the best outcomes for all students.

Better Literacy and Numeracy Outcomes for all Students

Over the next four years over \$538 million will be allocated to the Department's Literacy and Numeracy Strategy.

Literacy and numeracy programs such as *Reading Recovery* and *Count Me in Too* will continue to provide essential support in the early years of schooling to ensure all students have sufficient basic skills to underpin success in later years. Programs such as the online discussion of books through *Book Raps* will be extended across the State through the availability of expanded network bandwidth.

New South Wales has Australia's most rigorous program of assessment which carefully monitors the progress of each student through each stage of schooling. This ranges from the Basic Skills Test in Year 3 to the Higher School Certificate in Year 12. This program will be further enhanced through the introduction in 2007 of Science testing for all Year 8 students in government schools.

The success of the Department's programs is evident in the State's strong performance in national and international assessments of literacy and numeracy standards.

Support for students with special needs

In order to better support the needs of students with special learning needs more than 660 new teachers' aides will be employed over three years. This will strengthen the support available to students attending special schools and for students in special classes in regular schools. When the proposal is fully implemented in 2007 every special class of students with intellectual and physical disabilities will have a teacher aide.

An extra \$10.6 million will be provided in 2005-06 for this purpose, with a total of \$56.8 million being provided over the next four years.

In 2004-05 additional funding of \$10 million was provided to assist with the integration of students with a disability into mainstream classes. From 2005-06, further funding of \$8.8 million will be provided bringing the additional funding to \$18.8 million per year. This funding will ensure that students receive appropriate support to meet their additional learning needs.

Aboriginal Education

An additional \$53 million has been allocated over the next four years to support a range of initiatives designed to improve learning outcomes for Aboriginal school students. These initiatives include individualised learning plans, teacher incentive packages, curriculum revision and extended student assessment and testing.

This follows the release of the *Report of the Review of Aboriginal Education*, which has confirmed that while many Aboriginal students achieve outstanding results, it is also clear that average measures of performance indicate a significant gap still exists between Aboriginal students and their non-Aboriginal peers.

The Government is committed to overcoming the multiple disadvantages facing Aboriginal students, and supports the recommendations contained in the Report which are aimed at developing flexible, innovative approaches to meeting the diverse learning needs of Aboriginal students.

High Quality Teaching and Professional Standards, Improved Teacher Recruitment, Retention and Retraining

A number of initiatives are focused on ensuring that NSW schools have the highest teaching standards in Australia. Over the next four years \$250 million will be allocated specifically to initiatives which enhance the quality of teaching, including increased support for teacher professional development.

A significant priority will be the implementation of professional standards and teacher accreditation processes to enhance the quality and status of teachers and the teaching profession.

Isolated and hard-to-staff schools will continue to benefit from initiatives introduced to attract and retain teachers, such as teaching scholarships and rental subsidies.

Reduced Class Sizes in Kindergarten to Year 2

The first three years of schooling are critical in laying the foundations for success at school. The Government has made a key commitment to significantly reduce class sizes from Kindergarten to Year 2. The investment in class size reduction will include a total of \$107 million for additional classrooms as well as \$476 million for additional teachers over the next four years.

By 2007 class sizes will be reduced to a State-wide average of 20 in Kindergarten, 22 in Year 1 and 24 in Year 2. Class size reductions began in 2004 for schools serving the most disadvantaged communities.

Higher Levels of Safety and Security for Staff and Students

The Government will continue to increase the safety and security of staff, students and school property in public schools, with a further \$55 million to be provided over the next four years. This includes the provision of security patrols, security fencing and new and upgraded security alarms being provided to at-risk schools.

Behaviour and Discipline

Over the next four years \$60 million will be allocated to improving the range of placement and support options for disruptive students. Eight new behaviour schools and seven new tutorial centres will be established by 2007. This will bring the total number of behaviour schools to 35 and tutorial centres to 40. Additional specialist teacher positions will be established to assist schools to manage difficult students.

Improved Technology Based Learning and Infrastructure

New South Wales leads Australia through its investment in information and communications technology in schools. The next four years provides \$942 million for technology. The major initiatives include:

- ◆ \$556 million for the continuing Technology for Learning program. This includes the provision of internet services and technology support in schools and capital funding for new computers;

- ◆ \$155 million for the network bandwidth initiative. Under this initiative, bandwidth has been progressively upgraded in schools and TAFE NSW colleges, using both Government owned infrastructure and a range of telecommunication carriers;
- ◆ \$76 million for e-learning accounts for staff and students in schools and TAFE NSW colleges; and
- ◆ \$155 million for other technology infrastructure projects and initiatives across the education system.

Higher Quality Learning Environments

The Government will continue its significant investment in the expansion and upgrading of school accommodation and other capital expenditure, through the four year \$1.4 billion Schools Improvement Package. School maintenance expenditure in 2005-06 will be \$194 million to maintain school learning environments.

For many students public pre-schools underpin a successful transition to school which in turn supports later learning. Early learning is being supported through the establishment of 21 new public pre-schools which commenced in Term 1, 2005. This initiative brings to 100 the total number of government pre-schools.

Improved Retention in Schools and Improved Vocational Education and Training and Employment Outcomes

A key focus of the Department's strategic directions is to improve retention rates in schools and to provide young people with the basic skills and experience needed to make successful transitions from school to vocational education and training, higher education and employment. This includes:

- ◆ providing linkages and transition programs at critical transition points;
- ◆ improving access to Vocational Education and Training (VET) in Schools Programs for young people at risk of leaving school early; and
- ◆ increasing articulation and credit transfer arrangements between schools, TAFE and Universities.

Improved Service Delivery

The Department is committed to improved service delivery and creating a dynamic and responsive system of public education. Improved Department efficiency is being achieved by streamlining central, regional and corporate administrative services and through implementation of the shared Corporate Services Strategy.

2005-06 BUDGET

Total Expenses

Total expenses on school education services for 2005-06 are estimated at \$7,206 million. This represents an increase of \$315 million, or 4.6 percent on last year's budget.

Key initiatives include:

- ◆ additional funding of \$53 million over four years, for programs to improve educational outcomes for Aboriginal students;
- ◆ additional funding of \$130 million over four years to improve support for students in special schools, special classes in regular schools and integration of students with special needs into mainstream classes;
- ◆ \$538 million over four years for the State Literacy and Numeracy Plan, with \$117 million to be spent in 2005-06;
- ◆ \$476 million over four years to progressively reduce class sizes in government schools for students enrolled in Kindergarten to Year 2;
- ◆ \$250 million over the next four years to increase the quality of teaching in government schools, ensure an adequate supply of teachers in key learning areas and enhance teacher professional development;
- ◆ \$695 million over four years for technology initiatives:
 - \$421 million for the *Technology for Learning* program, which includes delivering 100,000 new high-speed computers to schools and 129 additional IT support staff to provide technical help in classrooms (purchase of new computers in this area is now reflected under capital expenditure);
 - \$155 million to continue the upgrade of access to the internet via improved bandwidth to schools and colleges;
 - \$76 million for provision of email and a range of other e-services for students and teachers in government schools and TAFE NSW colleges; and
 - \$43 million for other technology initiatives.

- ◆ Some \$300 million in 2005-06 for global allocations to government schools. This funding includes over \$10 million for the government initiative introduced in 2002-03 to increase global allocations to government schools that have specific local needs; and
- ◆ \$60 million over four years to continue to provide a wider range of placement and support options for students with disruptive behaviour, including \$13.6 million for 20 new suspension centres.

CAPITAL EXPENDITURE

Schools

Capital funding for school education provides for the construction of new and replacement schools, construction of additional facilities at existing schools and the upgrading of buildings to modern standards. The cost of sites for new schools, furniture and equipment and major information and communications technology projects are also funded under this program.

Over \$390 million is to be spent in 2005-06 on the construction and enhancement of school facilities. This is part of the four year \$1.4 billion Schools Improvement Package, which will not only provide for a significant upgrade of school accommodation, but will also provide for a major expansion of internet services for staff and students.

A new Public Private Partnership project is being tendered in 2005 for the design, construction and facilities management of nine new schools in urban growth areas of New South Wales. The first schools at Ashtonfield and Hamlyn Terrace are intended to be ready for operation in January 2007 with successive schools opening in January 2008 and 2009. This project builds on the existing nine Public Private Partnership schools which are now operational.

This year's program provides for:

- ◆ the commencement of two new schools at Second Pond's Creek and St Marys;
- ◆ the commencement of 18 other major new works projects including the upgrading of facilities at Buladelah, Concord West, Mullumbimby, Strathfield and Ulladulla;
- ◆ the continuation of a \$107 million program over four years for the provision of accommodation at schools to meet the Government's commitment to lower class sizes;

- ◆ the continuation of work on more than 58 projects commenced in previous years, including staged work, upgrades and redevelopments at Banora Point High School, Bega High School, Harbord Public School, Jindabyne Central School, Merimbula Public School, Strathfield Girls High School, Tuggerah Lakes Secondary College and Vardys Road Public School;
- ◆ \$8.3 million for the continuation of the Revitalisation of Inner Sydney Schools program at Rose Bay Secondary College and the Sydney Secondary College campus at Leichhardt; and
- ◆ continuing to increase the capacity of the communications network to support online learning and teaching programs in schools and TAFE colleges. The Government's aim is to provide internet services and products to all staff and students, including email accounts. Other information technology related projects costing \$40 million over four years will be commenced.

TAFE AND RELATED SERVICES

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

TAFE NSW is the largest supplier of workforce training in Australia at a time of significant technological change in business, industry and government enterprises. TAFE NSW has an ongoing commitment to ensure programs and services respond to industry and community needs. TAFE NSW is also committed to improving access to education and training through the provision of targeted programs and services for equity groups and more flexible delivery options for students (including workplace learning and online learning).

New South Wales is currently experiencing a significant skills and labour shortage. As a result, TAFE NSW programs and services are in strong demand. It is responding to this demand by increasing the number of student places and adapting its delivery profile to align with skill shortage areas. In addition, TAFE NSW is now delivering a range of programs designed to meet the changing skill requirements. This is due to the need for NSW businesses to be competitive in the global economy and the emerging skill needs of new industries such as biotechnology.

In regional areas TAFE NSW plays a major role in supporting the economic development of local communities. The availability of a skilled workforce in regional areas is essential if these areas are to attract and retain industry.

All TAFE NSW Institutes have achieved certification under the internationally recognised quality improvement framework ISO 9001:2000 and are Registered Training Organisations (RTOs) within the Australian Quality Training Framework (AQTF). TAFE NSW is a Delegated Registration and Accreditation Authority under the AQTF. This status gives TAFE NSW the authority to accredit and register its own courses. TAFE NSW enhances its vocational education and training provision through a range of industry related training programs, projects and strategies, including customised industry training and TAFE Plus programs for specific skills development needs.

STRATEGIC DIRECTIONS

The TAFE NSW strategic directions and priorities for 2005 are based on:

- ◆ achieving excellence in education and training outcomes;
- ◆ improving the quality of teaching and learning;
- ◆ improving transitions through schools to work and further education; and
- ◆ providing the skills and values for innovation, growth, prosperity and social cohesion.

2005-06 BUDGET

Total Expenses

TAFE and related services

Total expenses in 2005-06 on TAFE NSW and related services are estimated at \$1,663 million, an increase of \$50 million or 3.1 percent on the 2004-05 budget. This includes an additional \$4.6 million for specific initiatives to address skills shortages.

Major activities to be undertaken by TAFE during 2005-06 include:

- ◆ meeting the increased demand for apprentice and trainee places in TAFE programs to address skill shortages, provide a skilled workforce for New South Wales and assist the State to maintain its competitive edge;
- ◆ provide \$2 million to establish TradeStart - a 12 month pilot scheme in which 450 apprentices will be able to do their first year of TAFE training in 16 weeks before they start work;
- ◆ provide additional travel support for the 5,000 apprentices from rural and regional New South Wales by doubling their overnight accommodation allowance from \$14 to \$28 per day at an additional cost of \$1.6 million;

- ◆ invest an additional \$1 million in group training to deliver an additional 800 apprentices for small businesses, rural, regional and disadvantaged communities;
- ◆ responding to the recommendations of the Aboriginal Education Review and continuing to increase participation and completion rates in technical and further education by Aboriginal and Torres Strait Islanders and other disadvantaged peoples from our diverse ethnic community;
- ◆ working with the business community to provide up-to-date, innovative and relevant training programs that meet their needs for a literate and skilled workforce;
- ◆ enhancing the opportunities for school students to undertake part of their studies in TAFE colleges providing a wider and enriched curriculum for these students and advanced standing in TAFE accredited programs; and
- ◆ continuing the development of online learning programs to provide a flexible learning environment across New South Wales that will be of particular benefit for country and other distance education students.

Capital Expenditure

TAFE and related services

The TAFE NSW capital program for 2005-06 is more than \$84 million. This program provides for the commencement of 12 new major projects in 2005-06, including facilities at Bankstown, Cooma, Griffith, North Sydney, Port Macquarie, Richmond and Tamworth. Work will continue on 17 major projects commenced in previous years at an estimated total cost of around \$98 million. This includes projects at Armidale, Bankstown, Mount Druitt, Ultimo, Wauchope and Wollongong.

OFFICE OF THE BOARD OF STUDIES

The Office of the Board of Studies provides professional and administrative support to the Minister for Education and Training and the Board of Studies for their respective functions under the *Education Act 1990*. This includes the development of syllabuses and curriculum support materials for all schools from Kindergarten to Year 12, registration and accreditation of non-government schools, the administration of the home schooling program and the development and conduct of the School Certificate (SC) tests and Higher School Certificate (HSC) examinations. The Office of the Board of Studies also encompasses the Australian Music Examinations Board (NSW) and the Aboriginal Education Consultative Group.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

In 2004-05 the Office's key activities involved:

- ◆ releasing and supporting revised Years 7-10 syllabuses;
- ◆ developing and trialling the School Certificate Computing Skills test for Year 10 students;
- ◆ state-wide testing as part of the standards referenced 2004 School Certificate and Higher School Certificate;
- ◆ implementing enhanced registration requirements for non-government schools; and
- ◆ enhancing the range of online information services available for schools, teachers, students and parents.

Revised Years 7 to 10 Syllabuses

In 2001, the Board and Office began the review and redevelopment of all Years 7-10 syllabuses leading to the distribution of 42 revised syllabuses during 2003. The Government allocated over \$27 million to the Office and the Department of Education and Training for the revision and implementation of Years 7-10 syllabuses within a standards framework.

During 2004-05 the Office is engaged in the delivery of an unprecedented program of professional support and briefings for school systems and government and non-government school teachers in metropolitan and rural centres across New South Wales in support of the recently completed revision of the Years 7-10 curriculum.

Computing Skills Test for Year 10 Students

A total of \$3.9 million in recurrent and capital funds from 2001-02 to 2004-05 (\$0.6 million in 2004-05) was allocated for the introduction of a State-wide external Computing Skills test as part of the School Certificate program for all Year 10 students to determine their level of computing competency as an addition to the State-wide 'standards based' testing already established in 1998 for the new School Certificate.

The Computing Skills test for Year 10 students was initially trialled by 1,500 students across 20 government and non-government schools in 2001. In 2004, over 51,000 students from 575 government and non-government schools from across New South Wales participated in the trial Computing Skills Test.

Over 24,000 of these students from 345 schools completed the test online. In 2005, the final trial of the Computing Skills test will be offered only online and will be held immediately following the School Certificate tests in November. The Government amended the *Education Act 1990* to provide for a mandatory Computing Skills School Certificate test from 2006.

Vocational Education and Training

The Office of the Board of Studies was allocated an additional \$1.1 million from 2002-03 to 2005-06 to support the maintenance and revision of existing Vocational Education and Training frameworks and the development of new frameworks. During 2004-05, \$0.2 million was provided for revisions to the Construction and Engineering and Entertainment frameworks for release in 2004 and for development of revised Information Technology and Metal and Engineering frameworks which will be released in 2005.

Information and Communications Technology

The Office of the Board of Studies was allocated \$2.2 million in 2004-05 to replace and renew the Office's Information and Communications Technology infrastructure and to support the review, development and small scale trialing of online testing for appropriate HSC and School Certificate courses.

STRATEGIC DIRECTIONS

Syllabus Development and Support

With the development and release of the new Years 7-10 syllabuses in 2003, the Board and Office completed the development of a standards based continuum of learning for students from Kindergarten to Year 12.

In 2003 the NSW Government commissioned Professor Ken Eltis to evaluate the impact of the outcomes approach on teaching and on assessment and reporting of student achievement in the primary years. Consultation around the Board's subsequent paper *Defining Mandatory Outcomes in the K-6 Curriculum* began in October 2004 and continued through until February 2005. It is anticipated that the Board will consider the findings and recommendations arising from this consultation by mid 2005.

Registration and Accreditation

The Board of Studies is the regulator of non-government schools in New South Wales. In October 2000, the Government commissioned an independent *Review of Non-Government Schools in New South Wales* conducted by Mr Warren Grimshaw, AM. The first report of the Grimshaw Review was released in April 2002 and included recommendations to enhance school registration, accreditation, administrative structures, school reporting and the planning of new schools. In March 2004, the Government amended the *Education Act 1990* for the enhanced registration requirements for non-government schools.

New schools and schools whose registration periods expired last year were assessed against the new requirements prior to the commencement of the 2005 school year. All other non-government schools must comply with the new requirements from 1 May 2005. As the current registration periods of schools expire over the next few years, the Office will inspect schools and school systems to ensure that the enhanced requirements are being successfully implemented.

2005-06 BUDGET

Total Expenses

Total expenses for 2005-06 are estimated at \$95.8 million. Key expenditure initiatives in 2005-06 include:

- ◆ School Certificate Computing Skills test for Year 10 students and online testing: \$0.5 million will support the further development of the Computing Skills test in advance of the first mandatory test in 2006; and
- ◆ enhanced registration requirements for non-government schools: \$1 million for increased regulatory responsibilities from 2005 arising from the Grimshaw Review.

Capital Expenditure

The replacement and renewal of the Office's Information and Communications Technology infrastructure will involve expenditure of \$0.5 million in 2005-06.

NSW INSTITUTE OF TEACHERS

The NSW Institute of Teachers was established in July 2004. The Institute's objectives are to assure the quality of teaching for all students and to improve the status and standing of teachers throughout the community. The Government committed \$20 million to establish and support the work of the Institute over the first five years of its operation. This funding is provided through the Department of Educating and Training to the Institute as a grant each year. The Institute also receives income from teacher accreditation and registration of professional development courses. In the longer term the Institute will be predominantly self funded.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over \$3 million is being spent during 2004-05. The initial focus of the Institute's work is on the professional accreditation of individuals entering teaching for the first time in 2005. In 2005, around 4,000 teachers are beginning their teaching careers, either as permanent appointments or as casuals, and are being covered by the Institute. To support the accreditation processes the Institute will be introducing an electronic Teacher Accreditation Management System.

The first election of members to the Institute's Quality Teaching Council is being organised for the second half of 2005. The Council is the primary source of advice on educational issues.

STRATEGIC DIRECTIONS

Following extensive consultations and research, the Institute is developing policies for the accreditation of teachers against professional standards, the approval of providers of professional development programs and the endorsement of courses of initial teacher education.

The Institute is establishing an integrated approach to assuring the quality and professionalism of teaching, in co-operation with teachers, universities, teacher employers and parent group representatives.

In 2005 the first cohort of teachers will be accredited at the level of Professional Competence. From 2006, all accredited teachers will undertake ongoing professional development activities to maintain their accreditation status, and teachers will be able to seek accreditation at Professional Accomplishment and Professional Leadership levels.

2005-06 BUDGET

Total Expenses

Estimated total expenses for 2005-06 are \$5 million, an increase of \$1.7 million on 2004-05. This increase mainly reflects the full year impact in 2005-06 of some Institute staff employed in early 2005, compared to the part year impact in 2004-05.

The major expenses for 2005-06 will involve support for the development of accreditation criteria and processes, development of processes for the approval of initial teacher education courses and providers of professional development, and the conduct of the election for the Quality Teaching Council.

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	6,580,847	6,459,402	6,747,817
Other operating expenses	1,206,181	1,338,189	1,354,367
Maintenance	219,403	219,403	229,403
Depreciation and amortisation	281,566	288,149	305,776
Grants and subsidies	866,605	888,730	922,036
Borrowing costs	8,940	6,768	7,580
Total Expenses	9,163,542	9,200,641	9,566,979
Less:			
Retained Revenue -			
Sales of goods and services	293,284	299,161	315,280
Investment income	20,951	21,553	22,201
Grants and contributions	297,582	285,366	295,286
Other revenue	13,821	12,205	12,131
Total Retained Revenue	625,638	618,285	644,898
NET COST OF SERVICES	8,537,904	8,582,356	8,922,081

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	6,165,913	6,017,189	6,257,328
Grants and subsidies	866,005	888,130	921,436
Finance costs	8,940	6,768	7,580
Other	1,648,045	1,780,038	1,807,421
Total Payments	8,688,903	8,692,125	8,993,765
Receipts			
Sale of goods and services	293,284	299,146	315,280
Interest	20,951	21,334	21,982
Other	533,154	519,322	534,391
Total Receipts	847,389	839,802	871,653
NET CASH FLOWS FROM OPERATING ACTIVITIES	(7,841,514)	(7,852,323)	(8,122,112)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	86,270	34,708	86,800
Proceeds from sale of investments	29	29	18
Purchases of property, plant and equipment	(389,430)	(409,046)	(481,954)
Purchases of investments	(29)	(29)	(18)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(303,160)	(374,338)	(395,154)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	5,000	...	11,000
Repayment of borrowings and advances	(58,639)	(2,439)	(67,951)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(53,639)	(2,439)	(56,951)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	7,549,852	7,581,550	8,154,915
Capital appropriation	351,052	370,373	462,003
Cash reimbursements from the Consolidated Fund Entity	302,840	293,743	...
Cash transfers to Consolidated Fund	...	(22,468)	...
NET CASH FLOWS FROM GOVERNMENT	8,203,744	8,223,198	8,616,918
NET INCREASE/(DECREASE) IN CASH	5,431	(5,902)	42,701
Opening Cash and Cash Equivalents	403,730	392,321	386,419
CLOSING CASH AND CASH EQUIVALENTS	409,161	386,419	429,120

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

Net cost of services	(8,537,904)	(8,582,356)	(8,922,081)
Non cash items added back	749,464	790,033	770,737
Change in operating assets and liabilities	(53,074)	(60,000)	29,232
Net cash flow from operating activities	(7,841,514)	(7,852,323)	(8,122,112)

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	409,161	386,419	429,120
Receivables	58,888	77,560	73,856
Other financial assets	18	173	173
Other	2,313	6,694	6,694
Total Current Assets	470,380	470,846	509,843
Non Current Assets -			
Receivables	3,645	3,440	3,440
Other financial assets	410	260	260
Property, plant and equipment -			
Land and building	15,106,578	15,065,968	15,064,270
Plant and equipment	138,280	241,689	332,225
Intangibles	...	...	540
Total Non Current Assets	15,248,913	15,311,357	15,400,735
Total Assets	15,719,293	15,782,203	15,910,578
LIABILITIES -			
Current Liabilities -			
Payables	114,194	107,815	126,532
Interest bearing	27,951	67,951	11,228
Provisions	83,778	78,806	78,806
Other	28,418	36,279	36,279
Total Current Liabilities	254,341	290,851	252,845
Non Current Liabilities -			
Interest bearing	83,078	98,193	97,965
Provisions	131,798	136,395	143,206
Other	6,290	980	980
Total Non Current Liabilities	221,166	235,568	242,151
Total Liabilities	475,507	526,419	494,996
NET ASSETS	15,243,786	15,255,784	15,415,582

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

STATEMENT OF FINANCIAL POSITION (cont)

EQUITY

Reserves	3,149,440	3,145,170	3,145,170
Accumulated funds	12,094,346	12,110,614	12,270,412
TOTAL EQUITY	15,243,786	15,255,784	15,415,582

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.1 Pre-School and Primary Education Services

29.1.1 Pre-School Education Services in Government Schools

Program Objective(s): To develop foundation skills in literacy, numeracy, personal and social development and prepare students for primary school.

Program Description: Curriculum delivery in key learning areas through programs in basic literacy and numeracy, personal and social development. Provision of student welfare and suitably staffed, equipped and constructed government pre-schools.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Pre-school students	no.	2,293	2,293	2,420	2,636
Pre-school classes	no.	112	112	133	154
<u>Average Staffing:</u>	EFT	273	270	305	314

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	19,502	19,271	20,175
Other operating expenses	2,448	2,916	2,981
Maintenance	446	446	457
Depreciation and amortisation	417	420	447
Total Expenses	22,813	23,053	24,060

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.1 Pre-School and Primary Education Services

29.1.1 Pre-School Education Services in Government Schools (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Commissions	5	5	5
Fees for services	6	4	5
Pre-school fees	367	637	680
Investment income	74	68	67
Grants and contributions	1,199	1,141	1,235

Total Retained Revenue	1,651	1,855	1,992
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NET COST OF SERVICES	21,162	21,198	22,068
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CAPITAL EXPENDITURE	14,150	13,330	...
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MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.1 Pre-School and Primary Education Services

29.1.2 Primary Education Services in Government Schools

Program Objective(s): To improve personal and social development skills and student learning outcomes for literacy and numeracy. Prepare students for secondary education.

Program Description: Teaching curriculum in key learning areas to students in Kindergarten to Year 6. Provision of targeted programs and activities to promote improved participation, access, educational outcomes, equity and student welfare. Provision of suitably staffed, equipped and constructed government schools. Monitoring of student progress through comprehensive testing. Assistance to families in meeting costs of students attending school.

Units 2002-03 2003-04 2004-05 **2005-06**

Outputs:

Government students in programs provided through Distance Education Centres	no.	748	755	750	745
Students attending Priority Schools Funding Program Schools	no.	101,146	98,347	93,127	91,737
Aboriginal students	no.	21,698	21,627	22,720	23,056
Students of non-English speaking background at government schools	no.	111,254	114,470	118,773	121,732
Students receiving support through the English as a Second Language program	no.	66,074	68,700	68,326	70,034
Total students in support classes and special schools	no.	6,968	7,165	7,165	8,440
Students in government schools receiving special education support in integrated settings	no.	14,374	16,753	17,591	18,172
Students in Early Intervention programs	no.	1,910	2,336	2,436	2,436
Students	no.	449,734	444,152	438,396	435,314
<u>Average Staffing:</u>	EFT	35,638	36,016	36,696	36,749

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.1 Pre-School and Primary Education Services

29.1.2 Primary Education Services in Government Schools (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	2,810,291	2,749,687	2,876,012
Other operating expenses	483,539	554,019	567,113
Maintenance	92,075	92,075	98,560
Depreciation and amortisation	99,091	99,920	108,108
Grants and subsidies			
Conveyance of school children	32,313	31,033	31,541
Recurrent grants to non-profit organisations	1,567	4,817	4,823
Contribution to Teacher Housing Authority	914	914	948
Back to School Allowance	22,173	22,173	22,173
Teacher Housing Authority - capital payment for School Education owned buildings	117	117	117
Borrowing costs			
Finance lease interest charges to private sector	4,818	2,972	5,093
Total Expenses	3,546,898	3,557,727	3,714,488
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	357	354	362
Commissions	587	587	606
Miscellaneous services	2,808	3,538	3,655
Publication sales	3,823	6,057	5,775
Fees for services	700	495	518
Correspondence school fees	6	2	2
Overseas student fees	9,551	9,024	9,316
School generated revenue from canteen sales	7,916	7,916	8,193
Investment income	8,865	9,323	9,563
Grants and contributions	140,316	134,272	138,781
Other revenue	5,437	4,677	4,687
Total Retained Revenue	180,366	176,245	181,458
NET COST OF SERVICES	3,366,532	3,381,482	3,533,030
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CAPITAL EXPENDITURE	169,616	225,226	224,493

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.2 Secondary Education Services

29.2.1 Secondary Education Services in Government Schools

Program Objective(s): To build on and extend skills learnt in primary school. To provide students with the social and intellectual skills necessary to participate fully in work, TAFE, university or further learning. To improve participation, access, educational outcomes and equity.

Program Description: Delivery of education from Years 7 to 12 in the key learning areas and student welfare. To cater for a wide range of students through the provision of targeted programs and activities to promote improved participation, access, educational outcomes and equity, including Vocational Education and Training in schools. The provision of suitably staffed, equipped and constructed secondary schools. Monitoring of student progress through comprehensive testing. Assistance to families in meeting costs of students attending school.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Government students in programs provided through Distance Education Centres	no.	2,412	2,364	2,222	2,222
Students attending Priority Schools Funding Program schools	no.	55,830	52,834	55,546	58,632
Aboriginal students	no.	11,178	12,035	12,816	12,992
Students of non-English speaking background at government schools	no.	80,564	81,207	83,907	85,133
Students receiving support through the English as a Second Language program	no.	21,090	21,000	20,134	19,932
Students attending selective schools	no.	19,637	19,677	20,707	20,887
Total students in support classes and special schools	no.	9,036	9,002	9,112	10,175
Students in government schools receiving special education support in integrated settings	no.	6,967	6,967	7,315	7,602
Students	no.	305,449	306,078	305,323	306,304
<u>Average Staffing:</u>	EFT	34,063	34,262	34,167	34,364

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.2 Secondary Education Services

29.2.1 Secondary Education Services in Government Schools (cont)

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	2,650,836	2,587,321	2,706,025
Other operating expenses	449,528	516,062	528,009
Maintenance	91,882	91,882	95,386
Depreciation and amortisation	91,303	92,074	99,001
Grants and subsidies			
Conveyance of school children	12,058	11,580	11,723
Recurrent grants to non-profit organisations	1,499	4,749	4,754
Contribution to Teacher Housing Authority	3,786	3,786	3,928
Living away from home allowances	279	279	279
Back to School Allowance	15,526	15,526	15,526
Teacher Housing Authority - capital payment for School Education owned buildings	483	483	483
Borrowing costs			
Interest on public sector borrowings and advances	3,400	3,400	2,000
Finance lease interest charges to private sector	722	396	487
Total Expenses	3,321,302	3,327,538	3,467,601
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	357	354	361
Commissions	554	554	575
Miscellaneous services	2,809	3,538	3,658
Publication sales	4,585	6,075	6,918
Fees for services	663	470	490
Correspondence school fees	24	8	9
Agricultural high school hostel fees	5,775	5,775	5,977
Overseas student fees	26,803	25,330	26,145
Course fees - other	3,150	4,063	3,890
School generated revenue from canteen sales	7,384	7,384	7,643

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.2 Secondary Education Services

29.2.1 Secondary Education Services in Government Schools (cont)

OPERATING STATEMENT (cont)

Investment income	8,296	8,444	8,706
Grants and contributions	131,450	125,705	129,516
Other revenue	4,333	3,728	3,789
Total Retained Revenue	196,183	191,428	197,677
NET COST OF SERVICES	3,125,119	3,136,110	3,269,924
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CAPITAL EXPENDITURE	183,458	145,284	168,490

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.3 Non-Government Schools Assistance

29.3.1 Non-Government Schools Assistance

Program Objective(s): To provide assistance to non-government schools.

Program Description: Provision of per capita grants, interest rate subsidies, textbook allowances and other forms of support to non-government schools. Assistance to families in meeting costs of students attending school.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Students	no.	352,532	357,514	366,688	371,926
Number of schools -					
Primary	no.	539	538	526	528
Secondary	no.	159	154	146	147
Combined primary/secondary	no.	229	229	217	218
Special	no.	33	33	36	36
<u>Average Staffing</u> :	EFT	5	5	5	5

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	427	426	447
Other operating expenses	1,436	1,434	1,479
Grants and subsidies			
Interest subsidies on loans for approved building projects	51,500	58,500	56,000
Conveyance of school children	6,120	5,878	5,895
Recurrent grants to non-profit organisations	7,805	305	305
Per capita pupil allowances to non-Government primary schools	241,523	243,783	258,518
Living away from home allowances	557	557	557
Per capita pupil allowances to non-Government secondary schools	332,271	328,040	345,016
Back to School Allowance	18,301	18,301	18,301
Supervisors Allowance Non Government Schools	...	10,572	11,227
Total Expenses	659,940	667,796	697,745
NET COST OF SERVICES	659,940	667,796	697,745

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.4 TAFE and Related Services

29.4.1 TAFE Education Services

Program Objective(s): To enable students to achieve greater educational standards and vocational competence. To increase opportunities for mobility in employment and to improve the performance and productivity of industry.

Program Description: Provision of courses for full-time and part-time students, trainees and apprentices to enable them to meet legislative and industrial requirements. Fee exemptions for students with recognised needs. Provision of suitably staffed, equipped and constructed TAFE colleges.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Enrolments	no.	526,083	525,000	513,465	520,000
Equivalent full-time students	no.	142,891	140,900	137,493	137,500
<u>Average Staffing:</u>	EFT	16,992	17,030	16,324	15,846

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -

Employee related	1,063,350	1,063,131	1,118,915
Other operating expenses	236,392	225,814	230,308
Maintenance	35,000	35,000	35,000
Depreciation and amortisation	86,045	90,986	93,161

Total Expenses	1,420,787	1,414,931	1,477,384
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Less:

Retained Revenue -

Sales of goods and services

Rents and leases	35	42	57
Miscellaneous services	62,045	60,045	64,229
Publication sales	672	622	633
Overseas student fees	16,000	20,500	21,288
Administration charge	72,900	67,900	72,900
Course fees - other	61,088	65,288	68,019
Commonwealth Labour Market Programs	873	...	...
Minor sales of goods and services	50	...	...

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.4 TAFE and Related Services

29.4.1 TAFE Education Services (cont)

OPERATING STATEMENT (cont)

Investment income	3,359	3,361	3,519
Grants and contributions	639	643	643
Other revenue	3,794	3,579	3,380
Total Retained Revenue	221,455	221,980	234,668
NET COST OF SERVICES	1,199,332	1,192,951	1,242,716
<hr/>			
CAPITAL EXPENDITURE	80,000	83,000	88,971

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.4 TAFE and Related Services

29.4.2 Grants for Education and Training Services

Program Objective(s): To assist individuals, the community and industry achieve high quality and equitable outcomes from education and training.

Program Description: Administration of State and Commonwealth funding for education and training programs undertaken by community groups, private providers and public sector organisations. Arrange training programs and provide assistance in career planning with particular emphasis on disadvantaged groups and young persons. Provision of accreditation and registration services.

<u>Average Staffing (EFT)</u> :	2004-05	2005-06
	487	475

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	36,441	39,566	40,843
Other operating expenses	32,838	37,944	9,877
Depreciation and amortisation	4,710	4,749	5,059
Grants and subsidies			
Grants to agencies for recurrent purposes	...	80	...
Training facilities - capital grant	3,827	3,827	3,700
Industry Training Services	65,306	74,750	75,785
Education Access Services	26,302	26,302	29,613
Adult and Community Education Services	18,436	18,436	16,882
Recognition Services	3,942	3,942	3,942
Total Expenses	191,802	209,596	185,701

MINISTER FOR EDUCATION AND TRAINING
29 DEPARTMENT OF EDUCATION AND TRAINING

29.4 TAFE and Related Services

29.4.2 Grants for Education and Training Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	205	204	208
Miscellaneous services	109	150	100
Publication sales	81	107	124
Administration charge	283	533	813
Course fees - other	299	386	884
Minor sales of goods and services	414	1,214	1,242
Investment income	357	357	346
Grants and contributions	23,978	23,605	25,111
Other revenue	257	221	275
Total Retained Revenue	25,983	26,777	29,103
NET COST OF SERVICES	165,819	182,819	156,598

MINISTER FOR EDUCATION AND TRAINING
30 OFFICE OF THE BOARD OF STUDIES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	69,838	72,545	72,529
Other operating expenses	21,639	21,887	21,961
Depreciation and amortisation	1,730	1,470	1,289
Grants and subsidies	490	...	...
Total Expenses	93,697	95,902	95,779
Less:			
Retained Revenue -			
Sales of goods and services	4,429	4,769	5,199
Investment income	110	205	114
Grants and contributions	400	1,380	600
Other revenue	262	400	309
Total Retained Revenue	5,201	6,754	6,222
Gain/(loss) on disposal of non current assets	10	10	10
NET COST OF SERVICES	88,486	89,138	89,547

MINISTER FOR EDUCATION AND TRAINING
30 OFFICE OF THE BOARD OF STUDIES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	68,811	70,684	70,826
Grants and subsidies	490	...	...
Other	23,330	23,579	23,652
Total Payments	92,631	94,263	94,478
Receipts			
Sale of goods and services	4,429	4,770	5,199
Interest	110	205	114
Other	2,353	3,471	2,600
Total Receipts	6,892	8,446	7,913
NET CASH FLOWS FROM OPERATING ACTIVITIES	(85,739)	(85,817)	(86,565)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	30	30	30
Purchases of property, plant and equipment	(700)	(2,218)	(473)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(670)	(2,188)	(443)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	80,951	82,622	86,314
Capital appropriation	700	2,218	473
Cash reimbursements from the Consolidated Fund Entity	4,087	3,880	...
NET CASH FLOWS FROM GOVERNMENT	85,738	88,720	86,787
NET INCREASE/(DECREASE) IN CASH	(671)	715	(221)
Opening Cash and Cash Equivalents	2,023	1,821	2,536
CLOSING CASH AND CASH EQUIVALENTS	1,352	2,536	2,315
CASH FLOW RECONCILIATION			
Net cost of services	(88,486)	(89,138)	(89,547)
Non cash items added back	3,107	2,847	2,824
Change in operating assets and liabilities	(360)	474	158
Net cash flow from operating activities	(85,739)	(85,817)	(86,565)

MINISTER FOR EDUCATION AND TRAINING
30 OFFICE OF THE BOARD OF STUDIES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,352	2,536	2,315
Receivables	779	614	614
Inventories	1,327	2,014	2,514
Other	33	28	28
Total Current Assets	3,491	5,192	5,471
Non Current Assets -			
Property, plant and equipment -			
Land and building	553	669	441
Plant and equipment	3,216	5,537	2,828
Intangibles	...	...	2,101
Total Non Current Assets	3,769	6,206	5,370
Total Assets	7,260	11,398	10,841
LIABILITIES -			
Current Liabilities -			
Payables	1,166	1,205	1,255
Provisions	1,562	1,765	1,823
Total Current Liabilities	2,728	2,970	3,078
Non Current Liabilities -			
Provisions	354	464	524
Total Non Current Liabilities	354	464	524
Total Liabilities	3,082	3,434	3,602
NET ASSETS	4,178	7,964	7,239
EQUITY			
Accumulated funds	4,178	7,964	7,239
TOTAL EQUITY	4,178	7,964	7,239

MINISTER FOR EDUCATION AND TRAINING
30 OFFICE OF THE BOARD OF STUDIES

30.1 Office of the Board of Studies

30.1.1 Office of the Board of Studies

Program Objective(s): To provide leadership in curriculum development and promote the achievement of excellence and equity in education for students from Kindergarten to Year 12 in all New South Wales schools, both Government and non-Government.

Program Description: Provision of guidance to schools in curriculum and assessment, professional leadership in developing quality education, implementation of registration and accreditation procedures for non-Government schools. Management of public examinations - School Certificate and Higher School Certificate. Administration of music examinations in the State on behalf of the Australian Music Examinations Board.

<u>Outcomes</u> :	Units	2002-03	2003-04	2004-05	2005-06
Candidates awarded the Higher School Certificate	no.	61,200	60,753	61,100	60,910
Candidates awarded the School Certificate	no.	80,600	80,063	81,065	82,963
Examinations conducted for Higher School Certificate and School Certificate candidates	no.	641,700	639,377	651,693	664,779
<u>Average Staffing</u> :	EFT	876	877	824	800

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	69,838	72,545	72,529
Other operating expenses	21,639	21,887	21,961
Depreciation and amortisation	1,730	1,470	1,289
Grants and subsidies			
Indigenous Education Projects	490	...	...
Total Expenses	93,697	95,902	95,779

MINISTER FOR EDUCATION AND TRAINING
30 OFFICE OF THE BOARD OF STUDIES

30.1 Office of the Board of Studies

30.1.1 Office of the Board of Studies (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Examination fees	2,463	2,523	2,611
Minor sales of goods and services	1,966	2,246	2,588
Investment income	110	205	114
Grants and contributions	400	1,380	600
Other revenue	262	400	309

Total Retained Revenue	5,201	6,754	6,222
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Gain/(loss) on disposal of non current assets	10	10	10
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NET COST OF SERVICES	88,486	89,138	89,547
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CAPITAL EXPENDITURE	700	2,218	473
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MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR SCIENCE AND MEDICAL RESEARCH

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Energy, Utilities and Sustainability			
Total Expenses	156.2	184.7	18.2
Capital Expenditure	0.4	0.4	...
Payments for Water and Sewerage Assistance			
Total Expenses	91.6	96.9	5.8
Capital Expenditure .....	...	...	...
Ministry for Science and Medical Research			
Total Expenses	9.2	13.5	46.4
Capital Expenditure	0.4	...	-100.0
Redfern-Waterloo Authority			
Total Expenses .....	...	19.3	n.a.
Capital Expenditure .....	...	...	...
Total, Minister for Energy and Utilities and Minister for Science and Medical Research			
Total Expenses	257.0	314.4	22.3
Capital Expenditure	0.8	0.4	-50.0

DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

The Department of Energy, Utilities and Sustainability (DEUS) provides the Minister for Energy and Utilities with strategic policy, legislative and regulatory advice in relation to the State's energy sector, urban and rural water utilities, and related social programs.

In collaboration with the energy industry, urban water utilities, other government agencies, consumer groups, businesses and other stakeholders, DEUS assists the government in choosing and implementing the best strategies for promoting the sustainable, safe, reliable and affordable supply and use of energy and water services. DEUS also develops and implements appropriate frameworks to improve the performance of the energy and water industries.

DEUS is focused on ongoing competition reform of the State's natural gas and electricity markets, the sustainable use of energy and water, integrated water cycle management, safety, supply reliability, and the promotion of demand management.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

On 1 July 2004 the demand management, energy efficiency and renewable energy programs and staff of the former Sustainable Energy Development Authority (SEDA) were merged into DEUS. In addition, from 1 July 2004 the State Water business unit became a stand alone State Owned Corporation.

Following an independent review of the Country Towns Water Supply and Sewerage Program, new Program criteria for financial assistance were developed and released to Local Water Utilities in 2004.

As part of the reforms of the Program, eligible water and sewerage projects were ranked by an Interagency Prioritisation Committee on the basis of health, environmental and security of supply criteria to ensure funds in the Program are directed to communities with the greatest need.

STRATEGIC DIRECTIONS

In 2005-06, DEUS will focus on: reforms in the State's electricity, natural gas and urban water industries; the sustainable use of energy and water; integrated water cycle management; drought support to regional New South Wales; safety and energy supply reliability; and anticipating future energy and water needs in New South Wales.

DEUS will also be actively involved in the implementation of key policy and other functions arising from the Government's Energy Directions White Paper once released. DEUS played a significant role in the development of the December 2004 Energy Directions Green Paper, and the analysis of over 400 submissions received from a broad cross-section of the New South Wales community.

2005-06 BUDGET

Total Expenses

Total expenses for DEUS in 2005-06 will be \$184.7 million. Of this, \$168.6 million is grants and subsidies including:

- ◆ pensioner energy and electricity life support rebates of \$81.5 million;
- ◆ government contributions of \$32.2 million towards the Country Towns Water Supply and Sewerage Scheme;
- ◆ pass through contributions of \$20 million from Local Water Utilities in relation to the Country Towns Water and Sewerage Supply Scheme;
- ◆ government contributions to State Water of \$25 million, comprising a transitional operating subsidy and an IPART-determined capital contribution; and
- ◆ Energy Accounts Payment Assistance program totalling \$8.7 million.

Capital Expenditure

The capital program for 2005-06 is estimated at \$0.4 million to replace and upgrade plant and equipment, information technology and communication assets.

PAYMENTS FOR WATER AND SEWERAGE ASSISTANCE

Payments for Water and Sewerage Assistance provides social program funding, totalling \$96.9 million, to Sydney and Hunter Water Corporations largely for:

- ◆ concessions granted to pensioners on water and sewerage rates (\$82.9 million in 2005-06);
- ◆ concessions granted to properties exempt from water and sewerage rates (\$10.7 million in 2005-06); and
- ◆ the connection of selected un-sewered areas to the sewerage network, based on public health and environmental priorities (\$2.3 million in 2005-06).

MINISTRY FOR SCIENCE AND MEDICAL RESEARCH

The Ministry for Science and Medical Research was established on 1 December 2003. The Ministry's objective is to drive growth and innovation in science and medical research to achieve better health, environmental and economic outcomes for the people of New South Wales.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Ministry's expenses will increase from \$9.2 million in 2004-05 to \$13.5 million in 2005-06. Increased funding is mainly due to the Ministry administering grants programs such as the Premier's Spinal Cord Injury Fund and other neurological conditions, including the Spinal Exchange program. The Ministry's expenses also include grants to be passed on to the Redfern-Waterloo Authority.

STRATEGIC DIRECTIONS

The Ministry provides advice, leadership and direction in shaping whole-of-government policy, programs and investment in the area of science, innovation and medical research. This work is complemented by the Ministry's role in the provision of information services, administration of grants and funding programs, the development of capacity building initiatives and the fostering of key collaborations across government, industry and public institutions.

In order to ensure effective delivery of its services in 2005-06, the Ministry will:

- ◆ implement a strategic approach to supporting science and medical research activities in New South Wales;
- ◆ co-ordinate science and medical research initiatives having a strategic and/or whole-of-government character;
- ◆ seek opportunities to encourage private sector investment and public/private partnerships in research;
- ◆ build relationships with key funding and research bodies within Australia;
- ◆ promote awareness of developments in science and medical research and resulting benefits through new and ongoing initiatives such as Science EXPOsed;
- ◆ review grants programs such as the BioFirst strategy and the infrastructure grants program to evaluate the effectiveness of those programs in targeting their key beneficiaries and achieving their objectives; and
- ◆ participate in reviewing Commonwealth legislation that provides the framework for the nationally consistent scheme regulating human embryo research and prohibiting human cloning.

2005-06 BUDGET

Total Expenses

The Ministry's total expenses are estimated at \$13.5 million in 2005-06. Total funding for grants and programs is \$10.3 million, including \$1.5 million for the BioFirst Awards and \$3.6 million for the Premier's Fund to promote research into Spinal Cord injury and other neurological conditions. An amount of \$3.2 million is also included for passing on to the Redfern-Waterloo Authority.

Capital Expenditure

In 2004-05, the Ministry spent \$0.9 million on its capital expenditure program, mainly for fitout of its new premises and purchase of office equipment.

The Ministry has not sought funding for 2005-06.

REDFERN-WATERLOO AUTHORITY

The role of the Authority is to encourage and promote the orderly development of the Redfern, Eveleigh, Darlington and Waterloo suburbs into an active, vibrant and sustainable community of greater social cohesion and community safety in which the Aboriginal community is supported and respected. Its operational area comprises approximately 350 hectares.

The Authority is a formally constituted statutory authority with a responsible and accountable Board reporting directly to the Minister.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The *Redfern–Waterloo Authority Act 2004* attained Parliamentary assent on 15 December 2004 and the Authority commenced operation on 17 January 2005. Since then the Chairman, Board members and Chief Executive Officer have been appointed and staff recruitment is under way. The Authority established its office at Redfern and is funded through a mix of borrowings and grants until the 2007-08 financial year.

The Australian Technology Park with assets (property, plant and equipment) worth \$92 million was transferred to the Authority on 17 January 2005.

As at 1 July 2005 the Redfern–Waterloo Partnership Project staff and activities will be transferred from the Premier’s Department to the Authority. It is planned that the activities of this program will be achieved by June 2008.

STRATEGIC DIRECTIONS

The Authority will advise and assist the Minister to develop the Redfern–Waterloo Plan which will set the strategic direction of the urban renewal activities to be undertaken by the Authority. The main activities of the Authority will:

- ◆ assist the Minister create an appropriate planning regime, consistent with the Redfern-Waterloo Plan, for orderly sustainable development within the operational area;
- ◆ undertake the assessment of State significant development proposals;
- ◆ promote and undertake through its financial means and partnerships economic development and use of land and property including the provision of infrastructure and the enhancement of public places;

- ◆ promote, arrange and conduct cultural educational, commercial, recreational, entertainment and transport activities and facilities;
- ◆ provide and promote housing choices in the operational area, employment opportunities for local residents, commercial opportunities for local businesses and encourage cultural development (including for Aboriginal residents); and
- ◆ seek community participation and liaise with government agencies to improve delivery planning of human services.

2005-06 BUDGET

Total Expenses

Total expenses for 2004-05 are estimated at \$2.4 million while expenses for 2005-06 are estimated at \$19.3 million. The majority of the expenditure is required for establishment of the office, information technology systems, employee related expenses, consultant and contractors, planning, urban renewal and Board expenses.

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	9,327	10,243	9,555
Other operating expenses	7,600	7,824	5,230
Maintenance	28	70	18
Depreciation and amortisation	404	510	501
Grants and subsidies	137,604	182,388	168,572
Other expenses	1,270	1,270	850
Total Expenses	156,233	202,305	184,726
Less:			
Retained Revenue -			
Sales of goods and services	1,323	1,836	1,077
Investment income	458	2,045	1,074
Grants and contributions	6,061	44,561	28,570
Other revenue	960	2,811	91
Total Retained Revenue	8,802	51,253	30,812
NET COST OF SERVICES	147,431	151,052	153,914

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	9,107	9,017	8,731
Grants and subsidies	137,604	182,388	168,572
Other	67,990	33,026	46,263
Total Payments	214,701	224,431	223,566
Receipts			
Sale of goods and services	36,192	33,999	5,077
Interest	458	3,423	1,274
Other	(18,229)	18,356	38,963
Total Receipts	18,421	55,778	45,314
NET CASH FLOWS FROM OPERATING ACTIVITIES	(196,280)	(168,653)	(178,252)
CASH FLOWS FROM INVESTING ACTIVITIES			
Advance repayments received	1,396	1,050	1,497
Purchases of property, plant and equipment	(438)	(388)	(388)
Purchases of investments	...	(1,967)	...
Advances made	(3,000)	...	...
Other	(914)	(20,809)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(2,956)	(22,114)	1,109
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	...	(150)	(150)
NET CASH FLOWS FROM FINANCING ACTIVITIES	...	(150)	(150)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	146,644	153,184	153,588
Capital appropriation	1,388	1,388	388
Cash reimbursements from the Consolidated Fund Entity	261	430	...
Cash transfers to Consolidated Fund	...	(4,698)	...
NET CASH FLOWS FROM GOVERNMENT	148,293	150,304	153,976
NET INCREASE/(DECREASE) IN CASH	(50,943)	(40,613)	(23,317)
Opening Cash and Cash Equivalents	87,995	80,409	39,796
CLOSING CASH AND CASH EQUIVALENTS	37,052	39,796	16,479

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(147,431)	(151,052)	(153,914)
Non cash items added back	1,008	1,455	1,449
Change in operating assets and liabilities	(49,857)	(19,056)	(25,787)
Net cash flow from operating activities	(196,280)	(168,653)	(178,252)

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	37,052	39,796	16,479
Receivables	13,982	13,982	9,782
Other financial assets	1,497	1,497	1,577
Other	40	40	40
Total Current Assets	52,571	55,315	27,878
Non Current Assets -			
Receivables	1,967	...	...
Other financial assets	12,977	10,662	8,948
Property, plant and equipment - Plant and equipment	936	886	773
Total Non Current Assets	15,880	11,548	9,721
Total Assets	68,451	66,863	37,599
LIABILITIES -			
Current Liabilities -			
Payables	9,758	9,758	9,768
Interest bearing	...	150	150
Provisions	2,821	1,657	1,660
Other	35,243	35,243	5,243
Total Current Liabilities	47,822	46,808	16,821
Non Current Liabilities -			
Interest bearing	...	1,703	1,553
Provisions	1,546	1,482	1,482
Other	2,090	...	...
Total Non Current Liabilities	3,636	3,185	3,035
Total Liabilities	51,458	49,993	19,856
NET ASSETS	16,993	16,870	17,743
EQUITY			
Accumulated funds	16,993	16,870	17,743
TOTAL EQUITY	16,993	16,870	17,743

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

31.1 Energy and Water Policy, Programs and Sustainability

31.1.1 Energy Policy and Programs

Program Objective(s): To promote the affordable, efficient, safe and reliable supply and use of energy.

Program Description: Provision of strategic policy, legislative and regulatory advice to the Minister for Energy and Utilities regarding the development of the State's energy sector. Administration and policy oversight of energy social programs.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Number of pensioner rebates granted	no.	690,000	706,000	690,000	704,000
Number of life support rebates granted	no.	14,000	15,000	16,000	15,000
<u>Average Staffing</u> :	EFT	65	63	58	67

—————2004-05—————		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	5,567	5,869	7,016
Other operating expenses	6,158	6,298	4,391
Maintenance	18	56	15
Depreciation and amortisation	156	407	420
Grants and subsidies			
Administration Fees for Energy Concession Programs	835	835	846
Life Support Rebates Scheme	2,593	2,593	2,671
Pensioner Energy Rebate Scheme	77,249	77,249	78,794
Energy accounts payment assistance	8,422	8,422	8,675
Energy research and development	...	584	...
Other expenses			
Fee for services for program delivery	...	...	850
Total Expenses	100,998	102,313	103,678

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**
31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

31.1 Energy and Water Policy, Programs and Sustainability

31.1.1 Energy Policy and Programs (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Pipeline fees	267	267	276
Electrolysis Committee - recoupment of expenses	102	102	106
Electrical appliance testing	36	36	37
Accreditation revenue	153	153	158
Investment income	206	2,000	948
Grants and contributions	...	...	270
Other revenue	91	468	91
Total Retained Revenue	855	3,026	1,886
NET COST OF SERVICES	100,143	99,287	101,792
CAPITAL EXPENDITURE	388	222	284

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

31.1 Energy and Water Policy, Programs and Sustainability

31.1.2 Water Policy and Programs

Program Objective(s): To promote the affordable, efficient, safe and reliable supply and use of water.

Program Description: Provision of strategic policy, legislative and regulatory advice to the Minister for Energy and Utilities regarding the development and oversight of the State's water utilities. Financial and technical assistance for country town water and sewerage services.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Water supply and sewerage projects					
- Completed	no.	15	30	34	35
- Under construction	no.	94	94	90	85
<u>Average Staffing</u> :	EFT	58	56	59	62

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	433	650	1,495
Other operating expenses	125	85	431
Maintenance	...	1	2
Depreciation and amortisation	...	6	42
Grants and subsidies			
Alternative funding (interest) subsidy	350	350	350
Grants for recurrent purposes - public trading enterprises	...	...	7,900
Grants for capital purposes - public trading enterprises	10,495	10,495	17,100
Country Towns Water Supply and Sewerage Scheme			
- Government component	36,210	40,410	32,236
Country Towns Water and Sewerage Scheme			
- Local Water Utilities' component	...	40,000	20,000
Total Expenses	47,613	91,997	79,556

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

31.1 Energy and Water Policy, Programs and Sustainability

31.1.2 Water Policy and Programs (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	...	443	500
Grants and contributions			
Country Towns Water and Sewerage Scheme			
- Local Water Utilities' contribution	...	40,000	20,000
Other	5,500	4,000	8,300
Other revenue	...	1,851	...
Total Retained Revenue		5,500	46,294
			28,800
NET COST OF SERVICES		42,113	45,703
			50,756

CAPITAL EXPENDITURE	...	25	60
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**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

31.1 Energy and Water Policy, Programs and Sustainability

31.1.3 Energy and Water Sustainability

Program Objective(s): To achieve a measurable improvement in the sustainable supply and use of energy and water.

Program Description: Promotion of sustainable energy and water policies and programs that deliver environmental, economic and social benefits to the NSW community.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Greenhouse Gas abatement (thous)	no.	6,700	5,000	1,600	600
Private sector investment	mill	69	69	20	n.a.
<u>Average Staffing:</u>	EFT	42	37	37	10
		-----2004-05-----			2005-06
		Budget	Revised		Budget
		\$000	\$000		\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related		3,327	3,724	1,044
Other operating expenses		1,317	1,441	408
Maintenance		10	13	1
Depreciation and amortisation		248	97	39
Grants and subsidies				
Subsidies for the promotion of sustainable energy technologies		1,450	1,450	...
Other expenses				
Education and marketing expenses		500	250	...
Fee for services for program delivery		770	1,020	...
Total Expenses		7,622	7,995	1,492

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

31 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

31.1 Energy and Water Policy, Programs and Sustainability

31.1.3 Energy and Water Sustainability (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Fees for services	...	600	...
Minor sales of goods and services	765	235	...
Investment income	252	45	126
Grants and contributions	561	561	...
Other revenue	869	492	...

Total Retained Revenue	2,447	1,933	126
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NET COST OF SERVICES	5,175	6,062	1,366
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CAPITAL EXPENDITURE	50	141	44
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**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

32 PAYMENTS FOR WATER AND SEWERAGE ASSISTANCE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
<i>OPERATING STATEMENT</i>			
Expenses -			
Operating expenses -			
Grants and subsidies	91,622	89,702	96,906
Total Expenses	91,622	89,702	96,906
NET COST OF SERVICES	91,622	89,702	96,906

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

32 PAYMENTS FOR WATER AND SEWERAGE ASSISTANCE

	<u>2004-05</u>	<u>2005-06</u>	
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Grants and subsidies	91,622	89,702	96,906
Total Payments	91,622	89,702	96,906
NET CASH FLOWS FROM OPERATING ACTIVITIES	(91,622)	(89,702)	(96,906)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	91,622	89,702	96,906
NET CASH FLOWS FROM GOVERNMENT	91,622	89,702	96,906
CASH FLOW RECONCILIATION			
Net cost of services	(91,622)	(89,702)	(96,906)
Net cash flow from operating activities	(91,622)	(89,702)	(96,906)

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

32 PAYMENTS FOR WATER AND SEWERAGE ASSISTANCE

32.1 Water and Sewerage Assistance

32.1.1 Water and Sewerage Assistance

Program Objective(s): Provision of concessions to pensioners and properties exempt from water and sewerage rates and protection of the environment by supporting sewerage services.

Program Description: To fund community service obligations provided by Sydney and Hunter Water Corporations.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Grants and subsidies			
Sydney Water Corporation – Rates on Exempt Properties	8,623	8,823	9,828
Hunter Water Corporation - Pensioner Rebates	...	7,697	8,255
Sydney Water Corporation - Pensioner Rebates*	80,052	70,055	74,665
Hunter Water Corporation - Rates on Exempt Properties	899	899	911
Sydney Water Corporation - Sewer Backlog Capital Grants*	1,312	154	1,710
Hunter Water Corporation - Sewer Backlog Capital Grants	...	1,158	615
Blue Mountains septic pumpout service	736	916	922
Total Expenses	91,622	89,702	96,906
NET COST OF SERVICES	91,622	89,702	96,906

* The 2004–05 Budget figure includes both Sydney Water Corporation and Hunter Water Corporation.

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

33 MINISTRY FOR SCIENCE AND MEDICAL RESEARCH

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	2,259	1,976	2,368
Other operating expenses	1,296	852	770
Maintenance	1	4	1
Depreciation and amortisation	15	87	87
Grants and subsidies	5,640	7,971	10,250
Total Expenses	9,211	10,890	13,476
Less:			
Retained Revenue -			
Investment income	2	100	50
Grants and contributions	...	220	...
Total Retained Revenue	2	320	50
Gain/(loss) on disposal of non current assets	...	(21)	...
NET COST OF SERVICES	9,209	10,591	13,426

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

33 MINISTRY FOR SCIENCE AND MEDICAL RESEARCH

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	2,098	1,815	2,202
Grants and subsidies	5,640	7,971	10,250
Other	1,297	860	775
Total Payments	9,035	10,646	13,227
Receipts			
Sale of goods and services	...	...	(11)
Interest	2	100	50
Other	...	224	4
Total Receipts	2	324	43
NET CASH FLOWS FROM OPERATING ACTIVITIES	(9,033)	(10,322)	(13,184)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	100	...
Purchases of property, plant and equipment	(351)	(883)	...
Other	2,908	...	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	2,557	(783)	...
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	9,033	10,053	13,178
Capital appropriation	351	883	...
Cash reimbursements from the Consolidated Fund Entity	6	95	...
Cash transfers to Consolidated Fund	...	(478)	...
NET CASH FLOWS FROM GOVERNMENT	9,390	10,553	13,178
NET INCREASE/(DECREASE) IN CASH	2,914	(552)	(6)
Opening Cash and Cash Equivalents	...	943	391
CLOSING CASH AND CASH EQUIVALENTS	2,914	391	385
CASH FLOW RECONCILIATION			
Net cost of services	(9,209)	(10,591)	(13,426)
Non cash items added back	176	248	254
Change in operating assets and liabilities	...	21	(12)
Net cash flow from operating activities	(9,033)	(10,322)	(13,184)

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

33 MINISTRY FOR SCIENCE AND MEDICAL RESEARCH

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	2,914	391	385
Receivables	...	13	24
Other	...	3	3
Total Current Assets	2,914	407	412
Non Current Assets -			
Property, plant and equipment - Plant and equipment	576	875	788
Total Non Current Assets	576	875	788
Total Assets	3,490	1,282	1,200
LIABILITIES -			
Current Liabilities -			
Payables	...	197	196
Provisions	...	61	61
Total Current Liabilities	...	258	257
Non Current Liabilities -			
Provisions	...	2	2
Total Non Current Liabilities	...	2	2
Total Liabilities	...	260	259
NET ASSETS	3,490	1,022	941
EQUITY			
Accumulated funds	3,490	1,022	941
TOTAL EQUITY	3,490	1,022	941

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

33 MINISTRY FOR SCIENCE AND MEDICAL RESEARCH

33.1 Science and Medical Research

33.1.1 Science and Medical Research

Program Objective(s): To drive growth and innovation in science and medical research to achieve better health, environmental and economic outcomes for the people of New South Wales.

Program Description: Policy formulation, strategic review of funding programs and projects, industry and infrastructure support, management of grants, awards and fellowships.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :			
	Medical Research	4	5
	Science	5	5
	Policy and Operations	12	16
		21	26

		2004-05	2005-06
		Budget	Budget
		\$000	\$000
		2,259	1,976
		1,296	852
		1	4
		15	87
		5,640	7,971
		9,211	10,890

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	2,259	1,976	2,368
Other operating expenses	1,296	852	770
Maintenance	1	4	1
Depreciation and amortisation	15	87	87
Grants and subsidies			
Grants to agencies for recurrent purposes	5,640	7,971	10,250
Total Expenses	9,211	10,890	13,476

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

33 MINISTRY FOR SCIENCE AND MEDICAL RESEARCH

33.1 Science and Medical Research

33.1.1 Science and Medical Research (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Investment income	2	100	50
Grants and contributions	...	220	...

Total Retained Revenue	2	320	50
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Gain/(loss) on disposal of non current assets	...	(21)	...
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NET COST OF SERVICES	9,209	10,591	13,426
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CAPITAL EXPENDITURE	351	883	...
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**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH
REDFERN-WATERLOO AUTHORITY**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	11,391
Grants and contributions	...	1,803	3,180
Total Retained Revenue	...	1,803	14,571
Less:			
Expenses -			
Operating Expenses -			
Employee related	...	400	5,761
Other operating expenses	...	783	10,993
Depreciation and amortisation	757
Borrowing costs	1,817
Other expenses	...	1,250	...
Total Expenses	...	2,433	19,328
DEFICIT	...	(630)	(4,757)

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH**

REDFERN-WATERLOO AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	11,391
Other	...	1,707	3,784
Total Receipts	...	1,707	15,175
Payments			
Employee Related	...	400	5,761
Finance costs	1,817
Other	...	1,937	11,597
Total Payments	...	2,337	19,175
NET CASH FLOWS FROM OPERATING ACTIVITIES	...	(630)	(4,000)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	...	(110)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	...	(110)	...
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	...	750	4,000
NET CASH FLOWS FROM FINANCING ACTIVITIES	...	750	4,000
NET INCREASE/(DECREASE) IN CASH	...	10	...
Opening Cash and Cash Equivalents	10
CLOSING CASH AND CASH EQUIVALENTS	...	10	10
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	...	(630)	(4,757)
Non cash items added back	757
Net cash flow from operating activities	...	(630)	(4,000)

**MINISTER FOR ENERGY AND UTILITIES AND MINISTER FOR
SCIENCE AND MEDICAL RESEARCH
REDFERN-WATERLOO AUTHORITY**

	—2004-05—	2005-06
	Budget	Budget
	\$000	\$000
STATEMENT OF FINANCIAL POSITION		
ASSETS -		
Current Assets -		
Cash assets	...	10
Receivables	...	1,041
Total Current Assets	...	1,051
Non Current Assets -		
Property, plant and equipment -		
Land and building	...	92,244
Plant and equipment	...	110
Total Non Current Assets	...	92,354
Total Assets	...	93,405
LIABILITIES -		
Non Current Liabilities -		
Interest bearing	...	750
Provisions	...	276
Total Non Current Liabilities	...	1,026
Total Liabilities	...	1,026
NET ASSETS	...	92,379
EQUITY		
Reserves	...	34,343
Accumulated funds	...	58,036
TOTAL EQUITY	...	92,379

MINISTER FOR GAMING AND RACING AND MINISTER FOR THE CENTRAL COAST

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Gaming and Racing			
Total Expenses	40.4	38.7	-4.2
Capital Expenditure	2.4	1.8	-26.5
Casino Control Authority			
Total Expenses	7.0	6.8	-2.1
Capital Expenditure	0.1	0.1	...
Total, Minister for Gaming and Racing and Minister for the Central Coast			
Total Expenses	47.4	45.5	-4.0
Capital Expenditure	2.5	1.9	-24.0

DEPARTMENT OF GAMING AND RACING

The responsibilities of the Department of Gaming and Racing are to ensure the proper conduct and balanced development of the liquor, gaming, racing and charity industries.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Over the last five years total expenses, excluding grants and subsidies, have decreased by \$3.2 million from \$28.9 million to \$25.7 million. This reduction occurred mainly during 2002-03 when the casino surveillance division was transferred to the Casino Control Authority, revenue collection functions were transferred to the Office of State Revenue, and the Centralised Monitoring System undertook gaming machine monitoring.

Major achievements and developments for the Department during 2004-05 include:

- ◆ continued implementation of recommendations of the NSW Summit on Alcohol Abuse held in August 2003 which generated 92 recommendations with direct implications for the Department. Full implementation of these recommendations will be completed over the next four years;

- ◆ The National Competition Policy (NCP) Review of liquor laws resulted in new legislation commencing 1 August 2004, which abolished the 'needs' test and replaced it with a new Social Impact Assessment process;
- ◆ In December 2004, the NSW Parliament passed the *Smoke-free Environment Amendment Act 2004*, which will ban smoking in enclosed public areas of licensed venues from 2 July 2007; and
- ◆ formation of an operational unit focused on regulation of registered clubs and improvements in club governance.

STRATEGIC DIRECTIONS

The Department's focus for 2005-06 will be on:

- ◆ continued implementation of recommendations from the Summit on Alcohol Abuse;
- ◆ implementing agency relevant recommendations from the IPART review of gambling harm minimisation measures and counseling services;
- ◆ continuing liaison with the racing industry on the identification and implementation of measures in response to threats posed by wagering operators not licensed in Australia;
- ◆ further development of audit investigation processes to monitor club accountability requirements; and
- ◆ continuing participation in the development of the Government's Licensing Project and the Department's Client Oriented Regulatory Information System.

2005-06 BUDGET

Total Expenses

Total expenses for the Department of Gaming and Racing in 2005-06 are estimated at \$38.7 million, a reduction of 4 percent mainly due to the transfer of expenses relating to the Ministers' office to the Premier's Department.

Major features of the Department's budget are:

- ◆ the provision of a central monitoring fee assistance package for small clubs of \$1.3 million;

- ◆ \$1 million for inquiries into allegations relating to corrupt conduct and other improper practices at registered clubs;
- ◆ ongoing funding of the Casino Community Benefit Fund of \$12.2 million from a 2 percent levy on Star City Casino; and
- ◆ ongoing funding for an operational unit concerned with the regulation of registered clubs.

Capital Expenditure

The Department's capital program of \$1.8 million for 2005-06 includes:

- ◆ \$1.3 million for the Client Oriented Regulatory Information System project; and
- ◆ ongoing funding of \$0.5 million to allow the Department to implement an effective asset replacement plan, in support of its service strategies.

CASINO CONTROL AUTHORITY

The main objectives of the New South Wales Casino Control Authority are to maintain and administer systems for the licensing, supervision and control of Star City Casino in New South Wales.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Authority's expenses in the last five years were related to the supervision and control of Star City Casino and a number of investigations/inquiries (including the second and third statutory investigations into the casino operator under section 31 of the *Casino Control Act 1992*).

Total expenses in 2001-02 and thereafter were significantly higher than previous years. This is primarily due to the transfer of 29 positions from the Department of Gaming and Racing to the Casino Control Authority from 1 July 2001 and the recruitment of additional Government inspectors/surveillance staff from 2001-02. Under an agreement between the Treasurer and Star City Casino, the costs of employing these additional inspectors/surveillance staff are met by Star City Casino.

STRATEGIC DIRECTIONS

The Authority continues to streamline its operations and monitoring of the Casino's compliance in accordance with the recommendations of the 2000 and 2003 investigations into the casino licence.

Under the Casino Duty and Community Benefit Levy Supplemental and Amending Deed, twelve additional surveillance inspector positions were created. Clause 6 of the Deed requires the Authority to periodically review the staff requirement. The first review, completed in November 2002, recommended reduction of the twelve positions to ten. The second review was completed in June 2004 and recommended a further reduction of another six positions.

The next statutory three yearly investigation of the casino under section 31 of the Act is due by 15 December 2006. In order to monitor the ongoing suitability of the casino operator between these major investigations, the Authority has created a new position, Manager, Casino Review and at Board level, a Casino License Oversight Committee.

Since 2000 the Authority has participated in a Working Party of Australasian Casino and Gaming Regulators established to develop a best practice model for regulating, supervising and inspecting casinos. The Authority continues to review its casino supervision activities to further develop its risk based controls methodology.

2005-06 BUDGET

The Authority's total expenditure budget for 2005-06 is \$6.8 million.

Capital Expenditure

The capital allocation of \$70,000 is for the replacement of fully depreciated and/or obsolete computer and office equipment.

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	18,382	18,433	18,209
Other operating expenses	6,997	7,073	5,659
Maintenance	216	368	368
Depreciation and amortisation	1,138	850	995
Grants and subsidies	1,500	1,500	1,300
Other expenses	12,205	12,205	12,205
Total Expenses	40,438	40,429	38,736
Less:			
Retained Revenue -			
Sales of goods and services	3,291	2,928	3,118
Investment income	827	710	722
Other revenue	1,430	1,571	1,112
Total Retained Revenue	5,548	5,209	4,952
NET COST OF SERVICES	34,890	35,220	33,784

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	16,612	16,352	16,019
Grants and subsidies	1,500	1,500	1,300
Other	20,870	20,711	19,601
Total Payments	38,982	38,563	36,920
Receipts			
Sale of goods and services	3,291	2,958	3,158
Interest	827	709	722
Other	2,799	3,138	2,481
Total Receipts	6,917	6,805	6,361
NET CASH FLOWS FROM OPERATING ACTIVITIES	(32,065)	(31,758)	(30,559)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(2,445)	(1,149)	(1,796)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(2,445)	(1,149)	(1,796)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	32,005	32,447	31,806
Capital appropriation	2,445	1,149	1,796
Cash reimbursements from the Consolidated Fund Entity	799	762	...
Cash transfers to Consolidated Fund	...	(667)	...
NET CASH FLOWS FROM GOVERNMENT	35,249	33,691	33,602
NET INCREASE/(DECREASE) IN CASH	739	784	1,247
Opening Cash and Cash Equivalents	21,070	20,815	21,599
CLOSING CASH AND CASH EQUIVALENTS	21,809	21,599	22,846
CASH FLOW RECONCILIATION			
Net cost of services	(34,890)	(35,220)	(33,784)
Non cash items added back	2,872	2,586	2,756
Change in operating assets and liabilities	(47)	876	469
Net cash flow from operating activities	(32,065)	(31,758)	(30,559)

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	21,809	21,599	22,846
Receivables	1,130	829	789
Other	77	87	87
Total Current Assets	23,016	22,515	23,722
Non Current Assets -			
Receivables	...	(52)	(52)
Property, plant and equipment -			
Land and building	68	103	57
Plant and equipment	3,775	2,683	1,311
Intangibles	...	...	2,219
Total Non Current Assets	3,843	2,734	3,535
Total Assets	26,859	25,249	27,257
LIABILITIES -			
Current Liabilities -			
Payables	1,000	760	1,093
Provisions	1,703	1,903	1,978
Total Current Liabilities	2,703	2,663	3,071
Non Current Liabilities -			
Provisions	537	539	560
Total Non Current Liabilities	537	539	560
Total Liabilities	3,240	3,202	3,631
NET ASSETS	23,619	22,047	23,626
EQUITY			
Accumulated funds	23,619	22,047	23,626
TOTAL EQUITY	23,619	22,047	23,626

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

34.1 Policy and Development

34.1.1 Policy and Development

Program Objective(s): To ensure the proper conduct and balanced development of the liquor, gaming and charity industries and to assist in the development of those industries.

Program Description: Initiation, development and review of legislation and administrative policies. Liaison with interest groups and provision of industry information and education. Provision of monies to the Casino Community Benefit Fund.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Industry bulletins issued	no.	6	4	4	4
Industry training courses evaluated	no.	15	10	32	26
Enquiries received	no.	45,000	60,000	60,000	60,000
Grants approved by the Casino Community Benefit Fund	no.	120	72	47	43
Grants approved by the Casino Community Benefit Fund	\$m	10.9	13.2	9.3	12.0
Gaming machine applications reviewed	no.	1,046	1,050	429	850
Gaming machine related data requests processed	no.	189	200	100	100
<u>Average Staffing:</u>	EFT	41	43	49	45

	2004-05			
Budget	Budget	Revised	Budget	Budget
\$000	\$000	\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related	4,924	4,921	4,910	4,910
Other operating expenses	1,987	2,424	2,005	2,005
Maintenance	44	210	209	209
Depreciation and amortisation	239	218	208	208
Other expenses Community Benefit Fund	12,200	12,200	12,200	12,200
Total Expenses	19,394	19,973	19,532	19,532

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

34.1 Policy and Development

34.1.1 Policy and Development (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Recoupment of administration costs	90	68	112
Minor sales of goods and services	1,155	1,224	1,272
Investment income	780	663	674
Other revenue	303	606	380
Total Retained Revenue	2,328	2,561	2,438
NET COST OF SERVICES	17,066	17,412	17,094

CAPITAL EXPENDITURE	532	251	245
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**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

34.2 Compliance

34.2.1 Liquor and Machine Gaming Compliance

Program Objective(s): To ensure the integrity of the liquor and machine gaming industries.

Program Description: Ensuring compliance by clubs/licensees of statutory responsibilities. Determining standards for gaming machines. Reviewing applications to the Licensing Court and Liquor Administration Board. Representing the Director of Liquor and Gaming in proceedings before those bodies. Maintaining the principal Registry of the Licensing Court.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Disciplinary and prosecution proceedings instituted before Licensing Court	no.	596	993	1,000	1,500
Complaints investigated concerning licensed premises and clubs	no.	1,915	1,438	1,300	1,300
Licence applications reviewed	no.	3,500	4,000	6,000	6,000
Breaches identified concerning licensed premises and clubs	no.	2,415	2,722	3,600	3,500
On-site inspections/special audits of licensed premises and clubs	no.	6,378	3,021	5,260	5,950
Function licences reviewed	no.	1,000	1,200	3,000	3,000
Gaming device applications approved	no.	600	442	442	375
Gaming venues inspections (technical)	no.	385	469	500	470
Gaming device inspections	no.	2,385	2,185	2,500	2,300
Liquor accords facilitated and supported	no.	73	108	115	150
Liquor fee subsidy applications processed	no.	1,200	1,263	1,075	150
Reassessment of gaming tax	no.	290	250	180	150
Approved changes to Gaming Machines in Clubs and Hotels	no.	129,319	128,000	100,000	100,000
<u>Average Staffing</u> :	EFT	115	111	133	133

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

34.2 Compliance

34.2.1 Liquor and Machine Gaming Compliance (cont)

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
 OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	10,165	10,195	10,441
Other operating expenses	4,028	3,536	2,910
Maintenance	127	119	124
Depreciation and amortisation	686	463	593
Grants and subsidies			
Central monitoring fee assistance for clubs	1,500	1,500	1,300
Total Expenses	16,506	15,813	15,368
Less:			
Retained Revenue -			
Sales of goods and services			
Recoupment of administration costs	248	186	244
Device evaluation fees	1,425	948	948
Minor sales of goods and services	271	382	388
Investment income	35	36	37
Other revenue	826	750	669
Total Retained Revenue	2,805	2,302	2,286
NET COST OF SERVICES	13,701	13,511	13,082
 CAPITAL EXPENDITURE			
	1,464	683	1,189

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

34.3 Public Charity Fundraising Standards

34.3.1 Public Charity Fundraising Standards

Program Objective(s): To ensure the integrity of fundraising for charity.

Program Description: Approving fundraising activities for charity. Monitoring and inspecting financial affairs/management of charities. Issuing permits and collecting fees for conduct of lotteries and games of chance.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Authorities to fundraise issued	no.	700	1,350	1,400	1,400
Authorities to fundraise revoked	no.	1	1	1	1
Education seminars conducted	no.	40	50	40	45
Complaints received	no.	575	545	555	570
Inspections and investigations conducted	no.	640	425	540	550
Breach/compliance notices issued	no.	590	375	485	495
Trade promotion competitions processed	no.	13,500	13,700	14,217	14,400
Community gaming permits processed	no.	435	450	411	420
<u>Average Staffing:</u>	EFT	31	29	31	26

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related	2,066	2,183	1,885	
Other operating expenses	403	448	405	
Maintenance	26	26	24	
Depreciation and amortisation	149	94	115	
Total Expenses	2,644	2,751	2,429	

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

34.3 Public Charity Fundraising Standards

34.3.1 Public Charity Fundraising Standards (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Recoupment of administration costs	53	42	63
Minor sales of goods and services	22	48	46
Investment income	9	8	8
Other revenue	70	38	29
Total Retained Revenue	154	136	146
NET COST OF SERVICES	2,490	2,615	2,283

CAPITAL EXPENDITURE	314	153	256
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**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

34.4 Sport and Recreation in the Community

34.4.1 Development, Control and Regulation of the Racing Industry

Program Objective(s): To support and enhance the viability of racing organisations.
To protect the interests of the public in relation to racing operations.

Program Description: Advice to the Minister on the development, management and operation of the galloping, trotting and greyhound industries and on-and off-course betting. Monitoring of totalisators' and bookmakers' operations. Administration of reimbursements to bookmakers and domestic totalisators for Goods and Services Tax.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs</u> :					
Attendances at race meetings by inspectors	no.	500	540	450	550
<u>Average Staffing</u> :	EFT	15	14	12	10
		<div style="display: flex; justify-content: space-around; width: 100%;"> 2004-05 </div>			2005-06
		Budget	Revised		
		\$000	\$000	Budget \$000	

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related		1,227	1,134	973
Other operating expenses		579	665	339
Maintenance		19	13	11
Depreciation and amortisation		64	75	79
Other expenses				
Bookmakers Revision Committee		5	5	5
Total Expenses		1,894	1,892	1,407

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

34 DEPARTMENT OF GAMING AND RACING

34.4 Sport and Recreation in the Community

34.4.1 Development, Control and Regulation of the Racing Industry (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Recoupment of administration costs	24	17	34
Minor sales of goods and services	3	13	11
Investment income	3	3	3
Other revenue	231	177	34
Total Retained Revenue	261	210	82
NET COST OF SERVICES	1,633	1,682	1,325

CAPITAL EXPENDITURE	135	62	106
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**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

35 CASINO CONTROL AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	5,135	4,210	4,795
Other operating expenses	1,710	1,420	1,903
Depreciation and amortisation	130	110	130
Total Expenses	6,975	5,740	6,828
Less:			
Retained Revenue -			
Sales of goods and services	214	85	221
Investment income	30	130	31
Total Retained Revenue	244	215	252
NET COST OF SERVICES	6,731	5,525	6,576

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

35 CASINO CONTROL AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	4,893	3,986	4,571
Other	1,876	1,586	2,069
Total Payments	6,769	5,572	6,640
Receipts			
Sale of goods and services	214	85	221
Interest	30	148	13
Other	166	166	166
Total Receipts	410	399	400
NET CASH FLOWS FROM OPERATING ACTIVITIES	(6,359)	(5,173)	(6,240)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(70)	(70)	(70)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(70)	(70)	(70)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	6,125	6,125	6,247
Capital appropriation	70	70	70
Cash reimbursements from the Consolidated Fund Entity	259	217	...
Cash transfers to Consolidated Fund	...	(901)	...
NET CASH FLOWS FROM GOVERNMENT	6,454	5,511	6,317
NET INCREASE/(DECREASE) IN CASH	25	268	7
Opening Cash and Cash Equivalents	2,679	2,843	3,111
CLOSING CASH AND CASH EQUIVALENTS	2,704	3,111	3,118
CASH FLOW RECONCILIATION			
Net cost of services	(6,731)	(5,525)	(6,576)
Non cash items added back	372	334	354
Change in operating assets and liabilities	...	18	(18)
Net cash flow from operating activities	(6,359)	(5,173)	(6,240)

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

35 CASINO CONTROL AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	2,704	3,111	3,118
Receivables	222	95	113
Other	62	92	92
Total Current Assets	2,988	3,298	3,323
Non Current Assets -			
Property, plant and equipment - Plant and equipment	468	530	470
Total Non Current Assets	468	530	470
Total Assets	3,456	3,828	3,793
LIABILITIES -			
Current Liabilities -			
Payables	240	182	182
Provisions	397	354	354
Other	68	49	49
Total Current Liabilities	705	585	585
Non Current Liabilities -			
Provisions	51	61	61
Other	19	33	33
Total Non Current Liabilities	70	94	94
Total Liabilities	775	679	679
NET ASSETS	2,681	3,149	3,114
EQUITY			
Accumulated funds	2,681	3,149	3,114
TOTAL EQUITY	2,681	3,149	3,114

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

35 CASINO CONTROL AUTHORITY

35.1 Casino Control

35.1.1 Casino Control

Program Objective(s): To protect the integrity of casino gaming in New South Wales.

Program Description: Maintenance and administration of systems for the licensing, supervision and control of legal casino gaming including the monitoring of the ongoing operations of the casino.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Casino employee licence applications investigated and reported	no.	1,050	984	430	800
Special audits conducted on casino operations	no.	12	20	20	20
Complaints relating to conduct of casino gaming received and investigated	no.	155	140	75	70
Applications for review of exclusion orders investigated and reported	no.	65	85	65	65
Prosecution of offences under Casino Control Act 1992	no.	50	90	220	230
Probity assessments of controlled contracts/contractors	no.	30	20	28	20
<u>Average Staffing</u> :	EFT	48	53	44	48

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	5,135	4,210	4,795
Other operating expenses	1,710	1,420	1,903
Depreciation and amortisation	130	110	130
Total Expenses	6,975	5,740	6,828

**MINISTER FOR GAMING AND RACING AND MINISTER FOR THE
CENTRAL COAST**

35 CASINO CONTROL AUTHORITY

35.1 Casino Control

35.1.1 Casino Control (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services

Minor sales of goods and services

Investment income

214

85

221

30

130

31

Total Retained Revenue

244

215

252

NET COST OF SERVICES

6,731

5,525

6,576

CAPITAL EXPENDITURE

70

70

70

MINISTER FOR HEALTH

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Health			
Total Expenses	9,973.8	10,875.0	9.0
Capital Expenditure	600.0	646.4	7.7
Health Care Complaints Commission			
Total Expenses	12.0	10.5	-13.0
Capital Expenditure	0.2	0.1	-41.0
Total, Minister for Health			
Total Expenses	9,985.8	10,885.5	9.0
Capital Expenditure	600.2	646.5	7.7

DEPARTMENT OF HEALTH

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The NSW Government continues its strong commitment to provide expanded and improved health care services for the people of New South Wales. In 2005-06, health recurrent expenditure is budgeted to reach \$10.9 billion, an increase of \$901 million or 9 percent over the 2004-05 Budget. In 2005-06 the NSW Health budget will account for more than 26 percent of total budget expenses, up from 24 percent in 1996-97. In per capita terms, health expenditure in the 2005-06 Budget equates to approximately \$1,600 for every person in New South Wales.

The increase in funding takes place in an environment of increasing demand for hospital services and restricted Commonwealth Government funding for NSW public hospitals.

These demand pressures confront health systems in all Western countries and are being driven by:

- ◆ demand for services by a growing and ageing population;
- ◆ changes in health technology, including the availability of new and better procedures; and
- ◆ increasing consumer expectations.

Demand pressure on NSW hospitals, particularly in metropolitan areas, continued during 2004-05. There were 4,194 more patients admitted from emergency departments to hospital wards during the twelve months to March 2005 compared to the same period last year.

The ageing of the population has resulted in more older, frail patients being admitted with more complex and chronic conditions which involve longer stays in hospital.

The number of patients over 65 years has increased by 3 percent per year since 1999-2000, and account for approximately one third of overnight admissions and almost 50 percent of occupied acute bed days. Patients 70 years and over have a higher emergency department attendance per 1,000 population than any other group, except for the very youngest patients. Patients over 70 years also have a 51 percent chance that they will be admitted to hospital following an attendance at an emergency department.

The growing number of older patients with complex conditions is reflected not only in the volume of work but in the type of admissions, the growth in specialties dealing with the elderly patients and increasing pressure on non-acute functions of the hospital sector. It is also reflected in increasing demand for ambulance services.

While demand for and cost of hospital services is increasing, the Commonwealth Government is restricting growth in the funding it provides to NSW hospitals under the Australian Health Care Agreement (AHCA). It is projected that New South Wales will lose some \$330 million over the life of the 2003-08 AHCA, compared with a roll over of the previous Health Care Agreement.

With the increased State funding applied to health in 2004-05 and the even larger increase in this year's State Budget, the gap between the Commonwealth Government's public hospital funding and the funding contributed by the NSW Government continues to grow.

The NSW Government's expenditure on the hospital system grew by 17.7 percent in 2003-04, while the Commonwealth funding under the AHCA grew at only 4.4 percent. In 2003-04 the New South Wales contributed \$1.61 for every dollar the Commonwealth put into the State health budget. Next year this is forecast to have increased to \$1.76.

STRATEGIC DIRECTIONS

The Government is aware of the pressures on the health system and has increased funding to Health from \$5.3 billion in 1994-95 to \$10.9 billion in 2005-06. An additional \$385.6 million of major initiatives will be funded in 2005-06, of which \$66.7 million relates to programs contained in the 2003-04 Budget (mainly mental health and the Cancer Institute). However, the Government has also recognised that simply providing more resources is not the total solution to challenges faced by the health system. There is a need to promote the best possible standard of care, focus on the needs of the patient and ensure that the system makes the best use of the resources it receives.

Over the past two years the Government has developed an integrated strategy to address the pressures on NSW public hospitals. Key elements of this strategy include:

- ◆ improving access to services by providing more hospital beds (including intensive care), enhanced specialist, mental health and emergency services to meet increasing demand and to improve timeliness of access to services;
- ◆ building a sustainable health workforce able to provide first class health services;
- ◆ introducing reforms to the way in which the system operates to ensure that patient outcomes are maximised through a system-wide focus on clinical excellence and the provision of integrated, patient focused care in the most appropriate setting; and
- ◆ making sure the health system is efficient, accountable and resources are directed to the provision of front line services.

The additional expenditure included in this Budget builds on a number of initiatives funded in the previous two Budgets. Nurses salaries in New South Wales have been substantially increased and conditions improved, making nursing a more attractive profession. NSW nurses are now amongst the best paid in Australia. In addition, a number of initiatives have been introduced to attract and retain other health professionals.

Over the past two years, the Government's Sustainable Access Plan has seen additional resources being allocated to allow new beds to be opened and more care packages for the elderly to be purchased. Additional surgery has been undertaken and improved emergency department operation introduced to alleviate some of the demand pressures on our public hospitals. Substantial additional funding has been allocated to enhance mental health services and the treatment of cancer.

The Government has also reduced the number of Area Health Services to ensure that resources go to the provision of front line services.

These strategies will be further progressed with the following additional investments in 2005-06:

- ◆ providing increased bed capacity to improve access block¹ performance and provide sustainable management of elective surgery;
- ◆ providing more elective surgery to tackle existing waiting lists;
- ◆ increasing the number of intensive care beds and cots for adults, children and infants;
- ◆ increasing the level of specialist State-wide services, including severe burn services;
- ◆ increasing the number of ambulance officers and ambulances in metropolitan areas;
- ◆ additional funding for mental health services;
- ◆ continuing to enhance the delivery of cancer research and direct patient services;
- ◆ additional training places for enrolled nurses;
- ◆ further funding to improve clinical excellence;
- ◆ a major initiative to improve the way in which clinical services are delivered; and
- ◆ further reforms to the administration of the system to increase efficiency.

¹ Access block is defined as when patients have to wait for **more than 8 hours** after the commencement of active treatment in an emergency department to be admitted into a ward bed.

Increased Hospital Capacity

Modelling undertaken for the Independent Pricing and Regulatory Tribunal inquiry revealed that the increasing proportion of patients with complex conditions had led to a significant increase in demand for services which could no longer be compensated for by increasing the efficiency of the system. After 15 years of bed reductions, stemming from increased levels of day surgery and reduced lengths of stay due to improved clinical practice and patient management, there was now a need to add beds to provide sustainable access. The Government has responded to this by making an increase to the number of hospital beds a priority over the next few years. Along with securing a sufficient clinical workforce, the hospital bed base is a core ingredient required to meet demand for medical and surgical services and relieving pressure in emergency departments.

This Budget provides funding to open at least 322 permanent acute and sub-acute beds, subject to the availability of nursing and medical staff. These extra beds and places are aimed at reducing access block experienced by public hospitals and allowing patients admitted through emergency departments to be placed in a bed more quickly. They will also reduce occupancy in major metropolitan hospitals, allowing better and more sustainable planning of elective surgery in the future.

This builds on the 563 additional permanent beds announced in last year's Budget and the additional 421 beds added in 2004-05, part of the recent announcement by the Premier.

Additional Elective Surgery

In addition to increasing the bed base to provide a sustainable basis to meet demand for elective surgery, the Government has committed significant funds to reducing waiting time for elective surgery. The 2004-05 Budget provided \$35 million per annum in recurrent funding to target elective surgery long-wait patients. In the six months to January 2005, this resulted in 50.5 percent more procedures being performed on long-wait patients.

The Government recently approved a further \$10 million expenditure to provide 4,500 procedures for long-wait patients (12 months or more) with low-complexity conditions. This will be spent in calendar year 2005. This program included an innovative pilot to contract the private hospital sector to provide 2,500 short-stay procedures.

Typical surgical short-stay procedures include: cataract removal; hernia repair; tonsils and adenoid surgery; removal of skin and breast lumps; and various endoscopic procedures. The private sector pilot will enable patients requiring non-urgent low-complexity procedures generally requiring a day-only or a short stay to be treated earlier in a private setting.

The Government continues its commitment to reduce waiting times for elective surgery. This Budget commits a further \$30 million over two years to reducing waiting times, with \$15 million to be spent in 2005-06. An additional \$20 million investment in surgery will also be made during 2005, financed by one-off savings made by Area Health Services as a result of amalgamations. This will be directed towards treating patients who have waited more than 12 months for surgery. This new funding is over and above the \$35 million increase in recurrent funding for elective surgery announced in last year's Budget.

As part of this program Area Health Services are being asked to introduce improved ways of managing elective surgery. This involves predicting the demand for surgical treatment and demonstrating that adequate resources are directed to meeting that demand. New models of surgical management of patients are being advanced including the development of dedicated 23½ hour units (or extended day-only facilities) for the majority of surgical cases and the quarantining of surgical beds for elective surgery patients.

Intensive Care Units

The Government is significantly increasing the number of intensive care beds available for adults, children and babies with an additional \$25 million in 2005-06. The Government is establishing:

- ◆ 20 new adult intensive care beds at a total cost of \$15.3 million at the following hospitals: John Hunter (2); Royal North Shore (2); Royal Prince Alfred (2); St George (2); Campbelltown (2); Tamworth (2); one each at Nepean, Hornsby, Sutherland, Liverpool, Bankstown, Coffs Harbour and Shoalhaven; and the permanent opening of a bed at each of the Newcastle Mater (0.5) and Prince of Wales (0.5), that are currently available only during periods of highest demand;
- ◆ 30 neonatal intensive care and special care cots will be provided at the following hospitals: John Hunter (2); the Royal Hospital for Women (2); Liverpool, Nepean and Royal Prince Alfred Hospitals; which will be supported by the funding of a further 20 high level special care cots (non-surgical) and another three surgical special care cots. In total \$7.5 million is being allocated for neonatal care in 2005-06.
- ◆ 7 paediatric intensive care beds and "step-down" ventilator dependent beds at a total cost of \$2.3 million. A new paediatric intensive care bed at the Children's Hospital at Westmead will be supported by four new step-down ventilator beds for paediatric patients who require high level respiratory support, but are not critically ill. Funding for additional specialist staff support will also be provided. An additional two step-down ventilator beds will be established at the Sydney Children's Hospital at Randwick.

Transitional Aged Care Program

Elderly patients often remain in acute care hospital beds for longer than is necessary while they wait for a place in a more appropriate care setting (often Commonwealth Government funded aged care places). The NSW Government is currently negotiating with the Commonwealth Government to permanently establish a Transitional Aged Care Program (TACP).

TACP is targeted at older people who are medically stable and ready for discharge into supported accommodation (such as a nursing home), but who with the benefit of a period of low intensity rehabilitation to improve function may be able to return home. Early results from the national evaluation of similar pilots indicate that the model reduces acute hospital length of stay and readmission rates and the premature admission to long term residential aged care facilities.

Subject to Commonwealth Government agreement, New South Wales plans to provide over 390 packages in 2005-06. These places will be provided through metropolitan Sydney and rural centres including Tweed Heads, Bathurst, Junee, Albury, Kurri Kurri, Armidale, Wagga Wagga and Mudgee. The initial Commonwealth Government proposed allocation of places to New South Wales is up to 693 places by 2006-07.

Providing For Specialist State-Wide Services

The Government has provided additional funding to be directed to increasing the provision of a range of State-wide and selected speciality services that are, in the main, provided at a small number of major teaching hospitals. Funding in 2005-06 will be directed towards increasing interventional neuroradiology services, which provide treatment for abnormalities in blood vessels in the brain. Additional funding will also be provided to genetics services to provide for more testing and counselling services. There will also be an additional \$2.2 million directed to severe burn services at Royal North Shore and Concord Hospitals to treat people with severe burns and continue to improve quality care for these patients. This is to be supported by the purchase of specialist equipment for the burns units at a cost of \$1 million.

Mental Health Improvements

In 2004, the NSW government committed an extra \$241 million to mental health services over a period of four years (2004-08). In 2004-05, almost \$25 million was allocated State-wide to increase service responsiveness and capacity. A further \$23 million will be provided in 2005-06 to take the total increase in funding under this package to \$48 million. This funding will provide for:

- ◆ Commissioning of a new 20 bed non-acute unit at Campbelltown (\$1.4 million – from early 2006). Construction commenced in March 2005.

- ◆ A 15 bed psychiatric intensive care unit at Hornsby Hospital (\$2.5 million from early 2006).
- ◆ 16 acute beds at Dubbo (\$2.5 million increasing to \$3.2 million in 2006-07).
- ◆ More supported accommodation places (expansion of the Housing Accommodation Support Initiative) to provide a range of medium-high accommodation support places operated by Non-Government Organisations (NGOs) (\$8 million).
- ◆ An integrated State-wide child and adolescent mental health service encompassing emergency assessments, supported beds in local hospitals, step-up/step-down day centres linked to the community and tertiary units/intensive care units (\$4 million).
- ◆ Workforce development programs including support to Universities for mental health nursing development (\$1.9 million).
- ◆ Extension and continuation of a reform program encompassing information improvements including better co-ordination, collection and accountability (\$1.5 million).

A new 15 bed acute mental health unit at Katoomba will open in early 2006 at an annual cost of \$3.6 million.

The Government will provide an additional \$22 million, on top of that announced in last year's Budget, in new funding for mental health services in 2005-06. This will bring the total funding for mental health services in 2005-06 to \$854 million – an increase of \$71 million or 9.1 percent this financial year. This additional funding will expand psychiatric emergency care and also fund a range of community based mental health projects.

During 2004-05, NSW Health successfully trialled Psychiatric Emergency Care (PEC) units within Liverpool and Nepean hospitals. These units have improved outcomes for patients presenting with a mental illness in emergency departments by ensuring swift and appropriate assessment and referral. PEC units benefit patients by reducing their average stay in hospital and help alleviate access block in the emergency department.

The PEC units at Liverpool and Nepean are to be permanently retained and a further seven PEC units will open progressively during 2005-06 at selected hospitals across metropolitan and regional New South Wales, including St George, St Vincent's and Hornsby Hospitals.

An emergency mental health care trial is currently underway on the Mid North Coast. The trial includes a telephone triage and transport component. Pending evaluation of the trial, provision has been made to expand this model across rural and regional areas.

Funding will also be provided for a range of community based mental health services. These new initiatives will include: more community rehabilitation (including expanded NGO services); new funding for mental health services for older people; the establishment of specific services for adolescents in contact with the juvenile justice system; and dual diagnosis services and early intervention for persons aged 16-25.

Cancer

During 2004-05, the Cancer Institute NSW (CINSW) received funding of \$35 million. This was used to promote improved awareness, clinical services and cancer research.

Clinical enhancement funding of \$23 million has increased cancer personnel, planning and co-ordination, information collection, education, patient support and equipment.

The CINSW has introduced the first NSW focused cancer research program, and in the first year has awarded a number of grants totalling \$6.7 million to support research, career development, clinical collaborations, research infrastructure and translation of research from “bench to bedside”.

The CINSW has funded \$3.2 million on prevention and awareness on tobacco. A further \$0.8 million has been allocated to education. In addition, the CINSW has funded the Central Cancer Registry and the Pap Test Register for a total of \$2 million.

As announced in the 2002-03 Budget, funding for the CINSW will increase by another \$30 million to \$65 million in 2005-06.

An additional \$19 million has been allocated to continuing improvement in the co-ordination of care and patient access to multi-disciplinary cancer teams with further upgrading to occur to radiation services. Overall, the CINSW will spend \$42 million on the provision of clinical services in 2005-06.

Screening and prevention will be a primary focus for 2005-06, with \$5.9 million being allocated. \$12.7 million will be allocated to research to build capacity in NSW hospitals and research institutions, and \$1.4 million on cancer education for those involved in cancer care and the public.

NSW Ambulance Services

The Ambulance Service of NSW has experienced significant demand growth in recent years. Despite an 11 percent increase in demand for ambulance services between 2000-01 and 2003-04, there has been an improvement of 4 percent in response times over the same period. However, in recent years, the Ambulance Service's metropolitan response time has started to deteriorate.

The NSW Government has provided an additional \$10 million in 2005-06 to provide for over 100 new staff and the leasing of 22 new vehicles in the metropolitan area. This major staffing increase will provide for necessary enhancements to the operations centre in Sydney and increase the number of emergency ambulances, rapid responders and patient transport services.

In 2003 the Government committed to engage an additional 230 rural ambulance staff over 4 years at a total cost of \$41 million. To date an extra 108 rural staff have been employed. In 2005-06 the Ambulance Service plans to employ a further 62 staff. This will further enhance the level of service to rural communities and bring the annual operating cost for this initiative to \$12.5 million.

The Ambulance Service will also benefit from new technologies that will use mobile data terminals in ambulances to advise the ambulance officers about clinical services available and recent ambulance arrivals at nearby hospitals from any location in Sydney. This will greatly assist ambulance officers to determine the hospital that is appropriate and be ready to deal with their patient's primary condition.

Increasing the Nursing Workforce

The recruitment and retention of nurses is an essential element of the Government's plan to safely open more acute care and transitional care beds. Both registered and enrolled nurses are being recruited through NSW Health's successful Re-connect program. More than 400 overseas trained nurses are also being employed.

The national shortage of nurses has arisen because of the failure of the Commonwealth Government to adequately fund undergraduate university nursing places. To address this shortage, the NSW Government is piloting innovative new training models for nursing including the introduction of a nursing studies component for year 11-12 students.

The NSW Government is also funding a significant expansion of the Trainee Enrolled Nurse Program. This \$8.1 million commitment will increase the number of Certificate IV Enrolled Nurses on the program by over 300 in 2005-06. This level of funding provides for a total of 15 weeks attendance at TAFE, on the job training at public hospitals throughout the State, and travel and accommodation subsidies where applicable.

These extra nurses will assist in the commissioning of more beds.

Designing a Better Patient Journey

It will take more than additional resources to meet the challenges that health care poses into the future. An important part of the Government's strategy is introducing reforms to encourage hospital administration, clinical, allied health and nursing staff to work together to improve hospital practice. The aim is to improve patient care and to provide co-ordinated care to patients in the most appropriate settings. To this end, the Government is implementing a major reform program that will focus on ensuring the patient has the best possible journey through the health system. This will ensure that patient care is better co-ordinated, leading to improved patient outcomes and more efficient use of resources.

The Government is providing \$19.7 million in 2005-06 to initiate a major new clinical services redesign program. The Government is committed to ensuring that administrators work closely with clinicians and patients to make each patient's treatment and stay in the health system smooth and safe, as well as creating a better working environment for all staff.

Funding will be allocated to enable the establishment of clinical redesign units at each of the eight Area Health Services and The Children's Hospital at Westmead and will allow the key clinical staff to undertake the system redesign with the assistance of external experts in managing change and system redesign.

Providing a Quality Health System

In 2004, the NSW Government approved an allocation of \$70 million over five years to fund a reform of the way patient safety and clinical quality is implemented and delivered in New South Wales. The program is a whole-of-health strategy to improve the collection, reporting and analysis of health data to ensure the quality of health care is monitored closely, routinely and systematically. Funding increases by a further \$5 million in 2005-06 to \$15 million.

Amalgamations

On 27 July 2004, the Minister for Health announced a major restructure of the NSW Health system to reduce duplication and waste in health administration. The reforms were aimed at meeting the rapid increase in demand for public health services in New South Wales and allocating the maximum funds possible from the health budget to direct patient care.

The new area structures better align population growth centres with existing centres of excellence and specialist medical expertise and also link areas of traditional clinical resource strength to areas of traditional shortage. In addition, the new areas will integrate a range of administrative and clinical systems, removing duplication and overlap. Savings from administrative efficiencies and corporate services reform will be invested in clinical services.

A recent example has been the use of \$8.1 million in recurrent savings from aggregation of telecommunications services to fund trainee enrolled nurses.

The amalgamations also provide an opportunity to improve consistency in Area Health Service structures and policies.

Shared Corporate Service Reform

NSW Health has initiated a major internal reform program to consolidate and share corporate and business support services across the public health system. These reforms are aimed at redirecting resources to front line health care, while also improving the cost effectiveness, consistency and accessibility of support services across the State.

The program will see the establishment of a new business unit called HealthSupport. Its initial focus will be linen, food and IT systems and overall procurement practices. This approach is consistent with the NSW Government's Shared Corporate Services Reform Strategy.

Capital Expenditure

The Government has again provided NSW Health with guaranteed funds for the next four years to build and upgrade health services. This guarantee of future funding makes it possible for NSW Health to plan for long term construction programs with certainty within an approved capital expenditure program commitment of \$2.5 billion over four years.

The details of the new works commencing in 2005-06 are included in Budget Paper No. 4. Major new work projects to commence include the redevelopment of Bathurst, Orange and Bloomfield Hospitals, Queanbeyan Hospital, Nyngan Hospital redevelopment, Manly Hospital Intensive Care Unit and the Mona Vale Hospital Emergency Department upgrade.

The Mental Health Stage 2 Program will commence in 2005-06. This program will significantly expand non-acute mental health beds, target mental health services for young people and the aged, as well as building capacity within our emergency departments to better cater for people with mental illness when they require urgent care.

The 2005-06 capital expenditure program also provides for the continuation of large scale programs which include major upgrading and redevelopment works within the Central Sydney Resource Transition Program, the Central Coast Health Access Plan, the Newcastle Strategy, the Royal North Shore Hospital Stage 2, and the Western Sydney Strategy. State-wide programs including the BreastScreen NSW capital program and radiotherapy services will also continue in 2005-06.

The Rural Hospital and Health Service Program is also continuing in 2005-06. Phase 3 of the Program comprises 14 rural and remote projects. Planning is proceeding on all projects, with construction to commence at Junee, Portland, Tottenham, Tullamore, Guyra and Walcha during 2005-06.

HEALTH CARE COMPLAINTS COMMISSION

The Health Care Complaints Commission is an independent statutory body reporting directly to the Minister for Health and to the Joint Parliamentary Committee on the Health Care Complaints Commission. The Commission has powers to investigate complaints against all health practitioners, hospitals, institutions and health programs in New South Wales.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Following public criticism of its handling of complaints regarding the Macarthur Area Health Service, the Commission has been completely overhauled and refocused to concentrate on rigorously investigating complaints of poor health care. A District Court Judge was seconded to the Commission for a 12 month period to oversee the reform program that has included the implementation of a new staffing structure, review and amendment of the *Health Care Complaints Act 1993*, the completion of the Macarthur investigation and elimination of the backlog of outstanding cases.

The Health Conciliation Registry was transferred to the Commission in March 2005 to provide a 'one-stop shop' for handling health care complaints.

The Commission has continued the reform program with a focus on improving the quality and timeliness of investigations in accordance with the Act.

The Government has supported the overhaul of the Commission with additional funding of \$5.7 million, with \$2.6 million provided in 2003-04 and the remaining \$3.1 million received in 2004-05. The Government also provided \$0.4 million in 2004-05 to complete the implementation of Casemate, the Commission's new complaints management software application that has improved the monitoring and management of cases.

STRATEGIC DIRECTIONS

In 2005-06, the Commission will focus on the continual improvement and development of its investigative capacity. The functions of the Health Conciliation Registry will be fully integrated with the Commission's Patient Support Services to facilitate better patient complaint outcomes through alternate dispute resolution.

Work will proceed on improving the Commission's business processes, particularly in the area of case management and performance tracking through the application of the new Casemate computer system.

2005-06 BUDGET

Total Expenses

The Commission's total expenses are estimated at \$10.5 million in 2005-06, a decline of \$1.5 million on budgeted expenditure in 2004-05. This reflects reductions in activity as the backlog of investigations is cleared and due to the conclusion of the Macarthur investigation. The Commission will maintain and improve its current level of investigation and patient support services.

Capital Expenditure

In 2005-06, the Commission will spend \$0.1 million to replace outdated leased computer equipment.

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	6,153,784	6,324,938	6,685,642
Other operating expenses	2,444,060	2,587,886	2,766,964
Maintenance	259,276	256,422	264,052
Depreciation and amortisation	396,939	397,439	418,550
Grants and subsidies	615,116	621,116	634,952
Borrowing costs	9,283	7,659	6,573
Other expenses	95,378	102,378	98,239
Total Expenses	9,973,836	10,297,838	10,874,972
Less:			
Retained Revenue -			
Sales of goods and services	972,007	968,244	1,019,754
Investment income	42,200	52,200	51,172
Grants and contributions	171,082	171,082	184,829
Other revenue	85,586	85,586	90,656
Total Retained Revenue	1,270,875	1,277,112	1,346,411
NET COST OF SERVICES	8,702,961	9,020,726	9,528,561

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	5,953,344	6,009,077	6,417,379
Grants and subsidies	592,116	598,116	611,952
Finance costs	9,283	7,659	6,573
Other	3,054,888	3,179,960	3,424,475
Total Payments	9,609,631	9,794,812	10,460,379
Receipts			
Sale of goods and services	966,025	960,262	1,019,315
Interest	42,200	52,200	51,172
Other	493,214	493,214	506,036
Total Receipts	1,501,439	1,505,676	1,576,523
NET CASH FLOWS FROM OPERATING ACTIVITIES	(8,108,192)	(8,289,136)	(8,883,856)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	50,180	26,920	32,350
Purchases of property, plant and equipment	(599,950)	(567,612)	(646,378)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(549,770)	(540,692)	(614,028)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	...	76,762	7,305
Repayment of borrowings and advances	(6,631)	(49,488)	(8,275)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(6,631)	27,274	(970)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	7,941,601	8,083,904	9,102,306
Capital appropriation	431,950	453,230	455,503
Cash reimbursements from the Consolidated Fund Entity	351,726	381,726	...
NET CASH FLOWS FROM GOVERNMENT	8,725,277	8,918,860	9,557,809
NET INCREASE/(DECREASE) IN CASH	60,684	116,306	58,955
Opening Cash and Cash Equivalents	464,389	396,010	512,316
CLOSING CASH AND CASH EQUIVALENTS	525,073	512,316	571,271

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

Net cost of services	(8,702,961)	(9,020,726)	(9,528,561)
Non cash items added back	523,679	524,179	540,244
Change in operating assets and liabilities	71,090	207,411	104,461
Net cash flow from operating activities	(8,108,192)	(8,289,136)	(8,883,856)

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	542,423	532,644	591,599
Receivables	160,510	158,386	156,633
Other financial assets	196,952	218,977	218,977
Inventories	66,271	68,123	69,127
Assets held for sale	...	32,350	40,990
Other	24,236	29,640	29,640
Total Current Assets	990,392	1,040,120	1,106,966
Non Current Assets -			
Receivables	5,434	3,337	3,337
Other financial assets	48,764	47,267	47,267
Property, plant and equipment -			
Land and building	6,466,218	6,873,091	6,878,562
Plant and equipment	594,039	603,140	643,807
Infrastructure systems	78,679	76,513	54,157
Intangibles	6,695	9,407	31,763
Other	4,964	5,543	5,543
Total Non Current Assets	7,204,793	7,618,298	7,664,436
Total Assets	8,195,185	8,658,418	8,771,402
LIABILITIES -			
Current Liabilities -			
Payables	518,083	590,547	556,016
Interest bearing	23,591	27,057	38,378
Provisions	532,454	573,918	635,818
Other	10,160	31,153	31,153
Total Current Liabilities	1,084,288	1,222,675	1,261,365

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION (cont)			
Non Current Liabilities -			
Interest bearing	70,833	109,428	97,137
Provisions	1,010,979	1,096,828	1,173,928
Other	33,109	32,907	32,150
Total Non Current Liabilities	1,114,921	1,239,163	1,303,215
Total Liabilities	2,199,209	2,461,838	2,564,580
NET ASSETS	5,995,976	6,196,580	6,206,822
EQUITY			
Reserves	1,237,928	1,738,507	1,597,807
Accumulated funds	4,758,048	4,458,073	4,609,015
TOTAL EQUITY	5,995,976	6,196,580	6,206,822

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.1 Ambulatory, Primary and (General) Community Based Services

36.1.1 Primary and Community Based Services

Program Objective(s): To improve, maintain or restore health through health promotion, early intervention, assessment, therapy and treatment services for clients in a home or community setting.

Program Description: Provision of health services to persons attending community health centres or in the home, including health promotion activities, community based women's health, dental, drug and alcohol and HIV/AIDS services. Provision of grants to non-Government Organisations for community health purposes.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Dental Health non-inpatient occasions of service	thous	1,707	1,721	1,665	1,680
Methadone treatment places	no.	15,556	15,720	16,320	16,320
Withdrawal management (detoxification) persons treated	no.	9,871	10,562	11,344	12,126
Drug and alcohol rehabilitation activities participation numbers	no.	4,811	5,789	6,294	6,799
Notification of vaccine preventable diseases in children less than 16 years	no.	1,000	1,250	684	1,000
Infants aged 12-15 months fully immunised	%	91	91	91	91
Age standardised hospitalisation rate for injuries from falls, persons 65 years and over, per 100,000	no.	2,306	2,505	2,600	2,600
Notifications of HIV attributable to injecting drug use	no.	12	12	16	12
Home nursing occasions of service	thous	303	385	429	429
<u>Average Staffing:</u>	EFT	7,273	7,277	7,280	7,320

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.1 Ambulatory, Primary and (General) Community Based Services

36.1.1 Primary and Community Based Services (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	507,655	513,929	536,255
Other operating expenses	148,482	149,578	154,877
Maintenance	20,483	20,334	21,151
Depreciation and amortisation	26,988	26,788	28,252
Grants and subsidies			
Voluntary organisations	80,182	81,920	81,883
Third schedule hospitals	17,769	17,515	19,134
Total Expenses	801,559	810,064	841,552
Less:			
Retained Revenue -			
Sales of goods and services			
Patient Fees and other hospital charges	25,204	38,274	37,264
Investment income	2,743	2,965	3,101
Grants and contributions	20,872	21,216	24,805
Other revenue	6,333	4,502	5,362
Total Retained Revenue	55,152	66,957	70,532
NET COST OF SERVICES	746,407	743,107	771,020
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CAPITAL EXPENDITURE	26,938	24,659	25,962

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.1 Ambulatory, Primary and (General) Community Based Services

36.1.2 Aboriginal Health Services

Program Objective(s): To raise the health status of Aborigines and to promote a healthy life style.

Program Description: Provision of supplementary health services to Aborigines, particularly in the areas of health promotion, health education and disease prevention. (Note: This program excludes most services for Aborigines provided directly by area health services and other general health services which are used by all members of the community.)

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Otitis Media Program rate of screening for children aged 0-6 years	%	...	...	50	70
<u>Average Staffing</u> :	EFT	307	354	394	411
		-----2004-05-----			
		Budget	Revised		2005-06
		\$000	\$000		Budget
					\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related	24,471	27,199		29,450
Other operating expenses	7,427	12,729		14,533
Maintenance	2,852	2,795		2,773
Depreciation and amortisation	1,191	1,430		1,507
Grants and subsidies				
Voluntary organisations	6,196	8,790		8,553
Third schedule hospitals	4

Total Expenses	42,141	52,943		56,816
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Less:

Retained Revenue -

Sales of goods and services				
Patient Fees and other hospital charges	1,867	2,372		2,420
Investment income	84	130		118
Grants and contributions	1,198	1,180		1,406
Other revenue	342	496		376

Total Retained Revenue	3,491	4,178		4,320
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NET COST OF SERVICES	38,650	48,765		52,496
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MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.1 Ambulatory, Primary and (General) Community Based Services

36.1.3 Outpatient Services

Program Objective(s): To improve, maintain or restore health through diagnosis, therapy, education and treatment services for ambulant patients in a hospital setting.

Program Description: Provision of services provided in outpatient clinics including low level emergency care, diagnostic and pharmacy services and radiotherapy treatment.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Outpatient clinics: occasions of service	thous	6,790	6,953	7,022	7,022
Diagnostics: occasions of service	thous	1,909	1,861	1,861	1,861
<u>Average Staffing:</u>	EFT	9,086	9,089	9,099	9,163

———2004-05———		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	600,973	609,090	635,852
Other operating expenses	275,539	291,233	300,213
Maintenance	32,928	32,360	32,980
Depreciation and amortisation	51,197	50,554	53,072
Grants and subsidies			
Voluntary organisations	3,837	4,166	4,053
Third schedule hospitals	51,520	51,520	52,979
Total Expenses	1,015,994	1,038,923	1,079,149

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.1 Ambulatory, Primary and (General) Community Based Services

36.1.3 Outpatient Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Patient Fees and other hospital charges	56,796	55,851	58,351
Department of Veterans' Affairs revenue	15,457	15,457	16,890
Investment income	4,684	7,595	6,918
Grants and contributions	8,383	8,982	10,573
Other revenue	8,559	5,743	7,061

Total Retained Revenue	93,879	93,628	99,793
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NET COST OF SERVICES	922,115	945,295	979,356
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CAPITAL EXPENDITURE	4,899
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MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.2 Acute Health Services

36.2.1 Emergency Services

Program Objective(s): To reduce the risk of premature death or disability for people suffering injury or acute illness by providing timely emergency diagnostic, treatment and transport services.

Program Description: Provision of emergency road and air ambulance services and treatment of patients in designated emergency departments of public hospitals.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outcomes:</u>					
Transport response times for emergency cases in metropolitan areas within 10 minutes	%	54.5	53.0	53.0	60.0
Transport response times for emergency cases in metropolitan areas within 15 minutes	%	84.7	83.0	83.0	87.0
Transport response times for emergency cases in rural districts within 20 minutes	%	87	86	86	86
<u>Outputs:</u>					
Patient separations	thous	153	153	153	153
Number of attendances in Emergency Departments	thous	2,005	1,999	2,000	2,000
Attendances admitted	thous	509	521	526	526
Emergency road transport cases	thous	351	377	357	357
Emergency aircraft transport cases	no.	3,281	3,300	3,300	3,350
Emergency helicopter transport cases	no.	2,312	2,300	2,815	3,000
<u>Average Staffing:</u>	EFT	9,409	10,078	10,323	10,559

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.2 Acute Health Services

36.2.1 Emergency Services (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	722,766	731,359	779,681
Other operating expenses	255,869	265,643	275,788
Maintenance	26,705	25,514	26,616
Depreciation and amortisation	43,259	46,301	48,970
Grants and subsidies			
Voluntary organisations	2,132	2,159	2,101
Third schedule hospitals	23,013	23,013	23,424
Total Expenses	1,073,744	1,093,989	1,156,580
Less:			
Retained Revenue -			
Sales of goods and services			
Patient Fees and other hospital charges	31,798	28,667	34,020
Ambulance transport charges	19,159	19,159	19,234
Other ambulance user charges	1,345	1,345	1,335
Motor vehicle third party payments	4,830	4,830	5,552
Department of Veterans' Affairs revenue	19,616	19,616	21,434
Investment income	2,321	2,422	2,559
Grants and contributions	3,593	4,055	3,585
Other revenue	4,964	6,864	4,691
Total Retained Revenue	87,626	86,958	92,410
NET COST OF SERVICES	986,118	1,007,031	1,064,170
<hr/>			
CAPITAL EXPENDITURE	36,297	33,226	34,902

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.2 Acute Health Services

36.2.2 Overnight Acute Inpatient Services

Program Objective(s): To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital on an overnight basis.

Program Description: Provision of health care to patients admitted to public hospitals with the intention that their stay will be overnight, including elective surgery and maternity services.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Patient separations	thous	678	684	693	702
Patients charged for admission	%	17.3	17.9	17.9	17.9
<u>Average Staffing:</u>	EFT	32,910	33,609	35,250	35,911

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	2,418,395	2,508,644	2,653,481
Other operating expenses	1,085,782	1,137,653	1,239,118
Maintenance	98,525	99,107	101,791
Depreciation and amortisation	170,720	169,985	179,139
Grants and subsidies			
Voluntary organisations	768	...	...
Third schedule hospitals	139,494	139,752	143,173
Blood transfusion services	53,340	53,340	55,340
Borrowing costs	6,405	7,659	6,573
Other expenses			
Cross border payments	82,854	89,048	85,448
Total Expenses	4,056,283	4,205,188	4,464,063

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.2 Acute Health Services

36.2.2 Overnight Acute Inpatient Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Patient Fees and other hospital charges	321,603	281,926	286,217
Ambulance transport charges	2,937	2,937	2,949
Other ambulance user charges	207	207	207
Motor vehicle third party payments	25,170	25,170	28,935
Cross border revenues	757	757	783
Department of Veterans' Affairs revenue	173,983	173,983	190,112
Investment income	13,587	14,867	15,157
Grants and contributions	25,780	26,331	29,204
Other revenue	28,761	32,437	30,797
Total Retained Revenue	592,785	558,615	584,361
NET COST OF SERVICES	3,463,498	3,646,573	3,879,702

CAPITAL EXPENDITURE	476,480	454,589	524,899
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MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.2 Acute Health Services

36.2.3 Same Day Acute Inpatient Services

Program Objective(s): To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital and discharged on the same day.

Program Description: Provision of health care to patients who are admitted to public hospitals with the intention that they will be admitted, treated and discharged on the same day.

	Units	2002-03	2003-04	2004-05	2005-06																		
<u>Outputs:</u>																							
Patient separations	thous	432	440	457	478																		
<u>Average Staffing:</u>	EFT	4,760	4,772	5,077	5,195																		
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;">2004-05</th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> </tr> <tr> <td></td> <td style="text-align: center;">Budget</td> <td style="text-align: center;">Revised</td> <td style="text-align: center;">Budget</td> <td style="text-align: center;">Budget</td> <td style="text-align: center;">Budget</td> </tr> <tr> <td></td> <td style="text-align: center;">\$000</td> <td style="text-align: center;">\$000</td> <td style="text-align: center;">\$000</td> <td style="text-align: center;">\$000</td> <td style="text-align: center;">\$000</td> </tr> </thead> </table>							2004-05						Budget	Revised	Budget	Budget	Budget		\$000	\$000	\$000	\$000	\$000
	2004-05																						
	Budget	Revised	Budget	Budget	Budget																		
	\$000	\$000	\$000	\$000	\$000																		

OPERATING STATEMENT

Expenses -

Operating expenses -					
Employee related	335,159	352,931	372,647		
Other operating expenses	205,911	238,603	247,981		
Maintenance	18,927	19,232	19,777		
Depreciation and amortisation	27,781	27,820	29,257		
Grants and subsidies					
Voluntary organisations	818	216	210		
Third schedule hospitals	13,051	13,051	13,987		
Borrowing costs	1,151	...	...
Other expenses					
Cross border payments	12,524	13,330	12,791		
Total Expenses	615,322	665,183	696,650		

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.2 Acute Health Services

36.2.3 Same Day Acute Inpatient Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Patient Fees and other hospital charges	44,321	28,671	30,339
Ambulance transport charges	1,949	1,949	1,957
Other ambulance user charges	136	136	136
Cross border revenues	114	114	118
Department of Veterans' Affairs revenue	8,346	8,346	9,120
Investment income	1,730	1,937	1,965
Grants and contributions	7,475	5,389	6,082
Other revenue	2,396	2,268	2,589
Total Retained Revenue	66,467	48,810	52,306
NET COST OF SERVICES	548,855	616,373	644,344

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.3 Mental Health Services

36.3.1 Mental Health Services

Program Objective(s): To improve the health, well-being and social functioning of people with disabling mental disorders and to reduce the incidence of suicide, mental health problems and mental disorders in the community.

Program Description: Provision of an integrated and comprehensive network of services by area health services and community based organisations for people seriously affected by mental illnesses and mental health problems. The development of preventive programs which meet the needs of specific client groups.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Acute mental health service overnight separations	no.	23,500	27,759	26,814	28,000
Non-acute mental health inpatient days	no.	249	266	252	259
<u>Average Staffing:</u>	EFT	7,655	7,803	8,150	8,505

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	571,721	560,040	605,077
Other operating expenses	131,257	145,760	165,960
Maintenance	16,594	16,488	16,979
Depreciation and amortisation	26,194	25,833	27,206
Grants and subsidies			
Voluntary organisations	16,192	17,594	17,119
Third schedule hospitals	20,879	20,879	21,548
Total Expenses	782,837	786,594	853,889

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.3 Mental Health Services

36.3.1 Mental Health Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Patient Fees and other hospital charges	30,807	45,081	46,669
Investment income	1,562	1,864	1,786
Grants and contributions	5,645	5,098	6,432
Other revenue	5,306	4,904	7,627

Total Retained Revenue	43,320	56,947	62,514
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NET COST OF SERVICES	739,517	729,647	791,375
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CAPITAL EXPENDITURE	51,716	47,340	50,946
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MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.4 Rehabilitation and Extended Care Services

36.4.1 Rehabilitation and Extended Care Services

Program Objective(s): To improve or maintain the well-being and independent functioning of people with disabilities or chronic conditions, the frail and the terminally ill.

Program Description: Provision of appropriate health care services for persons with long-term physical and psycho-physical disabilities and for the frail-aged. Coordination of the Department's services for the aged and disabled with those provided by other agencies and individuals.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Admitted patients discharged to home/hostel care	%	62.4	62.7	63.0	63.0
Admitted patients discharged to a nursing home	%	9.5	8.7	9.0	9.0
Total non-admitted occasions of service	thous	2,940	3,198	3,198	3,198
<u>Average Staffing:</u>	EFT	9,436	9,272	9,412	9,406

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	554,265	562,859	586,037
Other operating expenses	154,440	157,308	171,658
Maintenance	20,742	20,462	21,151
Depreciation and amortisation	31,352	30,922	32,605
Grants and subsidies			
Voluntary organisations	7,802	7,711	7,503
Third schedule hospitals	113,153	113,153	116,779
Total Expenses	881,754	892,415	935,733

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.4 Rehabilitation and Extended Care Services

36.4.1 Rehabilitation and Extended Care Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Patient Fees and other hospital charges	92,127	115,284	122,130
Ambulance transport charges	5,142	5,142	5,162
Other ambulance user charges	362	362	362
Department of Veterans' Affairs revenue	45,559	45,559	49,782
Investment income	3,292	3,628	3,685
Grants and contributions	20,189	19,862	24,545
Other revenue	10,869	10,091	5,851
Total Retained Revenue	177,540	199,928	211,517
NET COST OF SERVICES	704,214	692,487	724,216

CAPITAL EXPENDITURE	5,279	4,832	...
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MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.5 Population Health Services

36.5.1 Population Health Services

Program Objective(s): To promote health and reduce the incidence of preventable disease and disability by improving access to opportunities and prerequisites for good health.

Program Description: Provision of health services targeted at broad population groups including environmental health protection, food and poisons regulation and monitoring of communicable diseases.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outcomes:</u>					
Adult male smokers (current)	%	24.0	25.0	22.5	22.0
Adult female smokers (current)	%	18.8	20.0	19.3	19.0
Age standardised mortality rate in females aged 50-69 for breast cancer per 100,000	no.	58.8	55.5	51.0	49.0
Age standardised mortality rate in females aged 20-69 for cervical cancer per 100,000	no.	2.1	2.1	1.9	1.7
Two-yearly participation rate of women within breast cancer screening target group (50-69 years) per 100,000	%	53	51	49	51
Two-yearly participation rate of women within cervical cancer screening target group (20-69 years) per 100,000	%	62.0	62.5	63.0	63.5
<u>Outputs:</u>					
Number of needles and syringes distributed	thous	6,570	6,490	6,700	7,000
<u>Average Staffing:</u>	EFT	1,769	2,014	2,032	2,116

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.5 Population Health Services

36.5.1 Population Health Services (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	136,778	140,027	151,214
Other operating expenses	100,151	101,188	104,998
Maintenance	6,223	6,052	6,258
Depreciation and amortisation	5,954	5,923	6,111
Grants and subsidies			
Voluntary organisations	7,892	8,836	8,598
Research grants	5,030	5,030	5,074
Third schedule hospitals	5,904	5,904	6,093
Total Expenses	267,932	272,960	288,346
Less:			
Retained Revenue -			
Sales of goods and services			
Patient Fees and other hospital charges	5,716	11,034	11,245
Investment income	1,140	1,101	1,203
Other revenue	1,536	2,516	3,279
Total Retained Revenue	8,392	14,651	15,727
NET COST OF SERVICES	259,540	258,309	272,619
<hr/>			
CAPITAL EXPENDITURE	3,240	2,966	3,705

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.6 Teaching and Research

36.6.1 Teaching and Research

Program Objective(s): To develop the skills and knowledge of the health workforce to support patient care and population health. To extend knowledge through scientific enquiry and applied research aimed at improving the health and wellbeing of the people of New South Wales.

Program Description: Provision of professional training for the needs of the New South Wales health system. Strategic investment in research and development to improve the health and wellbeing of the people of New South Wales.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Interns	no.	507	526	539	558
First year Resident Medical Officers	no.	319	379	392	395
Graduates from the Public Health Officer Training Program in the past five years currently employed in NSW health system	%	76	87	76	83
<u>Average Staffing:</u>	EFT	3,760	4,347	4,361	4,441

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	281,601	318,860	335,948
Other operating expenses	80,929	88,191	91,838
Maintenance	15,297	14,078	14,576
Depreciation and amortisation	12,303	11,883	12,431
Grants and subsidies			
Voluntary organisations	...	427	415
Research grants	27,321	27,321	27,564
Third schedule hospitals	18,819	18,819	19,422
Total Expenses	436,270	479,579	502,194

MINISTER FOR HEALTH
36 DEPARTMENT OF HEALTH

36.6 Teaching and Research

36.6.1 Teaching and Research (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Patient Fees and other hospital charges	36,699	36,015	37,031
Investment income	11,057	15,691	14,680
Grants and contributions	77,947	78,969	78,197
Other revenue	16,520	15,765	23,023

Total Retained Revenue	142,223	146,440	152,931
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NET COST OF SERVICES	294,047	333,139	349,263
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CAPITAL EXPENDITURE	1,065
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MINISTER FOR HEALTH
37 HEALTH CARE COMPLAINTS COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related*	8,390	8,350	7,084
Other operating expenses*	3,486	3,692	3,043
Maintenance	4	9	4
Depreciation and amortisation	158	135	339
Total Expenses	12,038	12,186	10,470
Less:			
Retained Revenue -			
Sales of goods and services	15	2	16
Investment income	20	53	42
Other revenue	303	280	279
Total Retained Revenue	338	335	337
NET COST OF SERVICES	11,700	11,851	10,133

* Decrease in 2005-06 Budgeted expenses due to completion of the Macarthur investigation and backlog reduction strategy.

MINISTER FOR HEALTH
37 HEALTH CARE COMPLAINTS COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	8,009	8,032	6,621
Other	3,652	3,974	3,289
Total Payments	11,661	12,006	9,910
Receipts			
Sale of goods and services	15	2	16
Interest	15	48	47
Other	465	628	459
Total Receipts	495	678	522
NET CASH FLOWS FROM OPERATING ACTIVITIES	(11,166)	(11,328)	(9,388)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(200)	(891)	(118)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(200)	(891)	(118)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	10,569	10,618	9,423
Capital appropriation	...	691	118
Cash reimbursements from the Consolidated Fund Entity	604	456	...
NET CASH FLOWS FROM GOVERNMENT	11,173	11,765	9,541
NET INCREASE/(DECREASE) IN CASH	(193)	(454)	35
Opening Cash and Cash Equivalents	583	1,370	916
CLOSING CASH AND CASH EQUIVALENTS	390	916	951
CASH FLOW RECONCILIATION			
Net cost of services	(11,700)	(11,851)	(10,133)
Non cash items added back	487	495	665
Change in operating assets and liabilities	47	28	80
Net cash flow from operating activities	(11,166)	(11,328)	(9,388)

MINISTER FOR HEALTH
37 HEALTH CARE COMPLAINTS COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	390	916	951
Receivables	473	310	287
Other	5	9	9
Total Current Assets	868	1,235	1,247
Non Current Assets -			
Property, plant and equipment -			
Land and building	258	258	172
Plant and equipment	353	866	248
Intangibles	...	...	483
Total Non Current Assets	611	1,124	903
Total Assets	1,479	2,359	2,150
LIABILITIES -			
Current Liabilities -			
Payables	814	295	350
Provisions	514	546	548
Total Current Liabilities	1,328	841	898
Non Current Liabilities -			
Provisions	110	91	91
Total Non Current Liabilities	110	91	91
Total Liabilities	1,438	932	989
NET ASSETS	41	1,427	1,161
EQUITY			
Accumulated funds	41	1,427	1,161
TOTAL EQUITY	41	1,427	1,161

MINISTER FOR HEALTH
37 HEALTH CARE COMPLAINTS COMMISSION

37.1 Health Care Complaints

37.1.1 Health Care Complaints

Program Objective(s): To investigate and resolve complaints about health care services in New South Wales. To contribute to improvements in the safety and quality of health care services and to ensure that professional standards are met by health care providers.

Program Description: Provision of an accessible, independent complaints mechanism for consumers of both public and private health services. Resolution, investigation and prosecution of complaints to assist and promote the maintenance of health standards.

	Units	2002-03	2003-04*	2004-05*	2005-06
<u>Outputs:</u>					
Complaints received and assessed	no.	2,718	2,817	2,500	2,800
Complaints finalised	no.	2,943	2,777	3,100	2,800
Investigations finalised	no.	387	321	750	450
Formal review of investigations undertaken by other agencies	no.	256	237	...	...
Disciplinary - Tribunal, appeal and re-registration matters prosecuted	no.	73	67	90	80
Health Practitioners referred for disciplinary proceedings on finalisation of investigations	no.	107	80	150	100
Health care policy recommendations made to providers and institutions	no.	22	14	25	20
Telephone inquiries	no.	4,445	4,893	5,000	5,000
Patient Support Service clients	no.	3,883	4,149	3,500	3,500
<u>Average Staffing:</u>	EFT	76	91	99	82

* Investigations resulting from the Macarthur Inquiry and the backlog of outstanding cases are included in the totals.

MINISTER FOR HEALTH
37 HEALTH CARE COMPLAINTS COMMISSION

37.1 Health Care Complaints

37.1.1 Health Care Complaints (cont)

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
 OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	8,390	8,350	7,084
Other operating expenses	3,486	3,692	3,043
Maintenance	4	9	4
Depreciation and amortisation	158	135	339
Total Expenses	12,038	12,186	10,470
Less:			
Retained Revenue -			
Sales of goods and services			
Minor sales of goods and services	15	2	16
Investment income	20	53	42
Other revenue	303	280	279
Total Retained Revenue	338	335	337
NET COST OF SERVICES	11,700	11,851	10,133
 CAPITAL EXPENDITURE			
	200	891	118

MINISTER FOR HOUSING

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Payments to Other Government Bodies Under the Control of the Minister			
Total Expenses	445.1	518.3	16.4
Capital Expenditure .....	...	...	...
Aboriginal Housing Office			
Total Expenses	85.0	84.9	-0.1
Capital Expenditure	9.6	7.1	-25.7
Home Purchase Assistance Fund			
Total Expenses	24.7	24.1	-2.4
Capital Expenditure .....	...	...	...
Total, Minister for Housing			
Total Expenses	554.8	627.3	13.1
Capital Expenditure	9.6	7.1	-25.7

PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER

In 2005-06, a total of \$518.3 million from the Commonwealth and State will be allocated from the Budget to assist almost 500,000 people on low incomes in housing need. The Department of Housing will receive \$466.9 million and the Aboriginal Housing Office will receive \$51.4 million. Housing assistance in 2005-06 will provide support to:

- ◆ approximately 350,000 people accommodated in Government-subsidised housing managed by public, community or Aboriginal housing providers;
- ◆ around 4,300 crisis accommodation places for nearly 60,000 people; and
- ◆ around 90,000 private renters and home buyers through financial assistance.

A further \$138.4 million largely from internal sources will result in total expenditure under the Housing Policy and Assistance Program in the Department of Housing of \$656.7 million in 2005-06.

The Department of Housing will also, draw down approximately \$100 million from a \$125 million loan facility in 2005-06, for the piloting of a new Maintenance Reform Program. In 2005-06, this Program will be piloted in 17 locations across the State, with its aim being to eliminate the maintenance backlog, implement fire safety upgrades and provide a basis for a new lifecycle maintenance regime. The anticipated cost savings and efficiencies will fund interest costs and support repayment of the loan.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Department is focussed on increasing efficiencies in expenditure while maintaining core client services and programs. The Department has continued to invest in assets, with a greater focus by both the Department of Housing and the Aboriginal Housing Office on expenditure to address the demand for maintenance and improvement of existing stock.

Living Communities' is a program to renew and strengthen the communities in high-need public housing estates in New South Wales, commencing with the Bonnyrigg Estate in Western Sydney. Over the next five to ten years, the Department will work with the Bonnyrigg community, Fairfield City Council, a private sector partner, other government departments and community organisations to renew the public housing estate and help create a stronger community in Bonnyrigg.

The Department has increased the range of housing assistance options it offers beyond the provision of long-term public housing. Partnerships with the private and non-government sectors are providing alternative housing solutions, including home ownership assistance for people on low incomes.

STRATEGIC DIRECTIONS

The Commonwealth and New South Wales have negotiated a Bilateral Agreement that underpins the strategic priorities of the Department of Housing for 2003 to 2008. These priorities are to:

- ◆ provide flexible and sustainable social housing responses for clients;
- ◆ work more effectively with the private market, local government and the non-government sector;
- ◆ strengthen local housing communities to help address social and economic disadvantage; and
- ◆ provide efficient, effective and viable services.

The NSW Government has released a new policy approach *Reshaping Public Housing*, which makes major changes to public housing in New South Wales. The public housing system will be better targeted to meet those most in need.

From 1 July 2005 the length of time a tenant can stay in public housing will be matched to their need for public housing. Eligibility for housing will focus on income and housing need.

There are some public housing tenants who can afford to move into private rental accommodation or home ownership. Changes to rent policy will encourage these tenants to make this move, freeing up homes for people on the waiting list.

The extra rent will also contribute to a planned \$2.7 billion investment in 30,000 public housing homes over the next ten years. Over the ten year period this will mean a three-fold increase in the annual number of properties redeveloped.

The NSW Government will also be investing an extra \$190 million over four years in the public housing system, commencing with an allocation of \$20 million from the Budget in 2005-2006.

2005-06 BUDGET

In 2005-06, total expenditure of \$656.7 million on the Housing Policy and Assistance Program will be funded through \$518.3 million made available from the Consolidated Fund, of which \$299.3 million is from the Commonwealth and \$219 million is from the State. The balance of total expenditure, \$138.4 million, is to be funded largely from internal sources (which are predominantly funds carried forward from previous years and proceeds from asset sales) of the Department of Housing. This amount does not include the funds available to the Department from its approved loan to finance the Maintenance Reform Program.

The total budget of \$656.7 million is broadly applied in three areas: housing supply, asset management for existing dwellings and other housing assistances for people on low incomes, as described below.

Housing Supply Program

The housing supply program of \$219.2 million will fund new capital works, works in progress, and existing and new leased housing in the public, community and Aboriginal housing sectors, as follows:

- ◆ \$94.5 million for public housing will fund the commencement of 222 new dwellings (purchased or constructed), the completion of 484 dwellings, along with 2,561 existing leases and 105 new leases from the private market;

- ◆ \$95.4 million for community housing (excluding crisis accommodation) will fund the commencement of 171 new dwellings (purchased or constructed), the completion of 264 dwellings and subsidies for 5,592 existing leases and 140 new leases;
- ◆ \$13.1 million for crisis accommodation will fund the commencement of 28 new dwellings, the completion of 26 dwellings, 204 existing leases and 15 new leases;
- ◆ \$16.3 million for the Aboriginal Housing Office will fund the commencement of 8 new dwellings to be managed by the AHO and 26 new dwellings to be managed by the Aboriginal community housing sector under the Housing for Aboriginal Communities Program. It will also fund the completion of 61 dwellings (33 for the AHO and 28 Aboriginal community housing dwellings); and
- ◆ in total, 1,095 dwellings will be added to the social housing portfolio through capital completions or purchases (835 units) and leasing from the private market (260 units).

Asset Management Program

Continuing with the strategic direction of improving the standard of housing stock, allocations of \$259.1 million, \$2.2 million and \$22.7 million will be given to public, community (including crisis) and Aboriginal housing, respectively, for improvements to approximately 67,000 dwellings. Improvements range from minor repairs to painting to major upgrading work and are designed to bring properties to an agreed minimum standard. Asset management improvements also contribute to community regeneration of public housing estates.

The Department will spend a further \$100 million in 2005-06 on piloting a new Maintenance Reform Program, along with \$121.4 million for responsive repairs and maintenance.

Other Programs

The Government assists disadvantaged and lower income people renting in the private rental market. In 2005-06, \$23.1 million will be available to fund Rentstart, a program that provides financial assistance, such as payment of rental bond, for private renters. Under the Special Assistance Subsidy (SAS) program, \$10.7 million will assist eligible people with disabilities and people living with HIV/AIDS, to access the private rental market.

The Government also assists lower income earners own their own home through the Self Build Program, and maintain their mortgage in times of financial crisis with the Mortgage Assistance Scheme. \$0.3 million is available under the self-build program and \$1 million in revolving funds is provided for mortgage assistance.

Other programs funded in this budget for community and public housing, include:

- ◆ \$2 million for programs to tackle homelessness in the State;
- ◆ \$1.7 million for grants to peak and resourcing bodies that address housing related issues affecting lower income earners, including local government bodies (under the Local Government Housing Initiatives Program) and the Department of Infrastructure, Planning and Natural Resources;
- ◆ \$24.7 million for new products and service initiatives that provide a broader range of housing assistance options and accommodation alternatives for low income households in New South Wales; and
- ◆ \$1.1 million for the Centre for Affordable Housing.

The Aboriginal Housing Office will allocate \$11.9 million to fund non-asset related programs, such as resourcing Aboriginal community organisations and providing sector support. A further \$18 million will be provided for the Aboriginal Communities Development Program.

Information on the planned capital expenditure program of each housing agency is in Budget Paper No. 4.

ABORIGINAL HOUSING OFFICE

The Aboriginal Housing Office (AHO) is a statutory authority with an all Aboriginal board, established in 1998 pursuant to the *Aboriginal Housing Act 1998*. The AHO plans and administers the policies, programs and asset base for Aboriginal housing in New South Wales. This includes resource allocation, sector-wide policy, strategic planning and monitoring outcomes and performance in the Aboriginal housing sector.

The AHO manages and co-ordinates an annual capital works program, and develops and implements a range of financial and resourcing strategies. In addition, the AHO has an important role in facilitating and improving training and employment opportunities for Aboriginal people.

In carrying out its functions, the AHO is guided by the principles of self-determination and self-management by Aboriginal people. The AHO therefore strives to maximise the involvement of Aboriginal housing providers and the Aboriginal community (including tenants and housing applicants) in the development of housing policy and standards and the delivery of housing programs.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Significant policy developments that will impact on AHO's expenditure and activities in 2005-06 include:

- ◆ the new Bilateral Agreement between the NSW Government, and the Commonwealth Government on the provision and management of housing and housing-related infrastructure for Aboriginal and Torres Strait Islander people in New South Wales for 2005-06 to 2007-08;
- ◆ the dissolution of the Aboriginal and Torres Strait Islander Commission and consideration of the reallocation of roles and functions previously undertaken by ATSIC; and
- ◆ the AHO will have a new Board from 1 July 2005 for a three year term.

During the last year a Statutory Review of the *Aboriginal Housing Act 1998* was conducted. This involved extensive consultation, encompassing opportunities for both written and verbal participation by the Aboriginal community, relevant stakeholders and other agencies. The Review confirmed the ongoing validity of the Act's objectives and examined the successes achieved since the *Aboriginal Housing Act 1998* commenced. These achievements are outlined in detail in the Report of the Review which has been tabled in Parliament by the Minister.

During 2005-06 there will be an evaluation of the National Policy Framework Building a Better Future 2010 (BBF). The framework is a ten year intergovernmental commitment to improve Indigenous housing outcomes between the Australian Government, State and Territory Housing Ministers. The evaluation will be undertaken by the Standing Committee on Indigenous Housing. The Commonwealth Department of Family and Community Services on behalf of the Standing Committee will auspice the consultancy. It will involve an assessment of progress in implementing all elements of BBF and recommendations on how to strengthen BBF. A detailed report is to be provided containing both a national overview and summaries for each jurisdiction.

STRATEGIC DIRECTIONS

The three key strategies underpinning the 2005-06 Aboriginal Housing Program are Sustainable Services, Sustainable Growth and Sustainable Assets. These directions and the detail of the 2005-06 Aboriginal Housing Program were developed in consultation with Aboriginal people and Aboriginal housing organisations as well as other key stakeholders.

Program funding is allocated towards long term sustainable outcomes for housing to Aboriginal communities as well as addressing immediate housing need, repairs and maintenance and asset management. Specific strategies include assisting Aboriginal Housing Providers to remain viable and become sustainable through a range of capacity building programs to organisations and their staff, an asset management plan for acquisitions and repairs and maintenance and also the roll out of coordinated and resource effective models of management.

Consultation will also inform the development of the next strategic plan and align with the renegotiated Bilateral Agreement. The strategic directions are also closely linked to:

- ◆ the *Aboriginal Housing Act 1998*; and
- ◆ the *Building a Better Future: Indigenous Housing to 2010*.

2005-06 BUDGET

Total Expenses

The total expenses of \$84.9 million will support:

- ◆ grants of \$9.7 million to Aboriginal communities for the acquisition of community-owned dwellings, with an expected commencement of 26 units;
- ◆ AHO property upgrades of \$6.7 million;
- ◆ Aboriginal community housing repairs and maintenance of \$14.3 million;
- ◆ resourcing community organisations, sector support and training at a cost of \$5.9 million; and
- ◆ housing component of the Aboriginal Communities Development Program.

These activities are funded by major grants including \$33.4 million through the Commonwealth State Housing Agreement, \$13.3 million from the Commonwealth's Community Housing Infrastructure Program and \$3.2 million from the Department of Housing. State funding of \$18 million will be provided for the Housing component of the Aboriginal Communities Development Program. The other sources of funds are a small asset sales program, interest income and net rental income after rental expenses.

Capital Expenditure

The AHO housing program provides public rental housing for Aboriginal people. In 2005-06 the capital program is \$7.1 million which comprises \$6.6 million to complete 33 units and commence 8 units of accommodation, and \$0.5 million for office plant and equipment.

HOME PURCHASE ASSISTANCE FUND

The Home Purchase Assistance Fund was established by Trust Deed in 1989 to support and administer government home purchase assistance programs. Income earned by the Fund's investments is used to meet shortfalls in the HomeFund Scheme and other programs supporting home purchase. The Department of Housing oversees the management of the Fund.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Rationalisation of the HomeFund scheme structure is now well advanced with consolidation of 27 of the initial 29 FANMAC mortgage trusts into a Master Trust. There is only one mortgage trust with bonds held by external parties; this trust matures in May 2006 and the mortgages will be transferred into the Master Trust at that time.

STRATEGIC DIRECTIONS

The management of the fund continues to be focused on risk containment, prudent asset investment, cost minimisation and the careful administration of borrowings. Within this structure, the Fund's key objective is to maintain sufficient levels of capital to meet its HomeFund support obligations.

2005-06 BUDGET

Total Expenses

Total expenses are budgeted at \$24.1 million in 2005-06 with major components being interest on borrowings of \$12.8 million and funding of FANMAC Trust shortfalls of \$7.6 million.

MINISTER FOR HOUSING
38 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE
CONTROL OF THE MINISTER

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Grants and subsidies*	445,081	446,388	518,294
Total Expenses	445,081	446,388	518,294
NET COST OF SERVICES	445,081	446,388	518,294

* This includes \$34.1 million to cover the provision of corporate services to the Department of Housing by the Businesslink Department.

MINISTER FOR HOUSING
38 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE
CONTROL OF THE MINISTER

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Grants and subsidies	445,081	446,388	518,294
Total Payments	445,081	446,388	518,294
NET CASH FLOWS FROM OPERATING ACTIVITIES	(445,081)	(446,388)	(518,294)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	445,081	446,388	518,294
NET CASH FLOWS FROM GOVERNMENT	445,081	446,388	518,294
NET INCREASE/(DECREASE) IN CASH	...	...	...
CASH FLOW RECONCILIATION			
Net cost of services	(445,081)	(446,388)	(518,294)
Net cash flow from operating activities	(445,081)	(446,388)	(518,294)

MINISTER FOR HOUSING
38 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE
CONTROL OF THE MINISTER

38.1 Housing Policy and Assistance

38.1.1 Housing Policy and Assistance

Program Objective(s): To ensure that housing assistance is planned and provided in accordance with the broader Government objectives of achieving secure and affordable accommodation for people on low incomes or otherwise unable to access or maintain appropriate housing.

Program Description: Provision of housing assistance, including the development of Government subsidised housing, through public, community and Aboriginal housing agencies to achieve desired outcomes for target groups. Provision of advice on housing needs, markets and strategic direction for the housing assistance program.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Provision of rent assistance - units of assistance	no.	58,585	54,800	52,100	52,500
New clients provided with mortgage assistance	no.	188	130	177	175
Households assisted with special rent subsidies	no.	1,779	1,555	1,319	1,290
New households assisted with public, community and Aboriginal housing (excluding crisis)	no.	14,049	13,647	12,648	12,805
Total households receiving ongoing housing assistance	no.	141,776	143,456	143,735	144,053
Units of accommodation managed by public housing	no.	129,185	128,798	128,461	127,776
Units of accommodation managed by community housing	no.	12,693	13,056	13,615	14,689
Units of accommodation managed by Aboriginal housing	no.	5,654	5,836	6,028	6,114
Total units of accommodation managed by public, community and Aboriginal housing	no.	147,532	147,690	148,104	148,579
Units of public and community housing completed	no.	806	662	692	774
Net increase in accommodation leased for public and community housing	no.	795	163	201	260
Crisis accommodation places available for financial year	no.	3,850	4,100	4,200	4,300
Units of accommodation for Other Housing Programs (Affordable Housing & Self-Build)	no.	n.a.	25	6	40
Public housing tenants receiving subsidies	%	89	90	88	88

MINISTER FOR HOUSING
38 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE
CONTROL OF THE MINISTER

38.1 Housing Policy and Assistance

38.1.1 Housing Policy and Assistance (cont)

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
 OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Grants and subsidies			
Public Housing Supply	26,703	26,703	19,882
Public Housing Asset Management	173,984	171,861	236,514
Community Housing Program	117,388	117,388	117,844
Aboriginal Housing Program	33,250	33,180	33,439
Aboriginal Communities Development Program	15,000	18,500	18,000
Other Housing Programs	78,756	78,756	92,615
Total Expenses	445,081	446,388	518,294
NET COST OF SERVICES	445,081	446,388	518,294

**MINISTER FOR HOUSING
ABORIGINAL HOUSING OFFICE**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	17,504	17,645	18,335
Investment income	1,000	1,000	1,000
Grants and contributions	70,540	74,250	67,872
Total Retained Revenue	89,044	92,895	87,207
Less:			
Expenses -			
Operating Expenses -			
Employee related	5,477	6,086	6,240
Other operating expenses	12,951	13,320	13,722
Maintenance	4,843	5,774	5,264
Depreciation and amortisation	5,636	5,569	5,749
Grants and subsidies	56,067	59,175	53,882
Total Expenses	84,974	89,924	84,857
Gain/(loss) on disposal of non current assets	100	100	100
SURPLUS	4,170	3,071	2,450

**MINISTER FOR HOUSING
ABORIGINAL HOUSING OFFICE**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	16,984	17,125	17,826
Interest	1,000	1,000	1,000
Other	63,238	71,712	65,977
Total Receipts	81,222	89,837	84,803
Payments			
Employee Related	5,359	6,032	5,289
Grants and subsidies	46,747	49,855	50,699
Other	21,675	26,707	23,113
Total Payments	73,781	82,594	79,101
NET CASH FLOWS FROM OPERATING ACTIVITIES	7,441	7,243	5,702
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	1,000	1,000	1,000
Purchases of property, plant and equipment	(9,559)	(9,657)	(7,105)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(8,559)	(8,657)	(6,105)
NET INCREASE/(DECREASE) IN CASH	(1,118)	(1,414)	(403)
Opening Cash and Cash Equivalents	25,994	27,400	25,986
CLOSING CASH AND CASH EQUIVALENTS	24,876	25,986	25,583
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	4,170	3,071	2,450
Non cash items added back	5,636	5,569	5,749
Change in operating assets and liabilities	(2,365)	(1,397)	(2,497)
Net cash flow from operating activities	7,441	7,243	5,702

**MINISTER FOR HOUSING
ABORIGINAL HOUSING OFFICE**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	24,876	25,986	25,583
Receivables	1,217	1,535	1,817
Other	26	45	45
Total Current Assets	26,119	27,566	27,445
Non Current Assets -			
Property, plant and equipment -			
Land and building	683,690	822,691	824,065
Plant and equipment	1,986	1,847	1,661
Infrastructure systems	1,095	4,158	3,181
Intangibles	...	...	245
Other	345	411	452
Total Non Current Assets	687,116	829,107	829,604
Total Assets	713,235	856,673	857,049
LIABILITIES -			
Current Liabilities -			
Payables	179	2,180	2,155
Provisions	1,184	1,231	2,141
Other	7,608	7,906	4,906
Total Current Liabilities	8,971	11,317	9,202
Non Current Liabilities -			
Provisions	412	424	465
Total Non Current Liabilities	412	424	465
Total Liabilities	9,383	11,741	9,667
NET ASSETS	703,852	844,932	847,382
EQUITY			
Reserves	247,097	378,735	378,735
Accumulated funds	456,755	466,197	468,647
TOTAL EQUITY	703,852	844,932	847,382

**MINISTER FOR HOUSING
HOME PURCHASE ASSISTANCE FUND**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
<hr/>			
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	38	20	26
Investment income	24,997	26,010	25,047
Total Retained Revenue	25,035	26,030	25,073
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	293	334	187
Grants and subsidies	2,999	3,000	3,090
Borrowing costs	13,220	13,248	12,851
Other expenses	8,205	7,326	7,986
Total Expenses	24,717	23,908	24,114
SURPLUS	318	2,122	959

**MINISTER FOR HOUSING
HOME PURCHASE ASSISTANCE FUND**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	38	20	26
Interest	27,569	27,506	26,666
Other	300	36	2
Total Receipts	27,907	27,562	26,694
Payments			
Grants and subsidies	2,999	3,000	3,090
Finance costs	13,220	13,248	12,851
Other	8,398	6,150	12,275
Total Payments	24,617	22,398	28,216
NET CASH FLOWS FROM OPERATING ACTIVITIES	3,290	5,164	(1,522)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	41,686	9,971	9,402
Advance repayments received	780	1,515	900
Purchases of investments	(37,097)	(6,846)	(106)
NET CASH FLOWS FROM INVESTING ACTIVITIES	5,369	4,640	10,196
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	(8,309)	(9,809)	(8,674)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(8,309)	(9,809)	(8,674)
NET INCREASE/(DECREASE) IN CASH	350	(5)	...
Opening Cash and Cash Equivalents	262	7	2
CLOSING CASH AND CASH EQUIVALENTS	612	2	2
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	318	2,122	959
Non cash items added back	2,571	2,562	1,619
Change in operating assets and liabilities	401	480	(4,100)
Net cash flow from operating activities	3,290	5,164	(1,522)

MINISTER FOR HOUSING
HOME PURCHASE ASSISTANCE FUND

	2004-05		
	Budget	Revised	2005-06
	\$000	\$000	Budget
			\$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	612	2	2
Receivables	8,066	7,536	7,536
Other financial assets	191,890	74,031	94,273
Total Current Assets	200,568	81,569	101,811
Non Current Assets -			
Other financial assets	235,719	362,959	330,902
Total Non Current Assets	235,719	362,959	330,902
Total Assets	436,287	444,528	432,713
LIABILITIES -			
Current Liabilities -			
Payables	2,800	5,135	635
Interest bearing	8,674	8,674	9,056
Provisions	...	800	1,200
Total Current Liabilities	11,474	14,609	10,891
Non Current Liabilities -			
Interest bearing	276,848	276,848	267,792
Provisions	4,130	2,500	2,500
Total Non Current Liabilities	280,978	279,348	270,292
Total Liabilities	292,452	293,957	281,183
NET ASSETS	143,835	150,571	151,530
EQUITY			
Accumulated funds	143,835	150,571	151,530
TOTAL EQUITY	143,835	150,571	151,530

MINISTER FOR INFRASTRUCTURE AND PLANNING AND MINISTER FOR NATURAL RESOURCES

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Heritage Office			
Total Expenses	7.7	8.7	12.2
Capital Expenditure .....	...	...	...
Department of Infrastructure, Planning and Natural Resources			
Total Expenses	421.8	544.2	29.0
Capital Expenditure	27.2	31.1	14.5
Environmental Planning and Assessment Act			
Total Expenses	22.9	26.3	14.8
Capital Expenditure	35.0	73.0	208.6
Growth Centres Commission^(a)			
Total Expenses .....	...	41.4	n.a.
Capital Expenditure .....	...	...	...
Honeysuckle Development Corporation			
Total Expenses	10.6	12.5	17.4
Capital Expenditure	0.3	0.3	...
Catchment Management Authorities^(b)			
Total Expenses	129.3	192.0	48.4
Capital Expenditure .....	...	0.3	n.a.
Total, Minister for Infrastructure and Planning and Minister for Natural Resources^(c)			
Total Expenses	473.4	644.7	36.2
Capital Expenditure	62.5	104.7	67.5

(a) Legislative amendments to establish the agency are expected to be finalised in June 2005.

(b) The Catchment Management Authorities were created in January 2004 and have taken over certain functions of the Department of Infrastructure, Planning and Natural Resources.

(c) The grant from the Department of Infrastructure, Planning and Natural Resources to the Catchment Management Authorities of \$180.3 million is included in the 2005-06 recurrent expenditure totals for both agencies (\$118.9 million in 2004-05). To avoid double counting the amount is included only once in the Minister's total.

HERITAGE OFFICE

The Heritage Office manages the administration of the Government's heritage policies. It has a major educational and promotional role to encourage conservation of the State's heritage assets.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Heritage Office's expenses include the conservation of heritage assets through policy advice and the administration of heritage grants.

In 2005-06, total expenses are projected to be \$8.7 million compared to budgeted total expenses of \$7.7 million in 2004-05.

STRATEGIC DIRECTIONS

The Heritage Office's strategic directions are to:

- ◆ complete a comprehensive register of the State's significant heritage items;
- ◆ develop the community's understanding of heritage as an essential component of our culture;
- ◆ achieve best practice standards in the conservation and re-use of heritage items;
- ◆ assist and support local councils and State Government agencies with the management of their heritage assets;
- ◆ streamline heritage approvals processes; and
- ◆ demonstrate the benefits of the conservation of the State's heritage resources.

2005-06 BUDGET

Total Expenses

Total expenses of \$8.7 million in 2005-06 include \$2.5 million for Heritage Assistance grants.

Capital Expenditure

An allocation of \$19,000 is provided for minor equipment purchases only.

DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL RESOURCES

The Department of Infrastructure, Planning and Natural Resources sets the strategic framework for urban development, environmental protection and economic growth through its role in:

- ◆ landscape management;
- ◆ land use planning systems and development control;
- ◆ leadership of transport and infrastructure investment and land use planning; and
- ◆ managing the allocation, conservation and use of water.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Department has led improvement in natural resource management and land use planning through the establishment of Catchment Management Authorities with nearly \$130 million in investment strategies already approved; the operational introduction of the *Water Management Act 2000* including thirty one water sharing plans; reforms to the management of native vegetation; and a major overhaul of the planning system.

The Department has continued to develop strategies to manage sustainable growth and change in Sydney and across the Greater Metropolitan Region. Planning for around 8,000 lots per year has commenced.

Regional strategies have commenced to integrate land use and natural resource planning at both regional and local levels, particularly in coastal areas.

Processes have been improved to align infrastructure planning and investment with strategic and land use planning. This ensures that releases of new urban land are managed to coincide with population growth and infrastructure delivery. It also ensures that funding from developer contributions and Government is secured for a regional infrastructure package of around \$7.8 billion for land release in the north west and south west sectors of Sydney over 30 years.

Further implementing the NSW planning reforms will deliver a modern planning system so that land use decisions are made at the most appropriate level of government. For example most state significant developments previously subject to Ministerial approval will be returned to local government for assessment and approval. This will ultimately reduce the cost of administration and red tape, improve effectiveness and redirect more resources to communities and farmers.

STRATEGIC DIRECTIONS

The Department's goal is to improve the economic performance, environmental sustainability and the quality of life for the NSW community through the following outcome areas.

Landscape health and productivity

- ◆ Setting a strategic direction focused on integrated catchment management through a Natural Resources Policy and sector strategies (for example for agriculture and forests); guiding regulations and investment decisions; and monitoring the achievement of standards and targets set by the Natural Resources Commission.
- ◆ Supporting the Catchment Management Authorities so that natural resource investment decisions are made locally and landholders and communities are empowered to manage catchments in a sustainable way. This involves establishing simple, consistent and fair land management rules and processes (such as property vegetation planning), providing funding to the Authorities and targeting 80 percent of investment in on-ground, on-farm works, and ensuring that decisions are backed up by world class science.

Effective land use planning systems and development control

- ◆ Simplifying planning and building systems (e.g. removal of 1,100 concurrences) to reduce transaction costs and unnecessary delays and provide greater certainty and focus on sustainable development.
- ◆ Implementing the BASIX Web-based tool, which targets reductions in water and energy use.
- ◆ Supporting local government using Planning Reform Funds to undertake upfront strategic planning and deliver modernised planning instruments, which will reduce the number of Local Environment Plans from 5,500 to 152.
- ◆ Improving the regulatory framework for public and private infrastructure and major development to enhance investment opportunities.

Leadership of transport and infrastructure investment and land use planning

- ◆ Continuing to lead the development and implementation of the Metropolitan Strategy which outlines actions to manage sustainable growth and change in Sydney and the Greater Metropolitan Region (such as providing 160,000 lots over the next 30 years in the north west and south west sectors of Sydney).

- ◆ Integrating land use and natural resource planning at both regional and local levels through regional strategies for the Far North Coast, the Lower Hunter, the Central Coast and the Illawarra and South Coast.
- ◆ Aligning infrastructure planning and investment with strategic and land use planning to ensure release of new land is managed to coincide with population growth, existing infrastructure is better utilised and available sources of investment for infrastructure are optimised.

Sustainable management of the allocation, conservation and use of water

- ◆ Allocating water in a sustainable way between users and the environment through implementing water sharing plans to return an average 220 gigalitres of water to the environment and provide increased security for users.
- ◆ Implementing the National Water Initiative, increasing water-use efficiency and promoting an open and fair water market that encourages the most valuable use of water resources.
- ◆ Engaging communities in water management and implementing systems that make entitlements to water more secure, such as moving water licences onto the Land and Property Information register.
- ◆ Restoring and protecting river health while maintaining strong agricultural and urban communities through programs such as groundwater structural adjustment.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are estimated at \$544.2 million. This compares with a 2004-05 Budget estimate of \$421.8 million.

The additional \$122 million in 2005-06 largely reflects a significant increase in grants. Grants to the Catchment Management Authorities are expected to be higher by \$61.2 million and total \$180.3 million because of a combination of natural growth and an expected increase in Commonwealth grants in 2005-06. Grants for the Living Murray water initiative, Wetland Recovery Strategy, Growth Centres Commission and local government programs are also budgeted to increase significantly.

The extent to which the Catchment Management Authorities are taking on more of the Department's day-to-day activities and services is evident in the reduction in other operating expenses in 2005-06.

During 2005-06 the Department will focus on consolidating and delivering the reforms which were announced in 2004-05 to better manage natural resources and streamline the land use planning system. This will involve actions such as getting the Property Vegetation Planning system (PVP) implemented to support the ways farmers manage their properties to improve both production and conservation outcomes. The National Water Initiative will be implemented returning water to the environment and restoring the health of river systems.

The Department's natural resource management programs have a total expense of \$318.9 million. Key initiatives that are ongoing or commencing in 2005-06 will be:

- ◆ \$52 million over several years towards the NSW Salinity Strategy, with expenditure on the Strategy recognised as part of New South Wales' \$198 million contribution to the \$396 million National Action Plan on Salinity and Water Quality (NAP). This plan is a joint State and Commonwealth program spread over several years and involves the Catchment Management Authorities preparing investment strategies in consultation with local communities;
- ◆ \$18.1 million as the State's share of operating costs and works programs for irrigation areas in 2005-06 with similar ongoing expenditure;
- ◆ \$7.9 million for Forest Industry Structural Adjustment;
- ◆ \$2 million in 2005-06 as part of a \$5 million Aboriginal Water Trust to assist the Aboriginal community in the development of water-based farming and aquaculture enterprises;
- ◆ \$13.4 million allocated to the Wetland Recovery Strategy to improve the management of rivers and the efficiency of water supply systems in areas such as the Macquarie Marshes and Gwydir Wetlands; and
- ◆ \$5.5 million for conserving and restoring groundwater resources of the Great Artesian Basin under the Cap and Pipe the Bores Program.

In addition, the Department will distribute structural adjustment assistance to groundwater users to correct the problem of over-allocation and to achieve a sustainable yield. New South Wales' share of this assistance program amounts to \$58.4 million, including a contribution to rural communities through a community development fund. Rural communities will also benefit from the increased certainty and investment security resulting from a sustainable allocation of water. For this program to proceed, it requires the Commonwealth to provide matching funding of \$55 million. It is now likely that this expenditure will not occur until 2006-07 due to delays in negotiations with the Commonwealth.

The Department's environmental planning programs have a total expense of \$91.3 million. Key initiatives for 2005-06 are:

- ◆ implementing the planning system reform which will involve completing the regional strategies and supporting local councils to prepare Local Environmental Plans by providing financial assistance from the Planning Reform Fund; and
- ◆ supporting the planning and development work of the new Growth Centres Commission in the new land release areas of Sydney's north west and south west sectors through grant funding, with \$12.6 million in 2005-06 including operating costs estimated at \$6 million and \$6.6 million capital grants for new infrastructure.

Total Revenue

Total revenue in 2005-06 is estimated at \$67.6 million. This includes the planning reform fee, fees for development assessment services, funding from the Murray Darling Basin Commission and contributions from industry.

Capital Expenditure

The capital expenditure programs for 2005-06 are estimated at \$31.1 million. Major new works include \$6.4 million for projects to support core service delivery in areas such as computer equipment replacement (\$3.1 million) and purchase of satellite imagery to support natural resource decision making (\$2.6 million).

A further \$6.3 million has been provided to continue Water Management Information Systems projects and \$4.1 million for systems to support vegetation management. Other items include coastal land acquisitions and building infrastructure works in Newcastle and at the Department's historically significant Bridge Street building.

ENVIRONMENTAL PLANNING AND ASSESSMENT ACT

Under the *Environmental Planning and Assessment Act 1979*, the Sydney Region Development Fund was established to acquire land for planning purposes within the Sydney region. This includes land suitable for regional open space, vacant land for future freeway and transport corridor construction purposes and land for projects such as the Rouse Hill Regional Centre.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenditure is mainly incurred for land acquisition, sale of surplus land, administration and borrowing costs. Grants for the ongoing improvement of open space land and new foreshore open space are also provided in partnership with local councils and community organisations.

Land acquisition continues to focus on regional open space and road programs. Most of the land identified for the Western Sydney Regional Parklands has now been acquired. The first stage of capital works has been announced to develop the long term recreational and conservation potential of the parklands.

The Fund holds land that is no longer required for planning purposes as well as fragments that can be aggregated and sold. Land sales are the main source of funding and the Fund continues to identify surplus land for disposal.

The sale of major industrial sites at Prospect and Eastern Creek is progressing. Disposal of land in partnership with Landcom continues at Bonnyrigg, Minto, Willoughby and Menai, and other land sales are planned at Seaforth and South Turramurra.

There is continuing development of the Rouse Hill Regional Centre on land purchased by the Fund. This regional centre will include retail, commercial, community, education, recreational, transport and residential uses, developed in partnership with Landcom and the private sector.

Land owned by the Fund at Eastern Creek and leased by the Waste Recycling and Processing Corporation is expected to return rental revenue of \$5 million per year over the next four years.

Various NSW Government agencies have collaborated to develop a proposed business park on land owned by the Fund at Eastern Creek. The land has been rezoned for employment purposes under *State Environmental Planning Policy No 59* and arrangements for its sale are progressing.

The Fund has planned significant metropolitan open space precincts and has funded programs such as the Greenspace program, Cooks River Foreshore program and the Sydney Harbour Access program to improve liveability in areas of Sydney. The Fund also manages a heritage asset management program, under the *Heritage Act 1977*.

STRATEGIC DIRECTIONS

The Sydney Region Development Fund has a range of strategies for the future including:

- ◆ prudent financial management to ensure adequate capital funding needs and to achieve an optimal return on surplus assets;
- ◆ ongoing review and disposal of surplus land and land to be acquired; and
- ◆ a focus on implementing the intended outcomes for open space land strategies and lands purchased for other planning purposes.

2005-06 BUDGET

Total Expenses

Total recurrent expenses for 2005-06 are estimated at \$26 million, including \$3.6 million for grants to improve open space land, \$5 million for lands transferred to other government bodies and \$6.9 million for borrowing costs. Expenses involved in managing, selling, acquiring and developing land total \$10.5 million.

Total Revenue

Total revenue for 2005-06 is estimated at \$49.1 million, including a grant of \$26 million from the Growth Centres Commission to purchase land for a possible rail corridor in south west Sydney, contributions from local councils and the NSW Government of \$12.7 million and net rental income of \$6.2 million.

Capital Expenditure

Land required for planning purposes such as regional open space and major road reservations is purchased through the capital program. Expenses associated with land purchase, such as planning studies for redevelopment, are also capitalised.

In 2005-06, acquisition costs are estimated at \$73 million, including \$26 million to buy land for a possible rail corridor in the south west Sydney area. Asset disposal is estimated at \$40 million.

Capital expenditure can vary from year to year and is difficult to accurately predict. They depend on the timing of approaches from owners to acquire their land, the completion of negotiations and property settlements.

GROWTH CENTRES COMMISSION

In December 2004, the NSW Government announced its new land release plan for the north west and south west sectors of Sydney. Up to 160,000 homes will be built in these sectors over the next 30 years.

A key feature of the land release plan is to ensure that Sydney's growth occurs in a sustainable way and that new infrastructure is appropriately planned, funded and linked to a properly sequenced release of land.

Since the announcement, preliminary work on the establishment of a new agency and initial planning and development work has been undertaken.

The Growth Centres Commission will be established under the *Growth Centres (Development Corporations) Act 1974* by June 2005.

The Growth Centres Commission will coordinate the orderly roll out of land release and infrastructure and will be accountable to the Minister for Infrastructure and Planning and to the Treasurer in the role of shareholder.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

During 2004-05, funding of \$2.9 million has covered the costs of initial studies to support release areas and costs in setting up the new agency. It is expected the Board of the Growth Centres Commission, a General Manager and an Infrastructure Manager will be appointed by June 2005.

STRATEGIC DIRECTIONS

The Commission will be responsible for delivering around \$7.8 billion of infrastructure over 30 years to serve the new communities in the north west and south west sectors.

In 2005-06, up to \$60 million of capital works are anticipated for the new release areas including road projects for Camden Valley Way and Narellan Road. The Commission will provide direct funds of \$33.9 million, and other State agencies will fund the remainder.

The key tasks of the Commission will be:

- ◆ to develop land use and infrastructure plans;
- ◆ to manage the funding and delivery of infrastructure;
- ◆ to make recommendations to Government on an orderly sequencing of land release so that the roll out of infrastructure is co-ordinated; and
- ◆ to help co-ordinate small land holders in the land release areas.

The Commission will manage:

- ◆ the delivery of infrastructure according to the approved infrastructure plans and co-ordinated with other State agencies; and
- ◆ the administration of both the developer contributions, which will raise 75 percent of the cost of infrastructure, and the NSW Government's contribution of 25 percent.

The Commission will also be responsible for managing any borrowings required from time to time to fund infrastructure that is constructed before the collection of the full amount of developer contributions.

2005-06 BUDGET

Total Expenses

Total expenses for the Commission in 2005-06 are \$41.4 million. This covers grants of \$33.9 million towards new capital works in the north west and south west sectors, operating expenses of \$6 million, and borrowing costs estimated at \$1.5 million.

Grants and subsidies for capital works totalling \$33.9 million for 2005-06 are:

- ◆ \$26 million grant to the Sydney Region Development Fund to purchase a corridor for a possible South West Rail Link;
- ◆ \$7.5 million to contribute towards road works on Camden Valley Way in the south west sector in 2005-06; and
- ◆ \$0.4 million for general land conservation works.

Total Revenue

Total revenue for the Commission in 2005-06 is estimated at \$20 million, consisting of \$7.4 million from developer contributions and \$12.6 million as a grant through the Department of Infrastructure, Planning and Natural Resources for the Commission's operating costs (\$6 million) and the Government's contribution to infrastructure (\$6.6 million).

HONEYSUCKLE DEVELOPMENT CORPORATION

The Corporation assists in the revitalisation of inner Newcastle. The area being revitalised is situated adjacent to the Newcastle Central Business District (CBD) and comprises 50 hectares of former industrial land located on the shores of Newcastle Harbour.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Until 1996-97, the Corporation was funded through budget contributions from the Building Better Cities program. Since that time, the Corporation has been funded through land sales and borrowings.

The Corporation has made community contributions of \$84.8 million over the life of the project in the form of grants to other organisations, housing, public domain and open space landscaping.

Some 42 sites have been released to the market with 40 settled, one under conditional contract, and another in negotiation. The total end value of works associated with the sites is estimated to be over \$742 million.

STRATEGIC DIRECTIONS

The Corporation undertakes programs to fulfil its role in assisting the revitalisation of inner Newcastle. The major features of the Corporation's strategic directions are to:

- ◆ develop the city into an effective capital of the Hunter region;
- ◆ develop a mix of affordable and other housing choices;
- ◆ improve the quality of life within the CBD and inner suburbs and to open community access to the harbour foreshore areas and enhance the attractiveness of the city;
- ◆ manage the acquisition and disposal of surplus government land holdings; and
- ◆ facilitate the provision of adequate infrastructure to promote and encourage development and investment in the area.

2005-06 BUDGET

Total Expenses

Total expenses for the Corporation for 2005-06 are budgeted at \$12.5 million. The primary components are the cost of selling land and property of \$3.2 million and community contributions of \$5.6 million.

The variation in expenses between the 2004-05 projection and 2005-06 Budget is approximately \$2.2 million. This is due to an increase in the level of contributions to the community (grants and subsidies), which reflects the timing of when certain works are required.

The forecast deficit in 2005-06 is primarily due to the level of community contributions.

Capital Expenditure

In accordance with accounting standards, the Corporation's property development activities are capitalised as inventory not property assets.

The capital allocation of \$0.3 million in 2005-06 will provide for the relocation of the Corporation's office from its current site to Honeysuckle House II.

CATCHMENT MANAGEMENT AUTHORITIES

The thirteen Catchment Management Authorities (CMAs) were established to engage communities in the management of natural resources within their catchment. They are formally constituted as independent statutory authorities with a responsible and accountable Board reporting directly to the Minister for Natural Resources.

The CMAs co-ordinate regional involvement in natural resource decisions to ensure that local communities have a greater say in how their natural resources are managed. Specific functions of the CMAs include preparing and implementing catchment action plans and associated investment strategies.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The *Catchment Management Authorities Act 2003* commenced on 23 January 2004. Board members have been appointed to the CMAs and offices established in each of the catchments across New South Wales. The Authorities are responsible for maintaining the roll out of various Commonwealth and New South Wales Government programs, in particular the National Action Plan for Salinity and Water Quality, the Natural Heritage Trust and the New South Wales Land and Water Management Plan investment funds.

STRATEGIC DIRECTIONS

The Authorities are responsible for the new system of managing many natural resources at the catchment scale including native vegetation. Key priorities include preparing catchment action plans and developing associated investment strategies to direct funds to local on-ground works and activities.

The CMAs will be responsible for issuing native vegetation consents under the *Native Vegetation Conservation Act 2003*, and will provide data to landholders to enable them to prepare Property Vegetation Plans. The CMAs will also be responsible for establishing environmental water trusts to deliver environmental flows to depleted water systems.

Over the next four years the Authorities will establish investment strategies for funding totalling \$436 million. The strategies will seek to meet the standards and targets set by the Natural Resources Commission and the funding requirements of both the Commonwealth and New South Wales Governments.

2005-06 BUDGET

Total Expenses

Total Expenses for 2005-06 are estimated at \$192 million, including \$142.6 million for grants and subsidies for sustainable natural resource management in line with catchment action plans.

Capital Expenditure

The 2005-06 budget includes \$0.3 million for plant and equipment purchases.

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

39 HERITAGE OFFICE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	3,445	3,597	3,620
Other operating expenses	1,522	1,790	2,254
Maintenance	196	196	202
Depreciation and amortisation	181	181	140
Grants and subsidies	2,388	2,388	2,460
Total Expenses	7,732	8,152	8,676
Less:			
Retained Revenue -			
Sales of goods and services	314	314	325
Investment income	70	195	196
Grants and contributions	61	81	63
Total Retained Revenue	445	590	584
NET COST OF SERVICES	7,287	7,562	8,092

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

39 HERITAGE OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	3,257	3,445	3,419
Grants and subsidies	2,388	2,388	2,460
Other	2,034	2,139	2,717
Total Payments	7,679	7,972	8,596
Receipts			
Sale of goods and services	314	314	325
Interest	70	95	196
Other	501	391	502
Total Receipts	885	800	1,023
NET CASH FLOWS FROM OPERATING ACTIVITIES	(6,794)	(7,172)	(7,573)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(19)	(19)	(19)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(19)	(19)	(19)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	6,711	6,741	7,600
Capital appropriation	19	19	19
Cash reimbursements from the Consolidated Fund Entity	151	151	...
NET CASH FLOWS FROM GOVERNMENT	6,881	6,911	7,619
NET INCREASE/(DECREASE) IN CASH	68	(280)	27
Opening Cash and Cash Equivalents	1,058	1,348	1,068
CLOSING CASH AND CASH EQUIVALENTS	1,126	1,068	1,095
CASH FLOW RECONCILIATION			
Net cost of services	(7,287)	(7,562)	(8,092)
Non cash items added back	374	295	341
Change in operating assets and liabilities	119	95	178
Net cash flow from operating activities	(6,794)	(7,172)	(7,573)

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

39 HERITAGE OFFICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,126	1,068	1,095
Receivables	279	(10)	6
Other financial assets	1,198	1,232	1,232
Other	6	11	11
Total Current Assets	2,609	2,301	2,344
Non Current Assets -			
Other financial assets	1,106	1,112	1,112
Property, plant and equipment -			
Land and building	6,310	6,920	6,840
Plant and equipment	102	135	94
Infrastructure systems	5,050	5,312	5,312
Total Non Current Assets	12,568	13,479	13,358
Total Assets	15,177	15,780	15,702
LIABILITIES -			
Current Liabilities -			
Payables	428	574	768
Provisions	268	295	295
Total Current Liabilities	696	869	1,063
Non Current Liabilities -			
Provisions	...	18	18
Total Non Current Liabilities	...	18	18
Total Liabilities	696	887	1,081
NET ASSETS	14,481	14,893	14,621
EQUITY			
Reserves	720	1,321	1,321
Accumulated funds	13,761	13,572	13,300
TOTAL EQUITY	14,481	14,893	14,621

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

39 HERITAGE OFFICE

39.1 Heritage Policy and Assistance

39.1.1 Heritage Policy and Assistance

Program Objective(s): To enhance the community's understanding of heritage and to improve the conservation of heritage items.

Program Description: Provision of specialist education and promotional programs and financial assistance towards heritage. Implement the regulatory functions of the Heritage Act and maintain the State Heritage Register and Inventory. Provision of heritage management advice to relevant authorities and the community.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Aboriginal heritage projects completed	no.	10	6	10	7
Councils to whom certain heritage powers have been delegated	no.	172	159	159	152
Local Government, Government agencies and community groups trained in State Heritage Inventory software and criteria	no.	23	36	25	25
Items included in the State Heritage Register	no.	1,509	1,470	1,520	1,530
<u>Average Staffing:</u>	EFT	39	39	40	43

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related	3,445	3,597	3,620	
Other operating expenses	1,522	1,790	2,254	
Maintenance	196	196	202	
Depreciation and amortisation	181	181	140	
Grants and subsidies				
Financial assistance for heritage projects	2,388	2,388	2,460	
Total Expenses	7,732	8,152	8,676	

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

39 HERITAGE OFFICE

39.1 Heritage Policy and Assistance

39.1.1 Heritage Policy and Assistance (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Publication sales	33	33	34
Fees for services	247	198	256
Minor sales of goods and services	34	83	35
Investment income	70	195	196
Grants and contributions	61	81	63

Total Retained Revenue	445	590	584
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NET COST OF SERVICES	7,287	7,562	8,092
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CAPITAL EXPENDITURE	19	19	19
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**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	124,970	168,681	161,550
Other operating expenses	53,598	74,075	32,676
Maintenance	3,081	...	...
Depreciation and amortisation	7,400	7,202	7,400
Grants and subsidies	153,818	136,111	274,363
Other expenses	78,886	78,886	68,212
Total Expenses	421,753	464,955	544,201
Less:			
Retained Revenue -			
Sales of goods and services	35,772	34,058	36,945
Investment income	1,144	1,144	1,184
Grants and contributions	30,917	28,823	21,862
Other revenue	9,078	9,078	7,646
Total Retained Revenue	76,911	73,103	67,637
Gain/(loss) on disposal of non current assets	(2,000)	...	(2,000)
NET COST OF SERVICES	346,842	391,852	478,564

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	111,406	158,963	147,247
Grants and subsidies	155,818	138,111	274,751
Finance costs	...	187	...
Other	135,265	175,173	102,304
Total Payments	402,489	472,434	524,302
Receipts			
Sale of goods and services	37,472	64,060	38,749
Interest	1,144	1,144	1,184
Other	39,995	37,901	29,508
Total Receipts	78,611	103,105	69,441
NET CASH FLOWS FROM OPERATING ACTIVITIES	(323,878)	(369,329)	(454,861)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	2,000	4,000	2,000
Purchases of property, plant and equipment	(27,175)	(26,796)	(31,125)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(25,175)	(22,796)	(29,125)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	...	(3,924)	...
NET CASH FLOWS FROM FINANCING ACTIVITIES	...	(3,924)	...
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	316,021	335,620	453,186
Capital appropriation	25,175	31,221	29,125
Cash reimbursements from the Consolidated Fund Entity	3,858	6,767	...
Cash transfers to Consolidated Fund	(3,078)	(12,962)	(3,078)
NET CASH FLOWS FROM GOVERNMENT	341,976	360,646	479,233
NET INCREASE/(DECREASE) IN CASH	(7,077)	(35,403)	(4,753)
Opening Cash and Cash Equivalents	45,376	68,990	33,587
CLOSING CASH AND CASH EQUIVALENTS	38,299	33,587	28,834

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

	———2004-05———	
	Budget	Revised
	\$000	\$000
	2005-06	
	Budget	
	\$000	
<hr/>		
CASH FLOW STATEMENT (cont)		
CASH FLOW RECONCILIATION		
Net cost of services	(346,842)	(391,852)
Non cash items added back	20,964	21,832
Change in operating assets and liabilities	2,000	691
	<hr/>	<hr/>
Net cash flow from operating activities	(323,878)	(369,329)
	<hr/>	<hr/>
	(478,564)	21,703
	2,000	2,000
	(454,861)	

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	38,299	33,587	28,834
Receivables	45,495	35,171	35,171
Other	512	1,291	1,291
Total Current Assets	84,306	70,049	65,296
Non Current Assets -			
Other financial assets	40	35	35
Property, plant and equipment -			
Land and building	85,193	88,779	95,004
Plant and equipment	26,088	24,529	36,897
Infrastructure systems	51,897	52,842	53,974
Total Non Current Assets	163,218	166,185	185,910
Total Assets	247,524	236,234	251,206
LIABILITIES -			
Current Liabilities -			
Payables	35,868	65,072	65,072
Interest bearing	...	1,031	1,031
Provisions	21,843	17,198	17,198
Total Current Liabilities	57,711	83,301	83,301
Non Current Liabilities -			
Interest bearing	14,383	12,407	12,407
Provisions	4,321	4,977	4,977
Total Non Current Liabilities	18,704	17,384	17,384
Total Liabilities	76,415	100,685	100,685
NET ASSETS	171,109	135,549	150,521
EQUITY			
Accumulated funds	171,109	135,549	150,521
TOTAL EQUITY	171,109	135,549	150,521

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.1 Environmental Planning

40.1.1 Planning System and Policy Development

Program Objective(s): To set the strategic direction for land use management and infrastructure for communities across New South Wales. Provide advice on policy and strategy for key issues at a regional and State-wide level. Co-ordinate the timely delivery of major whole-of-government infrastructure projects including planning for transport for changing communities.

Program Description: Reform, develop and monitor the planning and building systems. Whole-of-government co-ordination on all aspects of planning and related environmental, economic and human service issues. Develop State Environmental Planning Policies, Regional Environmental Plans and other planning policies and strategies. Provide a strategic framework for government investment in all modes of passenger and freight transport. Evaluate transport infrastructure and service proposals and projects. Manage demand for transport infrastructure, in participation with public and private sector agencies.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Planning information and services available on-line	%	30	80	95	95
Circulars and advice to local councils	no.	30	1	9	10
Technical and advisory service to industry and the community	no.	2,000	700	701	700
Regional Environmental Plans and State Environmental Planning Policies prepared / amended	no.	10	18	13	16
Regulations prepared / amended	no.	n.a.	6	4	5
<u>Average Staffing:</u>	EFT	...	301	322	295

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.1 Environmental Planning

40.1.1 Planning System and Policy Development (cont)

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	21,282	28,726	27,512
Other operating expenses	6,629	8,512	4,002
Maintenance	353	...	...
Depreciation and amortisation	1,897	1,847	1,897
Grants and subsidies			
Resource and Conservation Assessment			
Council grants	2,745	2,745	2,745
Total Expenses	32,906	41,830	36,156
Less:			
Retained Revenue -			
Sales of goods and services			
Publication sales	92	92	95
Fees for services	426	426	441
Recoupment of administration costs	208	208	215
Investment income	44	44	46
Grants and contributions	322	322	236
Other revenue	67	67	50
Total Retained Revenue	1,159	1,159	1,083
NET COST OF SERVICES	31,747	40,671	35,073
<hr/>			
CAPITAL EXPENDITURE	1,063	2,052	1,781

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.1 Environmental Planning

40.1.2 Planning System and Policy Delivery

Program Objective(s): To facilitate improved economic performance, environmental sustainability and quality of life for New South Wales through better planning policies, programs and improved land use management.

Program Description: Strategic and project level environmental impact assessment. Implement whole-of-government initiatives for major development and infrastructure projects. Consider selected Local Environmental Plans to ensure consistency with State-wide strategic framework. Implement place-based programs that create quality communities and deliver economic, social and environmental benefits. Develop active partnerships with local government, other State agencies, business and the wider community. Provide best practice specialist services to stakeholders and the community. Manage grants programs that provide financial incentives to create quality communities in urban and regional New South Wales.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Environmental Impact Assessment					
Statements dealt with at post-exhibition stage	no.	100	160	130	155
Requirements issued regarding Environmental Impact Assessment Statements	no.	180	235	120	150
Major development projects assessed	no.	50	191	170	190
Coastal zone cumulative land area acquired	'000ha	15	15	15	15
Strategies /studies / projects completed	no.	23	1	2	3
NSW Coastline cycleway constructed	km.	n.a.	20	18	18
<u>Average Staffing:</u>	EFT	...	201	244	223

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.1 Environmental Planning

40.1.2 Planning System and Policy Delivery (cont)

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	16,058	21,676	20,761
Other operating expenses	7,868	13,799	4,751
Maintenance	552	...	...
Depreciation and amortisation	1,616	1,572	1,616
Grants and subsidies			
Expenditure on public domain and infrastructure	2,024	2,024	2,024
Recurrent grants to non-profit organisations	2,470	...	...
Grants to agencies for recurrent purposes	3,245	3,245	1,815
Grant to the Growth Centres Commission			
- operating costs	...	2,900	6,000
- capital works	...	...	6,600
Local Government - recurrent grants	4,000	12,300	6,500
South Sydney Development Corporation	662	662	...
Other expenses			
Contribution to the Sydney Region Development Fund	5,034	5,034	5,034
Total Expenses	43,529	63,212	55,101

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.1 Environmental Planning

40.1.2 Planning System and Policy Delivery (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Publication sales	62	62	64
Fees for services	15,325	12,625	15,861
Recoupment of administration costs	153	153	158
Minor sales of goods and services	210	210	217
Investment income	100	100	103
Grants and contributions	9,656	7,562	6,255
Other revenue	332	332	245
Total Retained Revenue	25,838	21,044	22,903
NET COST OF SERVICES	17,691	42,168	32,198
CAPITAL EXPENDITURE	4,276	4,752	5,778

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.2 Natural Resource Management

40.2.1 Rivers and Groundwater

Program Objective(s): Effective and sustainable use of the State's water resources.

Program Description: Monitoring of the State's water resources. Negotiations with the community on its range of values for water. Allocation of water between competing interests. Establishment of systems to ensure security of agreed environmental water and access rights.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs</u> :					
Area of state mapped for wetlands (cumulative)	%	35	35	40	40
Water licences managed (under Water Act 1912)	thous	150	98	88	88
Approvals managed (under Water Management Act 2000):					
Access licences	thous	n.a.	n.a.	11.5	11.5
Works/use approvals	thous	n.a.	n.a.	10.5	10.5
Unregulated water licences converted to volumetric (cumulative)	%	90	90	99	100
Water management plans prepared (under Water Management Act 2000) for:					
Surface water	no.	26	26	26	26
Groundwater	no.	9	10	5	5
Bores capped and piped	no.	25	9	15	12
<u>Average Staffing</u> :	EFT	...	582	474	432

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	31,229	42,152	40,368
Other operating expenses	11,309	14,726	6,827
Maintenance	621	...	...
Depreciation and amortisation	1,344	1,308	1,344

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.2 Natural Resource Management

40.2.1 Rivers and Groundwater (cont)

OPERATING STATEMENT (cont)

Grants and subsidies			
Pensioner rate rebates - Australian Inland			
Energy Water Infrastructure	288	288	288
Recurrent grants to non-profit organisations	...	...	1,960
Grants to agencies for recurrent purposes (Wetlands)	...	...	4,390
NWI's Living Murray (Recurrent grants and subsidies)	...	5,000	23,000
Subsidies to organisations - public trading enterprises	2,123	2,123	2,103
Other expenses			
NSW - Queensland Border Rivers Commission	800	800	900
Murray Darling Basin Commission	27,500	27,500	26,341
Irrigation Areas works - private sector	20,396	20,396	21,064
Rehabilitation of artesian bores	5,538	5,538	5,538
Flood warning systems	200	200	200
Total Expenses	101,348	120,031	134,323
Less:			
Retained Revenue -			
Sales of goods and services			
Miscellaneous services	1,347	1,511	1,394
Rental of cottages	150	150	155
Consulting services	1,607	1,607	1,663
Solicitors' enquiry fees	312	312	323
Murray Darling Basin Commission	5,944	5,944	6,152
Recoupment of administration costs	187	187	194
River management agreements	800	800	828
Minor sales of goods and services	1,496	1,496	1,548
Materials to produce goods and services	(363)	(384)	(529)
Investment income	312	312	323
Grants and contributions	14,550	14,550	10,680
Other revenue	2,518	2,518	1,863
Total Retained Revenue	28,860	29,003	24,594
Gain/(loss) on disposal of non current assets	(2,000)	...	(2,000)
NET COST OF SERVICES	74,488	91,028	111,729
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CAPITAL EXPENDITURE	12,150	7,172	9,806

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.2 Natural Resource Management

40.2.2 Catchment, Land and Vegetation

Program Objective(s): Effective, sustainable and integrated management of the State's soil, land and vegetation resources.

Program Description: Monitoring of the State's soil, land and vegetation resources within catchments. Assistance to Catchment Management Authorities. Management of vegetation clearing processes. Prevention of land degradation. Community consultation to develop integrated strategies for soil, land and vegetation ecosystems and forestry plantations. Support for the establishment of an efficient, high technology and sustainable native timber industry and for the sustainable management of private forests.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Soil landscape maps completed of the Eastern and Central Divisions -					
Maps	no.	3	2	1	4
Cumulative total mapped	%	47.0	47.4	49.0	54.0
Vegetation maps completed -					
Maps	no.	n.a.	33	43	...
Cumulative % of NSW mapped	%	n.a.	10	13	13
Rural landholders with voluntary native vegetation management contracts and property agreements (cumulative)					
Landcare groups supported	no.	827	890	940	960
Timber industry development projects funded	no.	1,700	1,770	1,790	1,820
Displaced timber workers assisted	no.	30	37	31	2
Forestry workers retrained	no.	64	39	19	10
	no.	2,278	326	155	...
<u>Average Staffing:</u>	EFT	...	559	459	419

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.2 Natural Resource Management

40.2.2 Catchment, Land and Vegetation (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	30,246	40,822	39,096
Other operating expenses	13,291	17,368	8,025
Maintenance	730	...	...
Depreciation and amortisation	1,316	1,281	1,316
Grants and subsidies			
Wild Dog Destruction Board	200	1,570	200
Government contribution to State Forests of NSW	870	870	350
Recurrent grants to non-profit organisations	...	4,395	1,406
Grants to Catchment Management Authorities - operating costs	36,500	36,500	37,699
Grants to Catchment Management Authorities - program costs	82,402	45,485	142,641
Other expenses			
Forest industry restructure package	19,418	19,418	9,135
Total Expenses	184,973	167,709	239,868

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.2 Natural Resource Management

40.2.2 Catchment, Land and Vegetation (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Miscellaneous services	1,043	1,170	1,079
Stock agistment on dam foreshores	50	50	52
Recoupment of administration costs	146	146	151
Minor sales of goods and services	1,166	1,166	1,207
Materials to produce goods and services	(426)	(450)	(621)
Investment income	244	244	253
Grants and contributions	2,915	2,915	2,140
Other revenue	2,903	3,078	3,078
Total Retained Revenue	8,041	8,319	7,339
NET COST OF SERVICES	176,932	159,390	232,529
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CAPITAL EXPENDITURE	8,623	10,768	11,978

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.2 Natural Resource Management

40.2.3 Coastal and Floodplain Communities

Program Objective(s): Effective and sustainable management of coastal and floodplain resources.

Program Description: Monitoring of coastal and floodplain resources. Assistance to councils in resource planning and management. Consult with the community to develop integrated strategies to manage land and water resources and to implement natural resource improvement programs.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Floodplain Management Plans adopted by councils (cumulative)	no.	79	85	87	89
Coastal and Estuary Management Plans completed (cumulative)	no.	46	51	68	76
<u>Average Staffing:</u>	EFT	...	470	397	363

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	26,155	35,305	33,813
Other operating expenses	15,030	19,670	9,071
Maintenance	825	...	...
Depreciation and amortisation	1,227	1,194	1,227
Grants and subsidies			
Construction, repair and restoration of storm and flood damage - Local Councils	357	357	357
Local Government - capital grants	15,647	15,647	34,285
Grants to agencies	285	...	...
Total Expenses	59,526	72,173	78,753

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**40 DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL
RESOURCES**

40.2 Natural Resource Management

40.2.3 Coastal and Floodplain Communities (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Miscellaneous services	1,954	2,193	2,023
Recoupment of administration costs	266	266	276
Contributions from Hunter Catchment Management Trust	2,500	2,500	2,500
Minor sales of goods and services	2,128	2,128	2,203
Materials to produce goods and services	(482)	(510)	(704)
Investment income	444	444	459
Grants and contributions	3,474	3,474	2,551
Other revenue	3,258	3,083	2,410

Total Retained Revenue	13,542	13,578	11,718
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NET COST OF SERVICES	45,984	58,595	67,035
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CAPITAL EXPENDITURE	1,063	2,052	1,782
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**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**ENVIRONMENTAL PLANNING AND ASSESSMENT ACT
(INCORPORATING SYDNEY REGION DEVELOPMENT FUND AND
LAND DEVELOPMENT CONTRIBUTION FUND)**

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	6,943	8,959	8,959
Investment income	2,465	2,100	300
Retained taxes, fees and fines	5,894	6,012	6,180
Grants and contributions*	6,779	6,734	32,734
Other revenue	450	906	882
Total Retained Revenue	22,531	24,711	49,055
Less:			
Expenses -			
Operating Expenses -			
Employee related	2,259	3,294	3,477
Other operating expenses	3,117	4,857	4,993
Maintenance	613	1,268	1,298
Depreciation and amortisation	868	1,035	1,035
Grants and subsidies	9,155	7,543	8,605
Borrowing costs	6,898	6,898	6,898
Total Expenses	22,910	24,895	26,306
Gain/(loss) on disposal of non current assets	1,700	2,500	4,000
SURPLUS	1,321	2,316	26,749

* Includes capital grant from Growth Centres Commission of \$26 million in 2005-06.

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**ENVIRONMENTAL PLANNING AND ASSESSMENT ACT
(INCORPORATING SYDNEY REGION DEVELOPMENT FUND AND
LAND DEVELOPMENT CONTRIBUTION FUND)**

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	6,943	7,954	8,959
Interest	2,465	2,100	300
Other	14,118	14,595	40,791
Total Receipts	23,526	24,649	50,050
Payments			
Employee Related	2,249	3,285	3,470
Grants and subsidies	4,155	2,543	3,605
Finance costs	6,898	6,898	6,898
Other	4,725	10,272	5,293
Total Payments	18,027	22,998	19,266
NET CASH FLOWS FROM OPERATING ACTIVITIES	5,499	1,651	30,784
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	25,000	32,754	40,000
Purchases of property, plant and equipment	(35,000)	(41,387)	(72,998)
Purchases of investments	...	(2,366)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(10,000)	(10,999)	(32,998)
NET INCREASE/(DECREASE) IN CASH	(4,501)	(9,348)	(2,214)
Opening Cash and Cash Equivalents	30,120	20,960	11,612
CLOSING CASH AND CASH EQUIVALENTS	25,619	11,612	9,398
CASH FLOW RECONCILIATION			
Surplus for year	1,321	2,316	26,749
Non cash items added back	5,868	6,035	6,035
Change in operating assets and liabilities	(1,690)	(6,700)	(2,000)
Net cash flow from operating activities	5,499	1,651	30,784

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**ENVIRONMENTAL PLANNING AND ASSESSMENT ACT
(INCORPORATING SYDNEY REGION DEVELOPMENT FUND AND
LAND DEVELOPMENT CONTRIBUTION FUND)**

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	25,619	11,612	9,398
Receivables	1,205	11,806	11,806
Other financial assets	15,441	6,411	...
Surplus land and building	39,201	...	...
Other	1,302	2,648	2,648
Total Current Assets	82,768	32,477	23,852
Non Current Assets -			
Property, plant and equipment -			
Land and building	724,687	808,495	845,980
Plant and equipment	398	284	173
Total Non Current Assets	725,085	808,779	846,153
Total Assets	807,853	841,256	870,005
LIABILITIES -			
Current Liabilities -			
Payables	1,763	10,960	12,953
Interest bearing	29,042	1,750	1,750
Provisions	231	248	242
Other	48	...	...
Total Current Liabilities	31,084	12,958	14,945
Non Current Liabilities -			
Interest bearing	66,176	94,593	94,593
Provisions	26	59	59
Total Non Current Liabilities	66,202	94,652	94,652
Total Liabilities	97,286	107,610	109,597
NET ASSETS	710,567	733,646	760,408

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

**ENVIRONMENTAL PLANNING AND ASSESSMENT ACT
(INCORPORATING SYDNEY REGION DEVELOPMENT FUND AND
LAND DEVELOPMENT CONTRIBUTION FUND)**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION (cont)			
EQUITY			
Reserves	384,145	394,163	394,163
Accumulated funds	326,422	339,483	366,245
TOTAL EQUITY	710,567	733,646	760,408

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES
GROWTH CENTRES COMMISSION**

	2004-05	
	Budget	Revised
	\$000	\$000
		2005-06 Budget \$000
OPERATING STATEMENT		
Retained Revenue -		
Grants and developer contributions	...	2,900
Total Retained Revenue	...	2,900
Less:		
Expenses -		
Operating Expenses -		
Employee related	...	875
Other operating expenses	...	1,325
Grants and subsidies
Borrowing costs
Total Expenses	...	2,200
SURPLUS/(DEFICIT)	...	700
		(21,392)

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES**

GROWTH CENTRES COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Other	...	2,900	20,000
Total Receipts	...	2,900	20,000
Payments			
Employee Related	...	875	3,000
Grants and subsidies	33,900
Finance costs	1,540
Other	...	1,325	2,952
Total Payments	...	2,200	41,392
NET CASH FLOWS FROM OPERATING ACTIVITIES	...	700	(21,392)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	...	(700)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	...	(700)	...
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	22,000
NET CASH FLOWS FROM FINANCING ACTIVITIES	22,000
NET INCREASE/(DECREASE) IN CASH	608
CLOSING CASH AND CASH EQUIVALENTS	608
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year	...	700	(21,392)
Net cash flow from operating activities	...	700	(21,392)

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES
GROWTH CENTRES COMMISSION**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	608
Total Current Assets	608
Non Current Assets -			
Property, plant and equipment - Plant and equipment	...	700	700
Total Non Current Assets	...	700	700
Total Assets	...	700	1,308
LIABILITIES -			
Non Current Liabilities -			
Interest bearing	22,000
Total Non Current Liabilities	22,000
Total Liabilities	22,000
NET ASSETS	...	700	(20,692)
EQUITY			
Accumulated funds	...	700	(20,692)
TOTAL EQUITY	...	700	(20,692)

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES
HONEYSUCKLE DEVELOPMENT CORPORATION**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	5,738	5,861	6,692
Investment income	82	306	...
Grants and contributions	1,036	1,342	840
Total Retained Revenue	6,856	7,509	7,532
Less:			
Expenses -			
Operating Expenses -			
Employee related	1,505	1,523	1,596
Other operating expenses	5,215	5,219	5,014
Depreciation and amortisation	27	20	77
Grants and subsidies	3,736	3,449	5,624
Borrowing costs	131	1	147
Total Expenses	10,614	10,212	12,458
DEFICIT	(3,758)	(2,703)	(4,926)

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES
HONEYSUCKLE DEVELOPMENT CORPORATION**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	5,754	5,863	6,682
Interest	82	306	...
Other	1,036	2,811	840
Total Receipts	6,872	8,980	7,522
Payments			
Employee Related	1,505	1,484	1,605
Grants and subsidies	3,736	3,449	5,624
Finance costs	131	1	147
Other	5,397	8,456	2,466
Total Payments	10,769	13,390	9,842
NET CASH FLOWS FROM OPERATING ACTIVITIES	(3,897)	(4,410)	(2,320)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(262)	(519)	(340)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(262)	(519)	(340)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	5,100	...	4,650
Repayment of borrowings and advances	(2,200)	...	(2,150)
NET CASH FLOWS FROM FINANCING ACTIVITIES	2,900	...	2,500
NET INCREASE/(DECREASE) IN CASH	(1,259)	(4,929)	(160)
Opening Cash and Cash Equivalents	2,751	5,353	424
CLOSING CASH AND CASH EQUIVALENTS	1,492	424	264
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(3,758)	(2,703)	(4,926)
Non cash items added back	27	16	77
Change in operating assets and liabilities	(166)	(1,723)	2,529
Net cash flow from operating activities	(3,897)	(4,410)	(2,320)

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES
HONEYSUCKLE DEVELOPMENT CORPORATION**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,492	424	264
Receivables	...	14	24
Inventories	3,964	1,791	1,791
Other	...	213	220
Total Current Assets	5,456	2,442	2,299
Non Current Assets -			
Inventories	14,851	16,309	14,249
Property, plant and equipment - Plant and equipment	346	21	284
Total Non Current Assets	15,197	16,330	14,533
Total Assets	20,653	18,772	16,832
LIABILITIES -			
Current Liabilities -			
Payables	688	1,514	3,943
Provisions	1,049	1,102	267
Total Current Liabilities	1,737	2,616	4,210
Non Current Liabilities -			
Interest bearing	2,900	...	2,500
Other	2,841	1,842	734
Total Non Current Liabilities	5,741	1,842	3,234
Total Liabilities	7,478	4,458	7,444
NET ASSETS	13,175	14,314	9,388
EQUITY			
Accumulated funds	13,175	14,314	9,388
TOTAL EQUITY	13,175	14,314	9,388

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES
CATCHMENT MANAGEMENT AUTHORITIES**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Investment income	...	2,250	2,250
Grants and contributions	118,902	81,985	180,340
Other revenue	...	7,500	7,500
Total Retained Revenue	118,902	91,735	190,090
Less:			
Expenses -			
Operating Expenses -			
Employee related	26,222	19,609	24,734
Other operating expenses	20,701	24,023	24,215
Depreciation and amortisation	...	240	386
Grants and subsidies	82,402	65,000	142,641
Total Expenses	129,325	108,872	191,976
DEFICIT	(10,423)	(17,137)	(1,886)

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES
CATCHMENT MANAGEMENT AUTHORITIES**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	...	7,000	...
Interest	...	2,250	2,250
Other	118,902	89,485	187,840
Total Receipts	118,902	98,735	190,090
Payments			
Employee Related	23,144	19,609	24,734
Grants and subsidies	82,402	65,000	142,641
Other	20,701	36,023	24,215
Total Payments	126,247	120,632	191,590
NET CASH FLOWS FROM OPERATING ACTIVITIES	(7,345)	(21,897)	(1,500)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	...	(1,300)	(300)
NET CASH FLOWS FROM INVESTING ACTIVITIES	...	(1,300)	(300)
NET INCREASE/(DECREASE) IN CASH	(7,345)	(23,197)	(1,800)
Opening Cash and Cash Equivalents	12,637	38,481	15,284
CLOSING CASH AND CASH EQUIVALENTS	5,292	15,284	13,484
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(10,423)	(17,137)	(1,886)
Non cash items added back	3,078	240	386
Change in operating assets and liabilities	...	(5,000)	...
Net cash flow from operating activities	(7,345)	(21,897)	(1,500)

**MINISTER FOR INFRASTRUCTURE AND PLANNING AND
MINISTER FOR NATURAL RESOURCES
CATCHMENT MANAGEMENT AUTHORITIES**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	5,292	15,284	13,484
Receivables	409	3,469	3,469
Other financial assets	...	4,407	4,407
Inventories	...	83	83
Other	155	...	...
Total Current Assets	5,856	23,243	21,443
Non Current Assets -			
Property, plant and equipment -			
Land and building	3,603	4,222	4,130
Plant and equipment	357	747	753
Total Non Current Assets	3,960	4,969	4,883
Total Assets	9,816	28,212	26,326
LIABILITIES -			
Current Liabilities -			
Payables	313	6,862	6,862
Provisions	...	184	184
Other	504	6	6
Total Current Liabilities	817	7,052	7,052
Non Current Liabilities -			
Provisions	...	35	35
Total Non Current Liabilities	...	35	35
Total Liabilities	817	7,087	7,087
NET ASSETS	8,999	21,125	19,239
EQUITY			
Reserves	...	204	204
Accumulated funds	8,999	20,921	19,035
TOTAL EQUITY	8,999	21,125	19,239

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Corrective Services			
Total Expenses	703.7	763.8	8.5
Capital Expenditure	110.5	164.5	48.9
Total, Minister for Justice and Minister for Fair Trading			
Total Expenses	703.7	763.8	8.5
Capital Expenditure	110.5	164.5	48.9

DEPARTMENT OF CORRECTIVE SERVICES

The mission of the Department is to “reduce re-offending through secure, safe and humane management of offenders”.

The key elements of the broader correctional justice system are the custody and security of inmates in correctional facilities, providing a court escort and security service and supervising offenders in the community.

The core business objective of the Department of Corrective Services is providing offender management and custodial services in carrying out orders of the court. The Department adds value by delivering offender development programs which seek to reduce rates of re-offending.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenditure trends within the Department are impacted by both the level of the full-time inmate population and the number of offenders managed under community based programs. The full-time inmate population of correctional centres averaged 5,002 in 1990-91 and has increased to in excess of 9,000 as at April 2005.

With the amendments to the *Bail Amendment (Repeat Offenders) Act 2002*, the number of people on remand has increased from around 1,500 in June 2002 to around 2,100 in April 2005.

The Department expects significant growth in the community corrections area. The Community Offender Service, which provides offender management programs and services within the community and pre-sentence reports to the judiciary, has seen a marked increase in workload in recent years.

In 2003-04, new sentencing legislation provided for the supervision of offenders in the community on court based parole. The Department of Corrective Services will receive enhancement funding of \$1.5 million in 2005-06 which will be utilised to employ additional field staff to provide supervision and programs for offenders.

In 2005-06, the Capital Program will provide \$164.5 million compared to \$110.5 million in 2004-05. This program allows for planning for an additional 1,000 inmate beds, the redevelopment of Mulawa Correctional Centre, construction of the Mid Western Correctional Centre at Wellington and construction of a new prison hospital at the Long Bay Correctional Centre.

STRATEGIC DIRECTIONS

Strategic issues for the Department over the next five to ten years include:

- ◆ Reducing the risk of re-offending by fully implementing the following strategy:
 - implement and refine a standardised instrument across the correctional system which will provide a reliable assessment of the risk of re-offending and of the priorities to be addressed to reduce that risk;
 - provide rehabilitation programs for targeted high risk offenders which have been shown to be effective at reducing the risk of re-offending;
 - establish a number of half-way houses to provide residential services and programs to parolees assessed as being at high risk of re-offending due to a lack of accommodation and program places in the community;
 - improve services and programs for offenders with significant mental health disorders, including those with an intellectual disability and/or dual diagnosis;
 - improve strategies for dealing with female offenders who present challenging, self-destructive or violent behaviours, including establishing alternatives to imprisonment for women with dual diagnosis; and
 - establish a program on the north coast based on the existing program at Brewarrina (Yetta Dhinnakal) Correctional Centre, extending community based options.

- ◆ Increase inmate accommodation and custodial staffing to meet the expected increase in demand for correctional centre beds.
- ◆ Increase the staffing and resources of Community Offender Services to meet the expected increased demand for supervision and program provision for offenders in the community.

2005-06 BUDGET

Total Expenses

Estimated total expenses of \$763.8 million in 2005-06 will be incurred by the Department. Services provided will include management of offenders in the community and within custodial institutions, delivery of programs and the provision of secure offender management within selected court and police cells.

Included in the above estimated expenses is \$4.6 million provided for growth in inmate numbers and an additional \$4.6 million for new initiatives and expanded services for offenders in custody and the community. These initiatives include \$1 million for compulsory drug treatment, \$0.5 million for additional programs for inmates with mental health, intellectual and other disabilities, \$0.2 million for a trial diversionary scheme for dual diagnosed female offenders, \$2 million for targeted and accredited rehabilitation programs for offenders and \$0.4 million for supported accommodation and rehabilitation for homeless parolees.

Capital Expenditure – New Works

The 2005-06 capital program totals \$164.5 million. Highlights of the major new works program are detailed below:

1000 New Beds

To accommodate the growing inmate population across New South Wales, planning is commencing for expansion of Cessnock Correctional Centre (250 beds), Lithgow Correctional Centre (250 beds) and for a new 500 bed facility modelled on the Kempsey and Wellington Correctional Centres.

The total estimated cost of the project is \$257.7 million (\$2.1 million in 2005-06) with completion expected in 2009-10.

Dog Squad/Kennel Complex

Specially trained dogs are used by the department to detect contraband including drugs and firearms. This requires specialist facilities such as those at South Windsor that continue to meet relevant standards for the training and upkeep of these animals.

The total estimated cost of the project is \$1.8 million (\$0.9 million in 2005-06).

New Armoury

The existing facility requires upgrading to more effectively manage the department's weapons and training in accordance with modern correctional practice and regulations.

The total estimated cost of the project is \$1.2 million (\$0.8 million in 2005-06) with completion in 2006-07.

Inmate Escort Vehicles

The growth in inmate population accentuates the requirement for the department to increase its inmate transport fleet and to replace vehicles and truck bodies as they reach their economical replacement time.

The estimated total cost of the project is \$8 million (\$1.1 million in 2005-06).

Capital Expenditure – Works in Progress

Mulawa Redevelopment

This project involves the upgrade of site infrastructure to improve the accommodation of female inmates within the State. Mulawa has been identified as a pivotal facility in the management of female inmates in New South Wales. The maximum security facility will cater for both the operational and medical requirements of high need female inmates.

The project will be completed over several stages due to the ongoing use of the facility during construction. The estimated total cost for the project is \$49.2 million (\$19.1 million in 2005-06).

North Coast Second Chance Facility

Following the success of the Second Chance Program for predominantly indigenous offenders in Western New South Wales, a similar program is being developed on the North Coast. A property has been purchased at Tabulam where accommodation and programs will be provided.

The project provides meaningful vocational training and re-establishes important cultural links for indigenous offenders. The project will provide accommodation for 70 offenders and has an estimated total cost of \$9.2 million (\$6.9 million in 2005-06) and completion is expected in 2006-07.

Community Offender Services Program Accommodation

Community Offender Services (including the Probation and Parole Service) accommodation is being progressively upgraded. Funding of \$3 million has been allocated in 2005-06 as part of a \$12.3 million program for fit outs and essential fire and safety requirements at various Community Offender Services Offices across New South Wales.

Completion of the upgrade program is anticipated in 2007-08.

Men's Transitional Centre

It is proposed to develop a new Transitional Centre for men along the lines of the successful Women's Transition Centres at Parramatta and Emu Plains. The centre will be a minimum security, community based facility to prepare selected inmates of New South Wales correctional centres for their post release responsibilities in a safe, drug and alcohol free environment. The centre will effectively be a pre-release half-way house for inmates. From this setting, the men will go into the community for counselling, education and employment.

The project will provide 30 beds at a total cost of \$1.5 million (\$1 million in 2005-06).

Compulsory Drug Treatment Centre

The objectives of the Compulsory Drug Treatment Centre are:

- ◆ provide a comprehensive program of compulsory treatment and rehabilitation under judicial supervision, for drug dependent persons who repeatedly resort to criminal activity to support that dependency;
- ◆ effectively treat those persons for drug dependency, eliminating their illicit drug use while in the program and reducing the likelihood of relapse on release;
- ◆ promote the reintegration of those persons into the community; and
- ◆ prevent and reduce crime by reducing those persons' need to resort to criminal activity to support their dependency.

Existing accommodation at Parklea Correctional Centre will be refurbished to support the program. The estimated total cost of the project is \$4 million (\$3.2 million in 2005-06).

Information Management System (TRIM)

A standard enterprise-wide system is being implemented to manage corporate and organisational information. A number of locally based records management systems are being amalgamated.

The estimated total cost of the project is \$1.8 million (\$1.2 million in 2005-06).

Western Region Correctional Centre

This project will provide for a 500 bed multi-classification correctional facility, including components for female and remand inmates, similar to the model developed for the Mid North Coast Correctional Centre at Kempsey.

The estimated total cost of the 500 bed project is \$125.6 million (\$45 million in 2005-06) with completion anticipated in 2007-08.

Mental Health Screening Units

This project will provide 40 new beds for men in a Mental Health Screening Unit at the Metropolitan Remand and Reception Centre at Silverwater. A similar unit with 10 beds for women is being constructed at Mulawa Correctional Centre, Silverwater as part of a women's health facility upgrade.

The estimated total cost of the project is \$24.6 million (\$3.2 million in 2005-06). Construction of the men's facility was completed in 2004-05 and completion of the women's facility is anticipated in 2005-06.

Electronic Case Management

This project allows for initiatives in case management and risk assessment and will consolidate an information base in order to deliver quality services to high risk offenders. The project supports the Corrective Services Throughcare Model which provides a framework to support the case management of offenders before, during and after custody, in both custodial and community contexts.

The estimated total cost for the project is \$8.7 million (\$1.7 million in 2005-06) with completion anticipated in 2007-08.

Long Bay Staged Redevelopment

The redevelopment caters for therapeutic special needs programs for sex offenders, violent offenders, inmates with intellectual disabilities, those at high risk of suicide, medical transients and offenders with major drug and/or alcohol problems.

The estimated total cost of the project is \$44.8 million (\$4.2 million in 2005-06) and the redevelopment is scheduled for completion in 2006-07.

Long Bay Hospital Redevelopment

This project involves the development of a new 85 bed prison hospital to provide inpatient health care to inmates who require admission to hospital. The new prison hospital will replace the existing hospital which has only 54 beds available for the general inmate population. The existing facilities will be inadequate for projected correctional system requirements in the future.

The estimated total cost of the project is \$63.9 million (\$40.2 million in 2005-06) with completion anticipated in 2007-08.

A parallel project is being undertaken by NSW Health to establish a 135 bed forensic hospital on the site of the existing prison hospital at Long Bay.

Kariong Juvenile Correctional Centre

The Department assumed responsibility for the operation of Kariong Juvenile Correctional Centre in late 2004. Refurbishment work was commenced to enhance current operations in the management of high security juvenile offenders.

The total estimated cost of the project is \$5 million (\$3 million in 2005-06) with completion expected in 2006-07.

Head Office Corporate Support Relocation

The Department's consolidation of office accommodation continues, with the main Sydney office relocating to the Henry Deane Building near Railway Square. Associated office consolidation will continue in Goulburn.

The estimated total cost of the project is \$12.3 million (\$9.9 million in 2005-06).

Goulburn Redevelopment (Stage 2)

The redevelopment of Goulburn Correctional Centre has provided additional high security accommodation for inmates, as well as a new gatehouse, administration and visitor centre.

The final component of the project involves a new video-conferencing studio and a pre-processing facility for visitors.

The total estimated cost of the project is \$51.4 million (\$1 million in 2005-06) with completion expected in 2005-06.

Silverwater Remand Upgrade

The project involves the modification of existing cell wings and internal fencing at Silverwater.

The total estimated cost of the project is \$5.1 million (\$2.2 million in 2005-06) with completion expected in 2005-06.

Junee Correctional Centre Upgrade

The Junee Correctional Centre is operated by a private company. However, the State owns the facility and has responsibility for adequately maintaining the asset.

Work is being undertaken to upgrade the kitchen, reception and clinic facilities.

The total estimated cost of the project is \$5.1 million (\$1.1 million in 2005-06) with completion expected in 2005-06.

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	491,899	515,292	527,926
Other operating expenses	140,518	143,729	158,744
Maintenance	20,915	20,841	21,466
Depreciation and amortisation	46,228	45,000	50,103
Grants and subsidies	3,839	3,778	3,935
Other expenses	336	395	1,665
Total Expenses	703,735	729,035	763,839
Less:			
Retained Revenue -			
Sales of goods and services	24,766	24,926	25,634
Investment income	937	775	970
Grants and contributions	5,851	7,397	4,522
Other revenue	78	6,796	533
Total Retained Revenue	31,632	39,894	31,659
Gain/(loss) on disposal of non current assets	...	(299)	...
NET COST OF SERVICES	672,103	689,440	732,180

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	464,453	480,554	490,414
Grants and subsidies	3,839	3,778	3,935
Other	188,215	192,358	205,638
Total Payments	656,507	676,690	699,987
Receipts			
Sale of goods and services	24,766	24,162	25,634
Interest	937	775	970
Other	28,875	39,921	26,823
Total Receipts	54,578	64,858	53,427
NET CASH FLOWS FROM OPERATING ACTIVITIES	(601,929)	(611,832)	(646,560)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	501	...
Purchases of property, plant and equipment	(110,487)	(70,114)	(164,500)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(110,487)	(69,613)	(164,500)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	580,781	588,164	651,783
Capital appropriation	109,338	68,917	164,500
Cash reimbursements from the Consolidated Fund Entity	20,365	23,400	...
Cash transfers to Consolidated Fund	...	(1,928)	...
NET CASH FLOWS FROM GOVERNMENT	710,484	678,553	816,283
NET INCREASE/(DECREASE) IN CASH	(1,932)	(2,892)	5,223
Opening Cash and Cash Equivalents	19,483	18,834	15,942
CLOSING CASH AND CASH EQUIVALENTS	17,551	15,942	21,165
CASH FLOW RECONCILIATION			
Net cost of services	(672,103)	(689,440)	(732,180)
Non cash items added back	76,754	78,498	84,486
Change in operating assets and liabilities	(6,580)	(890)	1,134
Net cash flow from operating activities	(601,929)	(611,832)	(646,560)

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	17,551	15,942	21,165
Receivables	10,413	13,168	14,390
Inventories	5,627	5,526	5,526
Other	5,282	1,384	1,450
Total Current Assets	38,873	36,020	42,531
Non Current Assets -			
Property, plant and equipment -			
Land and building	1,181,688	1,306,500	1,437,414
Plant and equipment	87,526	39,795	42,507
Intangibles	...	...	10,000
Total Non Current Assets	1,269,214	1,346,295	1,489,921
Total Assets	1,308,087	1,382,315	1,532,452
LIABILITIES -			
Current Liabilities -			
Payables	22,692	24,684	24,977
Provisions	33,118	38,917	40,206
Total Current Liabilities	55,810	63,601	65,183
Non Current Liabilities -			
Provisions	22,588	25,896	25,500
Other	4,381	1,904	1,904
Total Non Current Liabilities	26,969	27,800	27,404
Total Liabilities	82,779	91,401	92,587
NET ASSETS	1,225,308	1,290,914	1,439,865
EQUITY			
Reserves	358,744	483,753	512,982
Accumulated funds	866,564	807,161	926,883
TOTAL EQUITY	1,225,308	1,290,914	1,439,865

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

41.1 Containment and Care of Inmates

41.1.1 Containment and Care of Inmates

Program Objective(s): To protect society by confining sentenced inmates and others legally detained in an appropriately secure safe environment and meet individual care needs.

Program Description: Provision of services for safe containment and to meet inmate general care needs.

<u>Outcomes</u> :	Units	2002-03	2003-04	2004-05	2005-06
Escapes from full time custody -					
Maximum security	no.	...	...	...	n.a.
Medium security	no.	...	...	...	n.a.
Minimum security	no.	15	7	19	n.a.
Escorted (external) work party	no.	5	7	1	n.a.
Escorted (external) sports/educational excursion	no.	1	...	...	n.a.
Escorted - other (e.g. transfers, hospital etc)	no.	1	1	2	n.a.
Day/weekend leave	no.	1	...	...	n.a.
Unescorted education programs	no.	1	...	...	n.a.
Work release program	no.	...	1	...	n.a.
Other unescorted authorised absence	no.	...	1	...	n.a.
Court complex	no.	7	3	...	n.a.
Periodic detention	no.	...	2	...	n.a.
Transport (including transfers)	no.	...	...	...	n.a.
Total escapes	no.	31	22	22*	n.a.
Overall escape rate (per 100 inmate years)	no.	0.4	0.3	0.3	n.a.
Deaths in custody -					
Natural causes	no.	6	4	5*	n.a.
Other causes	no.	12	10	7*	n.a.
Inmates segregated (average for the year) -					
Disciplinary segregation	no.	85	95	73**	n.a.
Protection segregation	no.	1,295	1,372	1,385**	n.a.
Assaults -					
On staff	no.	112	97	110 [#]	n.a.
On inmates (serious)	no.	50	62	60 [#]	n.a.
On inmates (minor)	no.	1,346	1,135	1,100 [#]	n.a.

* Actual data to 18 March 2005.

** Estimates based on the average figures for 2004-05 to 18 March 2005.

[#] Estimates based on projected trends from previous years and preliminary data for July to December 2004.

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

41.1 Containment and Care of Inmates

41.1.1 Containment and Care of Inmates (cont)

Outputs:

Sentenced receptions during year	no.	9,034	8,044	8,350 [#]	8,500[#]
Daily average inmate population (FTE)	no.	7,983	8,367	9,000 [#]	9,217
Unsentenced and appellants in custody	no.	2,177	2,380	2,600 [#]	2,800[#]
Average number under sentence to periodic detention	no.	870	748	780*	820[#]
Working days lost due to industrial disputes	no.	2,254	1,501	457*	n.a.
<u>Average Staffing:</u>	EFT	4,025	4,134	4,340	4,300

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related	345,302	365,379	369,913	
Other operating expenses	109,923	112,816	124,312	
Maintenance	17,532	18,569	19,126	
Depreciation and amortisation	42,134	40,972	45,619	
Grants and subsidies				
Clergy attending centres	...	1	1	
Other expenses				
Settlement of claims for damages and compensation to inmates	142	141	144	
Expenses of Parole Board	21	28	922	
Official Visitors Scheme	71	62	48	
Drug and Alcohol Program for Aboriginal inmates	...	22	16	
Total Expenses	515,125	537,990	560,101	

* Actual data to 28 February 2005.

Estimates based on projected trends from previous years.

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

41.1 Containment and Care of Inmates

41.1.1 Containment and Care of Inmates (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	334	323	328
Canteen sales	826	751	987
Accommodation work release	7	18	12
ACT inmates	5,609	6,074	5,843
Maintenance of prohibited immigrants	85	3	88
Minor sales of goods and services	1,919	1,340	1,610
Investment income	665	553	693
Grants and contributions	2,180	2,320	1,256
Other revenue	55	4,856	381

Total Retained Revenue	11,680	16,238	11,198
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Gain/(loss) on disposal of non current assets	...	(214)	...
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NET COST OF SERVICES	503,445	521,966	548,903
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CAPITAL EXPENDITURE	103,122	65,478	153,460
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MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

41.2 Assessment, Classification and Development of Inmates

41.2.1 Assessment, Classification and Development of Inmates

Program Objective(s): To classify inmates to the lowest appropriate security level and to deliver developmental programs and specialised care services that provide an opportunity for inmates to successfully return to the community.

Program Description: Assessment and monitoring of security, development and specialised care needs of inmates. Integration of security classification with provision of programs and services to meet identified needs and provide constructive employment opportunities.

<u>Outcomes</u> :	Units	2002-03	2003-04	2004-05	2005-06
Percentage of inmates employed full-time -					
Corrective Services Industries	%	32	30	29	31
Domestic and services	%	33	32	30	31
Full time education	%	4	4	4	4

Outputs:

Inmate employment positions available	no.	5,654	5,607	6,038	6,100
Inmate enrolments -					
Literacy/numeracy	no.	4,295	4,250	4,675	4,675
Additional education programs	no.	3,439	5,142	5,142	5,142
Therapeutic Program participants	no.	2,564	2,670	2,800	2,800
<u>Average Staffing</u> :	EFT	950	1,028	1,109	1,109

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	88,186	87,059	90,932
Other operating expenses	16,527	16,140	18,231
Maintenance	2,994	2,065	2,127
Depreciation and amortisation	2,575	2,333	2,598

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

41.2 Assessment, Classification and Development of Inmates

41.2.1 Assessment, Classification and Development of Inmates (cont)

OPERATING STATEMENT (cont)

Grants and subsidies			
Inmates' after-care	2,539	2,556	2,635
Clergy attending centres	1,300	1,221	1,299
Other expenses			
Settlement of claims for damages and compensation to inmates	37	34	35
Expenses of Parole Board	6	7	236
Serious Offenders Review Council	13	13	13
Official Visitors Scheme	8	48	37
Drug and Alcohol Program for Aboriginal inmates	5	5	4
Total Expenses	114,190	111,481	118,147
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	46	59	60
Canteen sales	69	4	5
Accommodation work release	236	351	240
ACT inmates	1,380	1,411	1,358
Maintenance of prohibited immigrants	21	1	21
Corrective Services Industries	12,114	12,281	12,538
Minor sales of goods and services	929	1,073	1,291
Investment income	164	129	161
Grants and contributions	1,655	3,398	1,895
Other revenue	14	1,128	88
Total Retained Revenue	16,628	19,835	17,657
Gain/(loss) on disposal of non current assets	...	(50)	...
NET COST OF SERVICES	97,562	91,696	100,490
CAPITAL EXPENDITURE	3,000	1,891	4,503

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

41.3 Alternatives to Custody

41.3.1 Alternatives to Custody

Program Objective(s): To provide pre-sentence assessment and advice to the Courts to assist in appropriately sentencing offenders. To prepare pre-release reports for releasing authorities. To provide sentencers with alternatives to full-time custody. To provide a State-wide range of community-based offender management programs.

Program Description: Provision to the Courts, at the pre-sentence stage, of a thorough assessment detailing the relevant factors involved with the offending behaviour. Provision of advice as to an offender's suitability for sentences other than full-time custody. Provision of offender management programs to manage the risk presented by offenders in the community, to impact on those factors which may lead to criminal behaviour and to improve offender integration into the community. Provision of direct alternatives to full-time custody such as the Home Detention Program. Supervision of convicted offenders sentenced by the Courts to conditional liberty, recognising the developmental needs of the offender and the need to protect and safeguard the community.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Pre-sentence reports	no.	32,058	29,500	30,741	31,202
New registrations (caseload intake) -					
Probation	no.	14,262	15,144	14,706	15,132
Post custodial	no.	4,300	5,120	6,479	8,027
Community service orders	no.	5,526	5,358	5,625	5,558
Fine default orders	no.	8	120	249	300
Home detention	no.	508	426	401	430
Total registrations [#]	no.	22,890	24,344	25,571	27,131
Average monthly offender population (caseload) -					
Probation	no.	10,925	10,308	10,398	10,400
Post custodial	no.	3,502	3,626	3,911	4,150
Community service orders	no.	4,409	4,375	4,531	4,600
Fine default orders	no.	4	29	141	200
Home detention	no.	229	200	177	200
Total cases [#]	no.	17,276	16,840	17,359	17,400
<u>Average Staffing:</u>	EFT	716	749	825	879

[#] Some offenders are subject to more than one court order in more than one category (eg. Community Service Order plus Probation), hence the total number of new registrations or total average offender population is always less than the sum of persons in each order category.

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
41 DEPARTMENT OF CORRECTIVE SERVICES

41.3 Alternatives to Custody

41.3.1 Alternatives to Custody (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	58,411	62,854	67,081
Other operating expenses	14,068	14,773	16,201
Maintenance	389	207	213
Depreciation and amortisation	1,519	1,695	1,886
Other expenses			
Settlement of claims for damages and compensation to inmates	26	25	26
Expenses of Parole Board	4	5	181
Official Visitors Scheme	3	1	...
Drug and Alcohol Program for Aboriginal inmates	...	4	3
Total Expenses	74,420	79,564	85,591
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	22	28	28
Canteen sales	63	...	...
ACT inmates	912	1,015	977
Maintenance of prohibited immigrants	14	1	15
Minor sales of goods and services	180	193	233
Investment income	108	93	116
Grants and contributions	2,016	1,679	1,371
Other revenue	9	812	64
Total Retained Revenue	3,324	3,821	2,804
Gain/(loss) on disposal of non current assets	...	(35)	...
NET COST OF SERVICES	71,096	75,778	82,787
<hr/>			
CAPITAL EXPENDITURE	4,365	2,745	6,537

MINISTER FOR JUVENILE JUSTICE AND MINISTER FOR WESTERN SYDNEY

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Juvenile Justice			
Total Expenses	130.6	135.4	3.7
Capital Expenditure	37.9	12.7	-66.6
Total, Minister for Juvenile Justice and Minister for Western Sydney			
Total Expenses	130.6	135.4	3.7
Capital Expenditure	37.9	12.7	-66.6

DEPARTMENT OF JUVENILE JUSTICE

The Department of Juvenile Justice is responsible for providing a range of non-custodial and custodial programs, which include the diversion of young offenders from the court system and the management and rehabilitation of young offenders. The Department, in conjunction with a number of other government agencies, contributes to a reduction in juvenile offending.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

In 2004-05, the Department committed more funds to the community intervention and diversionary programs following research findings indicating these activities would have a more positive result in impacting on the rate of recidivism in juvenile crime. This resulted in a change in the budget mix with a 2.7 percent reduction in the allocation for custodial services offset by a 2.1 percent increase in community interventions and 0.6 percent increase in diversionary programs under Youth Justice Conferencing.

Other developments include:

- ◆ the transfer of administrative responsibility for the Kariong Juvenile Justice Centre to the Department of Corrective Services;
- ◆ assuming responsibility from NSW Police for the transport and court supervision of juvenile detainees in the greater Sydney Metropolitan area;
- ◆ progressive introduction of training and delivery of offending focussed programs for community and custody staff based on international research;
- ◆ introduction of the objective classification system supported by a progressive program of testing, validation and evaluation; and
- ◆ introduction of a co-ordinated drug detection and management program aimed at preventing illicit drugs from entering juvenile justice centres.

STRATEGIC DIRECTIONS

In 2005-06, the Department will continue its focus on improving community-based services. Recent reviews of the role of Juvenile Justice Officers and the Department's Psychological and Specialist Services have highlighted the need for a structure that delivers management support with higher levels of professional supervision and staff skills development and that fosters a clear role definition for staff.

The Department will undertake extensive consultation with staff and employee representatives concerning a proposed new structure for community-based services.

Funding will continue for Youth Justice Conferencing under the *Young Offenders Act 1997*. Conferencing provides an opportunity for victims to attend conferences and have a direct say in outcome plans and ensuring young offenders take responsibility for their actions.

A new Youth Justice Conferencing (YJC) office in Far Western New South Wales was established in late 2004-05, increasing the number of YJC offices across the State to 18. This will mean that YJC staff will provide improved capacity to work directly with police and courts in making the *Young Offenders Act 1997* work in the far west of New South Wales.

2005-06 BUDGET

Total Expenses

The Department's total expenses for 2005-06 are estimated at \$135.4 million which allows for existing programs to be maintained at current levels of expenditure.

In 2005-06, \$4.1 million has been provided under the Government Plan of Action on Drugs. Cyclic maintenance programs at juvenile justice centres and Community Offices are ongoing, and the 2005-06 maintenance budget is estimated at \$3.1 million.

Capital Expenditure

The Department is continuing to implement its strategic capital plan to improve the standard of accommodation for juveniles held in detention. Upgrades to the Cobham and Reiby Detention Centres will be completed in June 2005 and December 2005 respectively. The new Juniperina Detention Centre for young women will be operational in August 2005. The capital investment program to improve internal security arrangements at Juvenile Justice Centres over the next four years is on target.

A total of \$9.6 million has been allocated in 2005-06 for major capital projects at Reiby and Juniperina detention centres, upgrading the Client Information Data System, meeting the expanded juvenile transport program and continuing the installation of security cameras and fencing at juvenile detention centres.

A total of \$3.1 million has been allocated to the minor capital works program. This allocation includes an annual provision of \$2.5 million for general minor works, \$0.4 million for special projects including reserve installations against electrical storms and other emergency situations, and \$0.2 million for the purchase of camera tapes to support new internal security arrangements.

**MINISTER FOR JUVENILE JUSTICE AND MINISTER FOR
WESTERN SYDNEY**

42 DEPARTMENT OF JUVENILE JUSTICE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	95,743	96,228	99,275
Other operating expenses	16,262	14,918	15,017
Maintenance	2,900	2,511	3,149
Depreciation and amortisation	6,679	5,823	7,776
Grants and subsidies	6,017	6,680	6,808
Other expenses	2,985	2,829	3,356
Total Expenses	130,586	128,989	135,381
Less:			
Retained Revenue -			
Sales of goods and services	64	90	66
Investment income	120	260	260
Grants and contributions	3,566	3,507	2,445
Other revenue	460	5,749	836
Total Retained Revenue	4,210	9,606	3,607
Gain/(loss) on disposal of non current assets	...	(9)	...
NET COST OF SERVICES	126,376	119,392	131,774

**MINISTER FOR JUVENILE JUSTICE AND MINISTER FOR
WESTERN SYDNEY**

42 DEPARTMENT OF JUVENILE JUSTICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	89,768	92,784	94,407
Grants and subsidies	6,017	6,680	6,808
Other	26,656	24,067	25,822
Total Payments	122,441	123,531	127,037
Receipts			
Sale of goods and services	64	90	66
Interest	106	101	260
Other	8,111	14,753	7,456
Total Receipts	8,281	14,944	7,782
NET CASH FLOWS FROM OPERATING ACTIVITIES	(114,160)	(108,587)	(119,255)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	1	...
Purchases of property, plant and equipment	(37,907)	(35,982)	(12,665)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(37,907)	(35,981)	(12,665)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	111,178	112,139	120,383
Capital appropriation	36,375	34,466	12,665
Cash reimbursements from the Consolidated Fund Entity	5,086	5,086	...
NET CASH FLOWS FROM GOVERNMENT	152,639	151,691	133,048
NET INCREASE/(DECREASE) IN CASH	572	7,123	1,128
Opening Cash and Cash Equivalents	1,604	2,946	10,069
CLOSING CASH AND CASH EQUIVALENTS	2,176	10,069	11,197
CASH FLOW RECONCILIATION			
Net cost of services	(126,376)	(119,392)	(131,774)
Non cash items added back	12,242	9,903	12,150
Change in operating assets and liabilities	(26)	902	369
Net cash flow from operating activities	(114,160)	(108,587)	(119,255)

**MINISTER FOR JUVENILE JUSTICE AND MINISTER FOR
WESTERN SYDNEY**

42 DEPARTMENT OF JUVENILE JUSTICE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	2,176	10,069	11,197
Receivables	2,670	1,670	1,580
Assets held for sale	...	...	9,758
Other	456	150	150
Total Current Assets	5,302	11,889	22,685
Non Current Assets -			
Property, plant and equipment -			
Land and building	194,163	227,098	219,053
Plant and equipment	6,122	6,234	3,225
Infrastructure systems	13,860	17,302	19,489
Intangibles	...	...	3,998
Total Non Current Assets	214,145	250,634	245,765
Total Assets	219,447	262,523	268,450
LIABILITIES -			
Current Liabilities -			
Payables	2,150	2,525	2,700
Provisions	1,105	6,132	6,376
Other	350	215	...
Total Current Liabilities	3,605	8,872	9,076
Non Current Liabilities -			
Provisions	6,870	1,765	1,840
Total Non Current Liabilities	6,870	1,765	1,840
Total Liabilities	10,475	10,637	10,916
NET ASSETS	208,972	251,886	257,534
EQUITY			
Reserves	31,312	68,599	68,599
Accumulated funds	177,660	183,287	188,935
TOTAL EQUITY	208,972	251,886	257,534

**MINISTER FOR JUVENILE JUSTICE AND MINISTER FOR
WESTERN SYDNEY**

42 DEPARTMENT OF JUVENILE JUSTICE

42.1 Juvenile Justice

42.1.1 Juvenile Justice

Program Objective(s): To seek to break the juvenile crime cycle.

Program Description: Ensuring provision of quality community and custodial services to maximise the capacity and opportunity of juvenile offenders to choose positive alternatives to offending behaviour.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Custodial Services-					
Custodial orders (as a % of Children's Court outcomes)	%	6.6	6.3	5.0	5.0
Escapes per 1,000 admissions	no.	5.0	5.3	2.0	1.0
Deaths in custody	no.	...	...	...	...
Self harm incidents	no.	169	126	90	80
Community Based Services-					
Supervised orders as a % of court outcomes (excluding CSOs)	%	17.0	17.6	14.0	14.0
Community based orders completed	%	83	84	90	90
Youth Justice Conferencing % of Outcome plans completed	%	92.4	90.0	90.0	90.0
<u>Outputs:</u>					
Custodial Services-					
Custodial orders	no.	644	530	500	450
Total admissions	no.	4,171	3,926	4,100	4,100
Daily average detainee population					
Total	no.	290	302	310	310
Aboriginal & Torres Strait Islander					
Islander	no.	114	118	120	120
Non-English speaking background	no.	76	71	70	70
Average length of committals (months)	no.	8.2	10.4	9.0	9.0
Community Based Services-					
Background Reports	no.	4,449	4,297	4,000	3,900
Community based orders	no.	1,239	1,236	1,200	1,200
Average caseload - Community staff					
Metropolitan	no.	13.7	13.6	13.0	14.0
Non-metropolitan	no.	14.3	15.4	18.0	19.0
Youth Justice Conferencing Conferences held	no.	1,356	1,232	1,320	1,400
<u>Average Staffing:</u>	EFT	1,473	1,536	1,580	1,600

**MINISTER FOR JUVENILE JUSTICE AND MINISTER FOR
WESTERN SYDNEY**

42 DEPARTMENT OF JUVENILE JUSTICE

42.1 Juvenile Justice

42.1.1 Juvenile Justice (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	95,743	96,228	99,275
Other operating expenses	16,262	14,918	15,017
Maintenance	2,900	2,511	3,149
Depreciation and amortisation	6,679	5,823	7,776
Grants and subsidies			
Clergy attending centres	200	220	220
Recurrent grants to non-profit organisations	5,817	6,460	6,588
Other expenses			
Supervised travel of children	196	229	240
Professional reports, assessments and consultations	35	30	50
Expenses for child support and departmental residential care	2,754	2,570	3,066
Total Expenses	130,586	128,989	135,381
Less:			
Retained Revenue -			
Sales of goods and services			
Minor sales of goods and services	64	90	66
Investment income	120	260	260
Grants and contributions	3,566	3,507	2,445
Other revenue	460	5,749	836
Total Retained Revenue	4,210	9,606	3,607
Gain/(loss) on disposal of non current assets	...	(9)	...
NET COST OF SERVICES	126,376	119,392	131,774
CAPITAL EXPENDITURE	37,907	35,982	12,665

MINISTER FOR MINERAL RESOURCES

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Coal Compensation Board			
Total Expenses	4.4	9.5	215.8
Capital Expenditure	0.1	0.1	...
Total, Minister for Mineral Resources			
Total Expenses	4.4	9.5	215.8
Capital Expenditure	0.1	0.1	...

COAL COMPENSATION BOARD

The Coal Compensation Board is responsible for the acquisition of, and compensation for, private coal in New South Wales. This work is conducted under four schemes. These are the Compensation Scheme for private coal acquired in 1981, the Reacquisition Scheme for private coal acquired after 1997, the Voluntary Acquisition Scheme for coal bought from private owners and the Coal Restitution Scheme for former owners preferring the return of coal rights to compensation under the Compensation Scheme. The Board is a sunset organisation whose work will cease once all claims are settled.

Most of the remaining work involves assessing applications for compensation in the Reacquisition Scheme for coal re-acquired under the *Coal Acquisition (Reacquisition Arrangements) Order 1997*. Apart from Native Title claims, most of the work flowing from the Compensation Scheme was finalised some years ago.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Royalties are received by the State on coal which was formerly privately owned. The State has an obligation to pay compensation to the former owners. Lump sum compensation is paid on claims finally determined whilst interim compensation is paid on claims where determination is delayed for some reason. As at March 2005, total compensation paid by the Board was \$658.2 million. During 2003-04 finalisation of compensation applications under the Reacquisition Scheme was delayed by litigation on the meaning of just and equitable compensation in the 1997 Reacquisition Arrangements. This matter is now decided. As a result the Board's liability increased significantly.

In April 2005, the Government introduced the *Coal Acquisition (Fair Compensation) Bill* to amend the *Coal Acquisition Act 1981* to ensure that compensation payments to all claimants are fair and consistent. The Bill will also determine the final level of the Board's compensation liability. The revised expenses for 2004-05 reflect the net movement in the liability in 2004-05, including an adjustment for the Bill's expected impact on the liability.

STRATEGIC DIRECTIONS

The Board has recently co-located most of its operations with the Department of Primary Industries Mineral Resources Division in Maitland.

The Board has embarked on a program to accelerate the payment of compensation and wind up the balance of claims so far undetermined. The Government has provided \$13.8 million over two years to achieve this goal by March 2007.

The majority of these additional funds will be used to increase staffing levels, mainly in Maitland. Total staffing is expected to increase to 66 in 2005-06.

2005-06 BUDGET

Total Expenses

It is estimated that \$45 million in coal compensation payments will be made in 2005-06. It is not expected that any new claims to pay compensation will be received. Administrative expenses in 2005-06 are estimated at \$9.5 million.

Capital Expenditure

The Board has been allocated an additional \$0.1 million capital funding over two years to meet increasing staffing requirements. This additional funding will be spent mainly on computer equipment and furniture for new staff in Maitland and Sydney.

MINISTER FOR MINERAL RESOURCES
43 COAL COMPENSATION BOARD

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	2,742	4,040	6,264
Other operating expenses	1,630	(61,692)	3,157
Maintenance	21	30	30
Depreciation and amortisation	28	55	90
Total Expenses	4,421	(57,567)	9,541
Less:			
Retained Revenue -			
Sales of goods and services	10	10	5
Investment income	10	10	5
Total Retained Revenue	20	20	10
NET COST OF SERVICES	4,401	(57,587)	9,531

MINISTER FOR MINERAL RESOURCES
43 COAL COMPENSATION BOARD

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	2,514	3,646	5,583
Other	31,771	42,243	45,551
Total Payments	34,285	45,889	51,134
Receipts			
Sale of goods and services	10	10	5
Interest	10	32	5
Other	120	144	11
Total Receipts	140	186	21
NET CASH FLOWS FROM OPERATING ACTIVITIES	(34,145)	(45,703)	(51,113)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(90)	(425)	(100)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(90)	(425)	(100)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	34,065	45,836	53,800
Capital appropriation	90	390	100
Cash reimbursements from the Consolidated Fund Entity	116	157	...
Cash transfers to Consolidated Fund	...	(1,366)	...
NET CASH FLOWS FROM GOVERNMENT	34,271	45,017	53,900
NET INCREASE/(DECREASE) IN CASH	36	(1,111)	2,687
Opening Cash and Cash Equivalents	221	1,607	496
CLOSING CASH AND CASH EQUIVALENTS	257	496	3,183
CASH FLOW RECONCILIATION			
Net cost of services	(4,401)	57,587	(9,531)
Non cash items added back	256	377	771
Change in operating assets and liabilities	(30,000)	(103,667)	(42,353)
Net cash flow from operating activities	(34,145)	(45,703)	(51,113)

MINISTER FOR MINERAL RESOURCES
43 COAL COMPENSATION BOARD

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	257	496	3,183
Receivables	57	29	28
Other	11	3	3
Total Current Assets	325	528	3,214
Non Current Assets -			
Property, plant and equipment - Plant and equipment	315	558	568
Total Non Current Assets	315	558	568
Total Assets	640	1,086	3,782
LIABILITIES -			
Current Liabilities -			
Payables	167	45,299	40,929
Provisions	7,483	157	2,803
Total Current Liabilities	7,650	45,456	43,732
Non Current Liabilities -			
Provisions	2,032	40,681	51
Total Non Current Liabilities	2,032	40,681	51
Total Liabilities	9,682	86,137	43,783
NET ASSETS	(9,042)	(85,051)	(40,001)
EQUITY			
Accumulated funds	(9,042)	(85,051)	(40,001)
TOTAL EQUITY	(9,042)	(85,051)	(40,001)

MINISTER FOR MINERAL RESOURCES
43 COAL COMPENSATION BOARD

43.1 Compensation for Repurchase of Property Rights

43.1.1 Compensation for Repurchase of Property Rights

Program Objective(s): To compensate former owners of coal acquired by the State.

Program Description: Investigates and determines claims for compensation payments by former owners of coal acquired by the State under the Coal Acquisition Act 1981 and the Coal Acquisition (Re-acquisition Arrangements) Order 1997.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities:</u>			
	Modelling of Coal Areas	10	24
	Assessment of Compensation & Restitution	5	10
	Executive and Managerial support	7	12
	Legal and administrative services	10	20
		32	66
		2004-05	2005-06
		Budget	Revised
		\$000	\$000
			Budget
			\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	2,742	4,040	6,264
Other operating expenses	1,630	(61,692)	3,157
Maintenance	21	30	30
Depreciation and amortisation	28	55	90

Total Expenses	4,421	(57,567)	9,541
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Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	10	10	5
Investment income	10	10	5

Total Retained Revenue	20	20	10
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NET COST OF SERVICES	4,401	(57,587)	9,531
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CAPITAL EXPENDITURE	90	425	100
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MINISTER FOR POLICE

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Ministry for Police			
Total Expenses	11.9	10.2	-14.3
Capital Expenditure	0.5	0.1	-88.3
NSW Police			
Total Expenses.....	1,910.9	2,021.4	5.8
Capital Expenditure	94.1	112.3	19.4
New South Wales Crime Commission			
Total Expenses	14.7	16.9	15.6
Capital Expenditure	1.6	2.6	60.5
Police Integrity Commission			
Total Expenses.....	17.5	18.0	2.5
Capital Expenditure	0.7	2.5	264.1
Total, Minister for Police			
Total Expenses	1,955.0	2,066.5	5.7
Capital Expenditure	96.9	117.5	21.3

MINISTRY FOR POLICE

The Ministry provides the Minister for Police with independent policy advice on issues affecting the Police portfolio and supports the Minister in the performance of Ministerial and Parliamentary functions. The Ministry is responsible for developing asset strategies and plans in relation to Police properties. The Ministry develops and assists the passage of legislation to meet the Government's law and order objectives for the portfolio.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

During 2004-05 the Ministry established a Strategic Properties Unit to take responsibility for development of asset strategies and plans in relation to Police properties. This was in accordance with a Government decision to transfer the functions of planning and delivery of NSW Police property services to the Ministry for Police and the Department of Commerce. Funding was provided for the set up and ongoing costs.

From 2004-05 a total of \$2 million per annum was allocated for activities to be funded from the Recovered Assets Pool (ReAP). ReAP comprises money and the proceeds of sales of assets stripped from criminals by police to help police investigate offenders. The Ministry administers these funds in accordance with the approved guidelines.

Commencing in 2004-05 the Ministry's allocation included provision for a realignment of policy responsibilities between NSW Police and the Ministry.

STRATEGIC DIRECTIONS

The Ministry provides an important source of policy ideas for Government and the portfolio agencies. It also supports the Minister's legislative program which covers a wide range of issues. These include police reform, police powers, confiscation of proceeds of crime, firearms, the security industry and registration of child sex offenders. The Ministry is also involved in wider policy issues arising from, and impacting on, the criminal justice system.

In relation to Police properties, the Ministry is setting strategic directions for the maintenance and development of police stations, and overseeing the management of the Police property portfolio under a Memorandum of Understanding between the Ministry, NSW Police and the Department of Commerce.

Commencing in 2004-05, policy development and coordination within the NSW Police portfolio has been enhanced by strengthening the Ministry and abolishing certain policy functions within NSW Police. This better facilitates the development of appropriate law enforcement policies and enables the Commissioner to focus more on operational matters.

Issues of resource allocation and management continue to be a focus of attention across the portfolio. These include recurrent and capital budget monitoring, police strength and organisation, the use of technology, corporate services and performance monitoring and improvement.

2005-06 BUDGET

Total Expenses

Estimated total expenses for the Ministry for Police in 2005-06 are \$10.2 million. This includes ongoing expenses associated with additional staff for the increased responsibilities and functions allocated to the Ministry in 2004-05, the Recovered Assets Pool (ReAP) and the Office of the Inspector of the Police Integrity Commission.

From 2005-06, the responsibility for the Minister's office will be transferred to Premier's Department.

Capital Expenditure

The Ministry will spend \$62,000 in 2005-06 on minor equipment, including commencement of the change over from lease to purchase of information technology equipment.

NSW POLICE

NSW Police protects and serves the community by preventing, detecting and investigating crime, maintaining public order, promoting orderly and safe road use, and undertaking and co-ordinating emergency and rescue functions.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

A total of over \$2.1 billion will be spent on the recurrent expenses and capital expenditure of NSW Police in 2005-06. This is an increase of \$128.7 million or 6.4 percent compared with last year's Budget.

The Government is committed to providing operational police with appropriate facilities and accommodation to enable them to provide policing services to the public effectively and in a safe environment.

The introduction and updating of computerised technology to assist operational police has been a priority in recent years. A major upgrade of Police's computer networks commenced in 2003-04 and planning is continuing for the replacement of its Computerised Operational Policing System over the next few years. The new system will improve police efficiency by providing them with an up to date network for all of the record keeping associated with policing.

Additional funding was provided to Police during 2004-05 for the commencement of a number of priority projects under its *Information Management and Technology Strategic Plan 2003-04 – 2007-08*, including an Automatic Number Plate Recognition System, a new Computer Aided Despatch System, the Courtlink Data Exchange, in-car Mobile Data Terminals and new equipment for the digital recording of interviews with suspect persons. Implementation of each of these initiatives will continue in 2005-06.

NSW Police is continuing to respond to community concerns and crime trends by establishing specialised taskforces and high visibility policing, including the CBD Policing Plan and Vikings operations.

Other significant recent developments include:

Record Numbers of Police and Reduced Levels of Crime

The Government met its commitment to increase police numbers by 1,000 by the end of 2003 ahead of schedule. Since achieving that goal in mid 2002, police numbers have remained above the authorised strength of 14,454.

In its report covering the two years to December 2004 the NSW Bureau of Crime Statistics and Research reported that none of the 16 key crime categories on which it reports had shown an increase. There was a significant downward trend in nine of these 16 crime categories, while the remaining seven categories showed no significant upward or downward trend.

Sydney CBD Policing Plan

Specifically targeted high visibility policing has reduced crime in central Sydney. This initiative, underpinned by the deployment of clearly uniformed numbers of police into a limited geographic area, has the added benefit of involving officers in cross-command teamwork.

Officers involved in the program benefit from the practical experience gained through interaction with a wide range of people and exposure to situations that are not usually encountered. The program also assists in the development of leadership skills and performance management of a relatively large team.

Participants have benefited from gaining a better knowledge of the geography of the city, which will greatly assist if they are called upon for counter-terrorism or emergency management activities.

Counter-Terrorism

NSW Police has continued to give priority to counter-terrorism activities. The Counter-Terrorism Coordination Command continues to extend its Human Resources, technical and tactical capabilities, supported by ongoing training in Australia and overseas.

Minor equipment upgrades have increased the Command's capabilities in gathering intelligence and evidence.

Security Industry

The enforcement of legislative reforms aimed at reducing the risk of criminal activity in the security industry continues to be a priority. NSW Police has increased the enforcement of current licensing requirements to ensure security industry firearms are only available when necessary and, if stolen, can be more easily traced and linked to crime.

STRATEGIC DIRECTIONS

The overall goal of NSW Police is a safe New South Wales with a respected police force working with the community to reduce violence, crime and fear.

NSW Police aims to achieve a high level of public trust and confidence through:

- ◆ reduced crime and violence;
- ◆ improved public safety;
- ◆ a motivated workforce; and
- ◆ improved work practices.

There is a continuing focus on forging strong partnerships with the community, other government agencies, business and other Australian and international law enforcement organisations. These partnerships are being underpinned by improved organisational systems and work practices designed to improve morale and occupational safety and increase motivation.

NSW Police will continue to develop and use advanced technology to assist in reducing crime.

Policing services are delivered through the following four budget programs:

- ◆ Community Support;
- ◆ Criminal Investigation;
- ◆ Traffic; and
- ◆ Judicial Support.

2005-06 BUDGET

Total Expenses

Total expenses are expected to increase by \$110.5 million to more than \$2 billion in 2005-06, an increase of 5.8 percent compared to last year's allocation.

Funding has been provided for a number of new and continuing initiatives within Police's budget. These include:

- ◆ \$4.5 million to continue the high visibility policing strategy Operation Vikings, which commenced in 2002-03;
- ◆ \$10 million for additional building maintenance, making a total of almost \$100 million available for this purpose over the next four years;
- ◆ \$3.5 million towards the maintenance of forensic equipment;
- ◆ \$1.7 million to support additional surveillance activities; and
- ◆ \$3.3 million to continue the employment of civilian managers in all Police and Community Youth Clubs.

Capital Expenditure

NSW Police's capital program aims to:

- ◆ provide functional and cost effective police accommodation where it is needed;
- ◆ improve the safety of operational police;
- ◆ equip police to enable them to perform their role effectively; and
- ◆ advance the efficient processing and use of operational and administrative data.

The 2005-06 Budget allows for expenditure of \$112.3 million compared with the allocation of \$94.1 million last year - an increase of 19.4 percent.

Major New Works

The capital program provides for the commencement of eight major new works with a total estimated cost of \$76.1 million.

Work will commence on the replacement of a further six police stations in 2005-06 as part of the station upgrade program announced in last year's Budget. The total estimated cost of these works is \$72 million, of which \$12.2 million has been allocated this year as follows:

- ◆ Campsie Police Station - \$3 million;
- ◆ Dubbo Police Station - \$2 million;
- ◆ Fairfield Police Station - \$2 million;
- ◆ Lismore Police Station - \$1.6 million;
- ◆ Orange Police Station - \$3 million; and
- ◆ Wagga Wagga Police Station - \$0.6 million.

The Polair One helicopter will also be replaced during 2005-06 at an estimated cost of \$2.8 million, while \$1.3 million is to be invested in additional surveillance equipment to enhance public safety in the current terrorist climate.

Work-in-Progress

A total of \$66.1 million has been provided to support works-in-progress during 2005-06. This amount includes \$33.3 million for the following building works:

- ◆ \$5.3 million for the new police station at Armidale;
- ◆ \$7.5 million to finalise the upgrade of cells in police stations throughout the State;
- ◆ \$3.4 million to complete the new police station at Griffith;
- ◆ \$4.8 million for a new police station at Muswellbrook;
- ◆ \$0.2 million for the new Thirroul police station;
- ◆ \$4.7 million to establish the new Forensic Research and Investigative Science Centre (FRISC);
- ◆ \$5 million for the new police station at St Mary's; and
- ◆ \$2.4 million to finalise upgrades to various educational facilities, including the Goulburn Police Academy.

A total of \$19.7 million has been provided for ongoing technology developments to improve operational and organisational efficiency. This includes \$1.9 million to complete the Asset Management System, \$0.4 million to finish the Automatic Number Plate Recognition project, \$0.7 million to complete the Courtlink Data Exchange, \$6.6 million for the continuing development of a new Computer Aided Despatch System, and \$7 million for the purchase of equipment associated with the digital recording of interviews with suspect persons.

A further \$7.8 million has been provided to continue the replacement of Police's marine fleet, while \$1.6 million has been provided for further enhancements to Police's motor vehicle fleet.

An amount of \$3.7 million has also been allocated to complete the digitisation and encryption of the Police Radio Network as part of the ongoing implementation of the first stage of the Government's Long-Term Radio Strategy.

Minor Works

The Minor Works allocation of \$29.8 million will be used for minor upgrades to police accommodation and facilities, the purchase of smaller items of operational plant and equipment and the replacement of road safety equipment. This allocation includes an amount of \$12.6 million for the purchase of items of computer equipment that were formerly leased.

NEW SOUTH WALES CRIME COMMISSION

The New South Wales Crime Commission's objective is to combat illegal drug trafficking and organised and other serious crime in New South Wales.

Activities to achieve this objective include targeting high-level drug traffickers and persons involved in organised and other serious criminal activity. This involves obtaining evidence for prosecution of those persons and/or the forfeiture of their assets.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Commission has produced substantial results, including confiscation of approximately \$100 million and the arrest of offenders through joint investigations. The Commission continues to derive benefit from structural review and change.

STRATEGIC DIRECTIONS

The Commission remains committed to keeping pace with changing technology, particularly in the area of telecommunications interception. The Commission maintains a significant investment in technology and expects to extend the capacity and scope of its electronic surveillance systems in the coming year. The Commission applies technological resources to new and emerging areas of crime such as computer-based and identity crime.

2005-06 BUDGET

Total Expenses

The Commission estimates total expenses of \$16.9 million in 2005-06. This represents an increase of 15 percent on last year's budget allocation. This increase is primarily related to additional staffing as well as costs of telecommunications interception, arising from new areas of work including terrorism prevention through investigation.

Capital Expenditure

The Commission has undertaken a significant program to better utilise technology to combat drug trafficking and organised crime over recent years. Significant capital expenditure has been made, including the acquisition of additional office accommodation.

The capital allocation of \$2.6 million in 2005-06 will allow the Commission to keep abreast of changing technologies, especially its telecommunications interception systems.

POLICE INTEGRITY COMMISSION

The Police Integrity Commission is responsible for preventing, detecting and subsequently investigating serious police misconduct. It also oversees and manages other agencies involved with the investigation of serious police misconduct.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Investigations and resultant public hearings into instances of police misconduct drive the costs of the Commission. Costs in excess of Budget in 2004-05 largely relate to additional requirements for the protection of witnesses.

STRATEGIC DIRECTIONS

The Commission balances its core investigative and research functions to achieve ongoing reductions in the incidence of serious police misconduct in New South Wales. Reports of the Commission's activities will continue to focus on practical recommendations for system improvements that support ethical behaviour within NSW Police.

2005-06 BUDGET

Total Expenses

The Commission's total expenses are estimated at \$18 million in 2005-06. After allowing for savings from leasing computer equipment, which will now be purchased under revised Government procurement arrangements, this represents an increase of almost \$0.9 million or more than 5 percent on the 2004-05 Budget.

This additional funding will, in part, be used to increase the Commission's existing telecommunications interception capacity.

Capital Expenditure

In 2005-06, the Commission's capital expenditure program is estimated at \$2.5 million, including \$1.5 million for replacing ageing telecommunications interception equipment. A further \$1 million will be invested in the continuing development of the Commission's electronic surveillance capabilities and replacing computer equipment that was previously leased.

MINISTER FOR POLICE
44 MINISTRY FOR POLICE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	6,183	6,207	5,239
Other operating expenses	2,042	2,960	2,604
Depreciation and amortisation	205	183	150
Grants and subsidies	3,462	1,700	2,200
Total Expenses	11,892	11,050	10,193
Less:			
Retained Revenue -			
Sales of goods and services	2	2	2
Investment income	23	41	41
Grants and contributions	...	664	...
Other revenue	...	2	...
Total Retained Revenue	25	709	43
Gain/(loss) on disposal of non current assets	...	(31)	...
NET COST OF SERVICES	11,867	10,372	10,150

MINISTER FOR POLICE
44 MINISTRY FOR POLICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	5,982	5,175	4,900
Grants and subsidies	3,462	1,700	2,200
Other	2,212	3,205	2,818
Total Payments	11,656	10,080	9,918
Receipts			
Sale of goods and services	2	2	2
Interest	25	38	41
Other	171	213	215
Total Receipts	198	253	258
NET CASH FLOWS FROM OPERATING ACTIVITIES	(11,458)	(9,827)	(9,660)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(529)	(402)	(62)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(529)	(402)	(62)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	11,341	10,837	9,837
Capital appropriation	529	529	62
Cash reimbursements from the Consolidated Fund Entity	283	287	...
Cash transfers to Consolidated Fund	...	(349)	...
NET CASH FLOWS FROM GOVERNMENT	12,153	11,304	9,899
NET INCREASE/(DECREASE) IN CASH	166	1,075	177
Opening Cash and Cash Equivalents	326	473	1,548
CLOSING CASH AND CASH EQUIVALENTS	492	1,548	1,725
CASH FLOW RECONCILIATION			
Net cost of services	(11,867)	(10,372)	(10,150)
Non cash items added back	383	165	419
Change in operating assets and liabilities	26	380	71
Net cash flow from operating activities	(11,458)	(9,827)	(9,660)

MINISTER FOR POLICE
44 MINISTRY FOR POLICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	492	1,548	1,725
Receivables	38	45	45
Other	10	7	7
Total Current Assets	540	1,600	1,777
Non Current Assets -			
Property, plant and equipment -			
Land and building	1,465	...	...
Plant and equipment	597	1,731	1,643
Total Non Current Assets	2,062	1,731	1,643
Total Assets	2,602	3,331	3,420
LIABILITIES -			
Current Liabilities -			
Payables	98	93	122
Provisions	513	776	818
Total Current Liabilities	611	869	940
Non Current Liabilities -			
Provisions	26	58	58
Total Non Current Liabilities	26	58	58
Total Liabilities	637	927	998
NET ASSETS	1,965	2,404	2,422
EQUITY			
Accumulated funds	1,965	2,404	2,422
TOTAL EQUITY	1,965	2,404	2,422

MINISTER FOR POLICE
44 MINISTRY FOR POLICE

44.1 Policy Advice Co-ordination and Support

44.1.1 Policy Advice, Co-ordination and Support

Program Objective(s): To independently advise the Minister and co-ordinate the formulation and implementation of policy and the allocation of resources affecting the Police portfolio. To develop strategies and plans for NSW Police properties. To provide administrative support to the Inspector of the Police Integrity Commission.

Program Description: To advise the Minister on policies, resource allocation and other portfolio issues. Co-ordination of advice from, and action by, portfolio agencies and co-ordination of other specific issues. Development of strategies and plans for NSW Police properties. To advise and assist portfolio agencies and support for the Offices of the Minister and the Inspector of the Police Integrity Commission.

Average Staffing (EFT)

2004-05 2005-06

Activities:

Minister's Office	14	...
Policy advice and co-ordination	43	45
Police Integrity Commission Inspector	1	1
	58	46

	2004-05	2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	6,183	6,207	5,239
Other operating expenses	2,042	2,960	2,604
Depreciation and amortisation	205	183	150
Grants and subsidies			
Voluntary organisations	150	50	100
Grants to agencies for recurrent purposes	3,312	1,650	2,100
Total Expenses	11,892	11,050	10,193

MINISTER FOR POLICE
44 MINISTRY FOR POLICE

44.1 Policy Advice Co-ordination and Support

44.1.1 Policy Advice, Co-ordination and Support (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	2	2	2
Investment income	23	41	41
Grants and contributions	...	664	...
Other revenue	...	2	...

Total Retained Revenue	25	709	43
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Gain/(loss) on disposal of non current assets	...	(31)	...
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NET COST OF SERVICES	11,867	10,372	10,150
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CAPITAL EXPENDITURE	529	402	62
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MINISTER FOR POLICE
45 NSW POLICE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	1,470,758	1,517,612	1,561,838
Other operating expenses	336,490	331,966	337,001
Maintenance	15,546	15,546	25,546
Depreciation and amortisation	79,805	79,805	83,134
Borrowing costs	6,520	12,138	12,083
Other expenses	1,800	2,295	1,800
Total Expenses	1,910,919	1,959,362	2,021,402
Less:			
Retained Revenue -			
Sales of goods and services	17,460	14,860	19,463
Investment income	1,400	1,400	1,449
Grants and contributions	9,940	12,943	11,166
Other revenue	800	2,248	3,456
Total Retained Revenue	29,600	31,451	35,534
Gain/(loss) on disposal of non current assets	15,341	6,911	14,249
NET COST OF SERVICES	1,865,978	1,921,000	1,971,619

MINISTER FOR POLICE
45 NSW POLICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	1,312,397	1,353,074	1,415,874
Finance costs	6,520	12,138	12,083
Other	399,137	395,700	412,004
Total Payments	1,718,054	1,760,912	1,839,961
Receipts			
Sale of goods and services	17,460	16,185	19,393
Interest	1,400	1,284	1,449
Other	58,901	63,632	62,733
Total Receipts	77,761	81,101	83,575
NET CASH FLOWS FROM OPERATING ACTIVITIES	(1,640,293)	(1,679,811)	(1,756,386)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	18,500	10,070	18,000
Purchases of property, plant and equipment	(94,051)	(118,683)	(112,281)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(75,551)	(108,613)	(94,281)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	(910)	(10,911)	(1,447)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(910)	(10,911)	(1,447)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	1,619,427	1,644,121	1,747,115
Capital appropriation	77,051	106,813	94,281
Cash reimbursements from the Consolidated Fund Entity	54,024	58,500	...
Cash transfers to Consolidated Fund	...	(6,582)	...
NET CASH FLOWS FROM GOVERNMENT	1,750,502	1,802,852	1,841,396
NET INCREASE/(DECREASE) IN CASH	33,748	3,517	(10,718)
Opening Cash and Cash Equivalents	2,782	24,475	27,992
CLOSING CASH AND CASH EQUIVALENTS	36,530	27,992	17,274

MINISTER FOR POLICE
45 NSW POLICE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

Net cost of services	(1,865,978)	(1,921,000)	(1,971,619)
Non cash items added back	207,861	225,210	226,087
Change in operating assets and liabilities	17,824	15,979	(10,854)
Net cash flow from operating activities	(1,640,293)	(1,679,811)	(1,756,386)

MINISTER FOR POLICE
45 NSW POLICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	36,530	27,992	17,274
Receivables	21,691	12,542	12,661
Inventories	2,746	2,152	2,152
Other	2,967	10,134	10,151
Total Current Assets	63,934	52,820	42,238
Non Current Assets -			
Property, plant and equipment -			
Land and building	841,486	885,792	922,851
Plant and equipment	250,879	287,633	301,309
Total Non Current Assets	1,092,365	1,173,425	1,224,160
Total Assets	1,156,299	1,226,245	1,266,398
LIABILITIES -			
Current Liabilities -			
Payables	47,490	42,908	45,287
Interest bearing	1,447	1,447	2,038
Provisions	169,147	167,156	173,666
Other	10,074	16,370	16,890
Total Current Liabilities	228,158	227,881	237,881
Non Current Liabilities -			
Interest bearing	184,597	184,596	182,558
Provisions	51,531	68,337	62,459
Total Non Current Liabilities	236,128	252,933	245,017
Total Liabilities	464,286	480,814	482,898
NET ASSETS	692,013	745,431	783,500
EQUITY			
Reserves	195,461	250,440	275,779
Accumulated funds	496,552	494,991	507,721
TOTAL EQUITY	692,013	745,431	783,500

MINISTER FOR POLICE

45 NSW POLICE

	Units	2002-03	2003-04	2004-05	2005-06
<u>Average Staffing across all Programs:</u>					
Total Police Service	EFT	17,890	18,500	18,250	18,050
Operational police as % of total actual Police Numbers		95	95	95	95

45.1 Policing Services

45.1.1 Community Support

Program Objective(s): To improve community safety and security, reduce crime and minimise the adverse effects of public emergencies and disasters.

Program Description: Provision of effective, timely and flexible 24 hour response to incidents, emergencies and public events. Reduction of incentives and opportunities to commit crime. Provision of a highly visible police presence and liaison with the community and Government organisations concerned with maintaining peace, order and public safety.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outcomes:</u>					
Recorded incidents - major personal and property crime	thous	543	494	490	485
Household victims of Break and Enter	thous	128	125	123	123
Victims of Assault	thous	185	183	182	180
Victims of Robbery	thous	43	42	42	40
Recorded incidents in outdoor and public places	thous	159	131	130	128
Community has "no problem" in neighbourhood	%	n.a.	50	50	51

Outputs:

Calls responded to across the State	mill	1.5	1.5	1.6	1.6
Response time for urgent calls - Number of minutes taken to attend 50% of calls	no	6	5	5	5
Number of minutes taken to attend 80% of calls	no	12	12	12	10
Marine emergencies	no.	2,114	2,675	2,700	2,800

Note: Performance indicators for outcomes and outputs may vary from previous Budget Papers due to their revision in line with NSW Police's 2005-06 Results and Services Plan. Historical data may also vary from previously published figures where more accurate information has become available.

* Incident data includes Malicious Damage and Sexual Assault. These crime categories were excluded from previous Budget Papers.

MINISTER FOR POLICE
45 NSW POLICE

45.1 Policing Services

45.1.1 Community Support (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	838,332	843,794	868,382
Other operating expenses	191,798	184,574	187,374
Maintenance	8,861	8,644	14,204
Depreciation and amortisation	45,489	44,371	46,222
Borrowing costs			
Finance lease interest charges to private sector - raised within Australia	3,706	6,738	6,707
Other finance costs	12	11	11
Other expenses			
Other expenses	...	5	...
Firearms purchase scheme	...	485	...
Total Expenses	1,088,198	1,088,622	1,122,900
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	3,400	2,800	3,519
Officers on loan	3,100	3,100	3,208
Academy operations	741	723	867
Inventory sales to other agencies	40	40	41
Minor sales of goods and services	3,990	2,780	4,281
Investment income	798	778	806
Grants and contributions	2,360	3,974	2,316
Other revenue	456	1,249	1,922
Total Retained Revenue	14,885	15,444	16,960
Gain/(loss) on disposal of non current assets	8,852	3,842	7,922
NET COST OF SERVICES	1,064,461	1,069,336	1,098,018
CAPITAL EXPENDITURE			
	53,609	65,988	62,428

Note: The allocation of costs across individual programs is based on the proportion of time rostered to various designated policing activities. The 2004-05 Budget and Revised figures are not strictly comparable as the actual deployment of officers varied from earlier Budget projections.

MINISTER FOR POLICE

45 NSW POLICE

45.1 Policing Services

45.1.2 Criminal Investigation

Program Objective(s): To detect, investigate and reduce the incidence of crime.

Program Description: Crime detection, investigation, provision of forensic services and arresting or otherwise dealing with offenders. Specialist activities to target organised criminal activities and criminal groups.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Recorded incidents - major personal and property crime*	thous	543	494	490	485
<u>Outputs:</u>					
Alleged offenders proceeded against**	thous	162	164	165	165
Crime scenes attended	thous	96	100	100	110
Scenes where latent prints taken	thous	24	25	25	26

Note: Performance indicators for outcomes and outputs may vary from previous Budget Papers due to their revision in line with NSW Police's 2005-06 Results and Services Plan. Historical data may also vary from previously published figures where more accurate information has become available.

* Incident data includes Malicious Damage and Sexual Assault. These crime categories were excluded from previous Budget Papers.

** A person may be recorded as an offender more than once if proceeded against in different months. Includes those issued with Court Attendance Notices, Criminal Infringement Notices and cautions and those attending conferences.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	388,280	390,027	401,392
Other operating expenses	88,832	85,316	86,608
Maintenance	4,104	3,995	6,565
Depreciation and amortisation	21,069	20,510	21,365
Borrowing costs			
Finance lease interest charges to private sector - raised within Australia	1,716	3,114	3,100
Other finance costs	5	5	5
Other expenses			
Other expenses	...	3	...
Total Expenses	504,006	502,970	519,035

MINISTER FOR POLICE
45 NSW POLICE

45.1 Policing Services

45.1.2 Criminal Investigation (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Officers on loan	1,000	1,000	1,036
Academy operations	344	334	401
Minor sales of goods and services	1,848	1,285	1,979
Investment income	370	360	372
Grants and contributions	1,093	1,835	1,071
Other revenue	212	577	888
Total Retained Revenue	4,867	5,391	5,747
Gain/(loss) on disposal of non current assets	3,682	1,776	3,662
NET COST OF SERVICES	495,457	495,803	509,626

CAPITAL EXPENDITURE	24,829	30,502	28,856
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Note: The allocation of costs across individual programs is based on the proportion of time rostered to various designated policing activities. The 2004-05 Budget and Revised figures are not strictly comparable as the actual deployment of officers varied from earlier Budget projections.

MINISTER FOR POLICE
45 NSW POLICE

45.1 Policing Services

45.1.3 Traffic

Program Objective(s): To minimise road trauma, promote orderly and safe road use and ensure the free flow of traffic.

Program Description: Patrolling roads and highways, investigating major vehicle crashes, detecting traffic offences (particularly those involving speed, alcohol and drugs), supervising peak traffic flows and enforcing parking restrictions. Liaising with community and Government bodies concerned with road safety and traffic management.

<u>Outcomes</u> :	Units	2002-03	2003-04	2004-05	2005-06
Injury crashes	no.	21,582	20,775	21,000	21,000
Fatal crashes	no.	474	498	500	500
 <u>Outputs</u> :					
Drivers charged with Prescribed Concentration of Alcohol (PCA)	thous	27	27	26	26

Note: Performance indicators for outcomes and outputs may vary from previous Budget Papers due to their revision in line with NSW Police's 2005-06 Results and Services Plan. Historical data may also vary from previously published figures where more accurate information has become available.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	129,427	156,310	160,870
Other operating expenses	29,612	34,192	34,711
Maintenance	1,368	1,602	2,631
Depreciation and amortisation	7,023	8,220	8,564
Borrowing costs			
Finance lease interest charges to private sector - raised within Australia	572	1,248	1,243
Other finance costs	2	2	2
Other expenses			
Other expenses	...	1	...
Total Expenses	168,004	201,575	208,021

MINISTER FOR POLICE
45 NSW POLICE

45.1 Policing Services

45.1.3 Traffic (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Interviews regarding accidents	700	...	...
Insurance reports	920	1,620	2,400
Academy operations	114	134	161
Minor sales of goods and services	616	515	793
Investment income	123	144	149
Grants and contributions	6,164	6,537	7,429
Other revenue	70	231	356
Total Retained Revenue	8,707	9,181	11,288
Gain/(loss) on disposal of non current assets	1,458	712	1,468
NET COST OF SERVICES	157,839	191,682	195,265

CAPITAL EXPENDITURE	8,277	12,225	11,565
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Note: The allocation of costs across individual programs is based on the proportion of time rostered to various designated policing activities. The 2004-05 Budget and Revised figures are not strictly comparable as the actual deployment of officers varied from earlier Budget projections.

Revised 2004-05 figures have also increased by \$27 million due to a more appropriate assignment of costs between programs.

MINISTER FOR POLICE
45 NSW POLICE

45.1 Policing Services

45.1.4 Judicial Support

Program Objective(s): To provide efficient and effective court case management, safe custody and fair and equitable treatment to alleged offenders and victims.

Program Description: Providing judicial and custodial services, prosecuting offenders, presenting evidence at court, including coronial enquiries, providing police transport and custody for persons under police supervision, and providing a high level of support to victims and witnesses.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Alleged offenders proceeded against*	thous	162	164	165	165
Alleged offenders proceeded against in Court	thous	130	130	129	129
Alleged offenders diverted from Court**	thous	33	34	35	36
Alleged juvenile offenders diverted from Court	%	n.a.	54	54	55
Alleged indigenous offenders diverted from Court	%	43	43	43	50
Successful prosecution rates	%	n.a.	85	85	85
Appeals upheld	%	n.a.	39	40	40

Note: Performance indicators for outcomes and outputs may vary from previous Budget Papers due to their revision in line with NSW Police's 2005-06 Results and Services Plan. Historical data may also vary from previously published figures where more accurate information has become available.

* A person may be recorded as an offender more than once if proceeded against in different months. Includes those issued with Court Attendance Notices, Criminal Infringement Notices and cautions and those attending conferences.

** Includes adults and juveniles receiving cautions, conferences or infringement notices for criminal matters.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	114,719	127,481	131,194
Other operating expenses	26,248	27,884	28,308
Maintenance	1,213	1,305	2,146
Depreciation and amortisation	6,224	6,704	6,983

MINISTER FOR POLICE
45 NSW POLICE

45.1 Policing Services

45.1.4 Judicial Support (cont)

OPERATING STATEMENT (cont)

Borrowing costs			
Finance lease interest charges to private sector - raised within Australia	506	1,018	1,013
Other finance costs	1	2	2
Other expenses			
Other expenses	...	1	...
Witnesses expenses	1,800	1,800	1,800
Total Expenses	150,711	166,195	171,446
Less:			
Retained Revenue -			
Sales of goods and services			
Academy operations	101	109	130
Minor sales of goods and services	546	420	647
Investment income	109	118	122
Grants and contributions	323	597	350
Other revenue	62	191	290
Total Retained Revenue	1,141	1,435	1,539
Gain/(loss) on disposal of non current assets	1,349	581	1,197
NET COST OF SERVICES	148,221	164,179	168,710
<hr/>			
CAPITAL EXPENDITURE	7,336	9,968	9,432

Note: The allocation of costs across individual programs is based on the proportion of time rostered to various designated policing activities. The 2004-05 Budget and Revised figures are not strictly comparable as the actual deployment of officers varied from earlier Budget projections.

Revised 2004-05 figures have also increased by \$10 million due to a more appropriate assignment of costs between programs.

MINISTER FOR POLICE
46 NEW SOUTH WALES CRIME COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	9,377	10,291	11,118
Other operating expenses	3,722	3,980	3,830
Maintenance	128	250	332
Depreciation and amortisation	1,420	1,597	1,648
Borrowing costs	...	30	...
Other expenses	18	18	19
Total Expenses	14,665	16,166	16,947
Less:			
Retained Revenue -			
Sales of goods and services	5	5	5
Investment income	53	...	55
Other revenue	3,130	3,130	3,186
Total Retained Revenue	3,188	3,135	3,246
Gain/(loss) on disposal of non current assets	...	(50)	...
NET COST OF SERVICES	11,477	13,081	13,701

MINISTER FOR POLICE
46 NEW SOUTH WALES CRIME COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	9,031	9,975	10,832
Finance costs	...	56	...
Other	4,267	4,388	4,574
Total Payments	13,298	14,419	15,406
Receipts			
Sale of goods and services	35	297	5
Retained taxes	(3)	(42)	(3)
Interest	64	(9)	55
Other	3,559	3,620	3,893
Total Receipts	3,655	3,866	3,950
NET CASH FLOWS FROM OPERATING ACTIVITIES	(9,643)	(10,553)	(11,456)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(1,611)	(2,019)	(2,586)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(1,611)	(2,019)	(2,586)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	9,053	10,564	11,489
Capital appropriation	1,611	1,611	2,586
Cash reimbursements from the Consolidated Fund Entity	505	505	...
NET CASH FLOWS FROM GOVERNMENT	11,169	12,680	14,075
NET INCREASE/(DECREASE) IN CASH	(85)	108	33
Opening Cash and Cash Equivalents	338	26	134
CLOSING CASH AND CASH EQUIVALENTS	253	134	167
CASH FLOW RECONCILIATION			
Net cost of services	(11,477)	(13,081)	(13,701)
Non cash items added back	1,818	2,002	2,035
Change in operating assets and liabilities	16	526	210
Net cash flow from operating activities	(9,643)	(10,553)	(11,456)

MINISTER FOR POLICE
46 NEW SOUTH WALES CRIME COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	253	134	167
Receivables	898	1,575	1,283
Other	102	102	102
Total Current Assets	1,253	1,811	1,552
Non Current Assets -			
Property, plant and equipment -			
Land and building	12,497	12,497	12,243
Plant and equipment	4,520	4,343	5,535
Total Non Current Assets	17,017	16,840	17,778
Total Assets	18,270	18,651	19,330
LIABILITIES -			
Current Liabilities -			
Payables	869	869	805
Provisions	605	605	587
Total Current Liabilities	1,474	1,474	1,392
Non Current Liabilities -			
Interest bearing	...	1,400	1,400
Provisions	...	179	179
Total Non Current Liabilities	...	1,579	1,579
Total Liabilities	1,474	3,053	2,971
NET ASSETS	16,796	15,598	16,359
EQUITY			
Reserves	6,073	6,073	6,073
Accumulated funds	10,723	9,525	10,286
TOTAL EQUITY	16,796	15,598	16,359

MINISTER FOR POLICE
46 NEW SOUTH WALES CRIME COMMISSION

46.1 Combating Crime

46.1.1 Combating Crime

Program Objective(s): To combat illegal drug trafficking and organised crime in New South Wales.

Program Description: The targeting of high level drug traffickers and persons involved in organised crime, the obtaining of evidence for prosecution of those persons and/or the civil forfeiture of their assets, the furnishing of reports relating to illegal drug trafficking and organised crime and the dissemination of intelligence, and investigatory, technological and analytical expertise.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities:</u>			
	Commission	1	1
	Operations Division	92	98
	Operations Support Division	12	13
	Casual Staff	30	30
		135	142
		<div style="display: flex; justify-content: space-between; width: 100%;"> 2004-05 2005-06 </div>	2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	9,377	10,291	11,118
Other operating expenses	3,722	3,980	3,830
Maintenance	128	250	332
Depreciation and amortisation	1,420	1,597	1,648
Borrowing costs			
Interest on public sector borrowings and advances	...	30	...
Other expenses			
Witness protection expenses	18	18	19
Total Expenses	14,665	16,166	16,947

MINISTER FOR POLICE
46 NEW SOUTH WALES CRIME COMMISSION

46.1 Combating Crime

46.1.1 Combating Crime (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	5	5	5
Investment income	53	...	55
Other revenue	3,130	3,130	3,186
Total Retained Revenue	3,188	3,135	3,246
Gain/(loss) on disposal of non current assets	...	(50)	...
NET COST OF SERVICES	11,477	13,081	13,701

CAPITAL EXPENDITURE	1,611	2,019	2,586
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MINISTER FOR POLICE
47 POLICE INTEGRITY COMMISSION

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	11,769	11,317	11,782
Other operating expenses	3,870	4,866	4,472
Maintenance	219	225	245
Depreciation and amortisation	1,674	1,852	1,473
Total Expenses	17,532	18,260	17,972
Less:			
Retained Revenue -			
Investment income	51	39	31
Total Retained Revenue	51	39	31
NET COST OF SERVICES	17,481	18,221	17,941

MINISTER FOR POLICE
47 POLICE INTEGRITY COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	11,469	10,784	11,166
Other	4,759	5,702	5,347
Total Payments	16,228	16,486	16,513
Receipts			
Sale of goods and services	...	10	...
Interest	51	48	36
Other	670	579	580
Total Receipts	721	637	616
NET CASH FLOWS FROM OPERATING ACTIVITIES	(15,507)	(15,849)	(15,897)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(700)	(1,814)	(2,549)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(700)	(1,814)	(2,549)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	14,693	15,191	16,116
Capital appropriation	700	1,814	2,549
Cash reimbursements from the Consolidated Fund Entity	679	650	...
NET CASH FLOWS FROM GOVERNMENT	16,072	17,655	18,665
NET INCREASE/(DECREASE) IN CASH	(135)	(8)	219
Opening Cash and Cash Equivalents	660	761	753
CLOSING CASH AND CASH EQUIVALENTS	525	753	972
CASH FLOW RECONCILIATION			
Net cost of services	(17,481)	(18,221)	(17,941)
Non cash items added back	2,244	2,441	2,035
Change in operating assets and liabilities	(270)	(69)	9
Net cash flow from operating activities	(15,507)	(15,849)	(15,897)

MINISTER FOR POLICE
47 POLICE INTEGRITY COMMISSION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	525	753	972
Receivables	130	126	171
Other	221	411	411
Total Current Assets	876	1,290	1,554
Non Current Assets -			
Property, plant and equipment -			
Land and building	18	50	94
Plant and equipment	2,562	3,365	3,985
Intangibles	...	...	412
Total Non Current Assets	2,580	3,415	4,491
Total Assets	3,456	4,705	6,045
LIABILITIES -			
Current Liabilities -			
Payables	141	141	183
Provisions	733	763	775
Other	25	...	...
Total Current Liabilities	899	904	958
Non Current Liabilities -			
Provisions	113	135	135
Total Non Current Liabilities	113	135	135
Total Liabilities	1,012	1,039	1,093
NET ASSETS	2,444	3,666	4,952
EQUITY			
Accumulated funds	2,444	3,666	4,952
TOTAL EQUITY	2,444	3,666	4,952

MINISTER FOR POLICE
47 POLICE INTEGRITY COMMISSION

47.1 Prevention of Serious Police Misconduct

47.1.1 Prevention of Serious Police Misconduct

Program Objective(s): To effectively contribute to the State response in combating serious police misconduct.

Program Description: The development and application of innovative and effective strategies and methodologies for the prevention, detection and investigation of corruption and other serious police misconduct.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :			
	Commission	3	3
	Operations	79	85
	Support Services	23	25
		105	113

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	11,769	11,317	11,782
Other operating expenses	3,870	4,866	4,472
Maintenance	219	225	245
Depreciation and amortisation	1,674	1,852	1,473

Total Expenses	17,532	18,260	17,972
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Less:

Retained Revenue -

Investment income	51	39	31
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Total Retained Revenue	51	39	31
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NET COST OF SERVICES	17,481	18,221	17,941
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CAPITAL EXPENDITURE	700	1,814	2,549
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MINISTER FOR PRIMARY INDUSTRIES

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Primary Industries			
Total Expenses	370.4	359.9	-2.8
Capital Expenditure	26.5	13.3	-49.8
Rural Assistance Authority			
Total Expenses	30.6	37.9	23.7
Capital Expenditure	0.1	0.1	...
NSW Food Authority			
Total Expenses	18.8	22.7	20.5
Capital Expenditure	0.8	2.1	162.5
Total, Minister for Primary Industries			
Total Expenses	419.8	420.5	0.2
Capital Expenditure	27.4	15.5	-43.4

DEPARTMENT OF PRIMARY INDUSTRIES

The Department of Primary Industries (DPI) was created on 1 July 2004, by amalgamating the former NSW Fisheries, Department of Agriculture, Department of Mineral Resources and State Forests. Consolidation provides the opportunity to deliver more integrated research, extension, regulatory, advisory and policy development services for the State's primary industries, whilst streamlining services and reducing duplication.

DPI aims to support development of profitable primary industries that enhance the NSW economy through the sustainable use of natural resources. The Department continues to maintain close links with industry and has front line service delivery as a priority.

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EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The projected expenditure for DPI in 2004-05 is \$444 million, compared to the original budget of \$370 million. Response to the adverse impacts of the drought and a significant outbreak of plague locusts caused increases in projected expenditure of around \$17.2 million and \$21.3 million respectively. DPI also contributed towards New South Wales' share of expenses to eradicate pest and disease outbreaks within Queensland, increasing projected expenditure by \$3.9 million for Red Fire Ant and Citrus Canker control.

A significant focus for 2004-05 was to establish the new Department. Support service functions are gradually being consolidated at the head office in Orange to provide a more integrated service and achieve future recurrent savings. Restructuring incurred one-off expenses, including \$23 million on voluntary redundancies.

Significant activities in DPI's four delivery programs during 2004-05 are outlined below:

Agriculture and Fisheries

- ◆ provide advisory and education services to assist primary producers implement more sustainable and productive farming practices. Around 11,000 farmers are expected to attend production or farming system workshops in 2004-05;
- ◆ implement fishery management strategies. A public discussion paper on a new model for NSW fisheries management was released;
- ◆ establish share management arrangements for various commercial fisheries. Provisional shares were allocated in the following fisheries: estuary general, estuary prawn trawl, ocean trawl, ocean haul, and ocean trap and line; and
- ◆ finalise the draft zone plan for Lord Howe Island Marine Park and develop draft zone and operational plans for Cape Byron Marine Park.

Biosecurity, Compliance and Mine Safety

- ◆ provide drought assistance and support to rural New South Wales. Total expenditure is projected to be \$22 million;
- ◆ co-ordinate and conduct emergency response to the plague locust outbreak threatening a significant proportion of the State's agricultural pastures and crops. Expenditure is projected to be \$21.3 million;

- ◆ implement pest and disease surveillance and response for the State's horticultural, livestock and fish industries; and
- ◆ continue the reform of mine safety, with the Mine Safety Review undertaken by the Honourable Neville Wran AC QC released in April 2005.

Mineral Resources

- ◆ continue geophysical surveys and geological assessments, with an additional 45,000 square kilometres of the State expected to be mapped during 2004-05;
- ◆ consolidate and enhance the focus on environmental sustainability, completing 800 environmental audits and assessments during 2004-05; and
- ◆ deliver frontline services nearer to the client base from the new facilities at Maitland and Thornton.

Science and Research

- ◆ provide a strategic framework for science, including release in October 2004 of the Primary Industries Science and Strategic Directions document;
- ◆ provide science based agricultural solutions to address environmental issues, in particular salinity, acid soils, climate variability, water use efficiency and on-farm risk management;
- ◆ increase competitiveness of agricultural industries by developing improved pasture, crop and horticultural plants, livestock management practices and biotechnology; and
- ◆ undertake research into wild fisheries, aquatic ecosystems, animal and plant health and biotechnology.

STRATEGIC DIRECTIONS

DPI's strategic direction focuses on supporting strong economic performance of primary industries; wise use of natural resources by primary industries and the community; aquatic biodiversity conservation; and healthy, safe primary industries. Strategic priorities for the Department are to:

- ◆ continue to develop sound knowledge of natural resources, and develop new technologies;
- ◆ help adoption of new technologies and practices to drive innovation and profitability of primary industries;

- ◆ deliver education programs and regional extension services to increase uptake of sustainable industry practices;
- ◆ conserve and protect the living aquatic environment for current and future generations;
- ◆ ensure that commercial, recreational and traditional fishers continue to enjoy sustainable access to a healthy NSW fisheries resource;
- ◆ strengthen biosecurity knowledge and primary industries' capacity to maximise food safety, market access and international competitiveness;
- ◆ evaluate the minerals industry's safety performance through site assessments and investigations of accidents and incidents;
- ◆ implement enforcement programs and other deterrence strategies to ensure adoption of sustainable and safe practices in the minerals industry; and
- ◆ continue to develop the Department's capacity to partner with and support primary industries.

The priorities for each of the four program areas are as follows:

Agriculture and Fisheries

- ◆ provide quality education and packaged extension programs;
- ◆ enhance economic and export opportunities for the agriculture and fisheries sectors;
- ◆ develop an effective partnership with Catchment Management Authorities;
- ◆ provide effective and efficient commercial and recreational fishing and aquaculture management services;
- ◆ facilitate adoption by industry of innovative and internationally competitive technologies and environmentally sustainable practices;
- ◆ develop and implement sustainable aquaculture strategies across regional New South Wales;
- ◆ complete development of fishery management strategies, share management and management plans; and
- ◆ work with local communities to complete a marine parks network, threatened species plans, and to protect the aquatic habitat.

Mineral Resources

- ◆ facilitate exploration of new mine development that maximises social and economic benefits and minimises adverse environmental impacts;
- ◆ regulate mine safety to ensure the health and safety of mine workers; and
- ◆ regulate and further improve the environmental performance of the NSW mining industry.

Biosecurity, Compliance, and Mine Safety

- ◆ through continued implementation of mine safety initiatives, address the findings of the Mine Safety Review 2005 to improve occupational health and safety of the mining industry;
- ◆ improve animal and plant health legislation allowing for better biosecurity management and a range of response options;
- ◆ develop a biosecurity strategy for New South Wales;
- ◆ develop comprehensive DPI emergency preparedness and response plans; and
- ◆ lead, develop, and participate in State and national emergency response programs for drought, disease, pests and weeds.

Science and Research

- ◆ provide strategic science to enhance the growth, sustainability and biosecurity of NSW primary industries;
- ◆ develop new technologies and production systems to drive innovation and maximise the profitability and sustainability of primary industries;
- ◆ provide advice on research and science policy issues to state and national Governments, industry, and other stakeholders; and
- ◆ co-ordinate research investments in primary industry innovation, and foster alliances and cooperative ventures with universities, other states Commonwealth, and industry bodies.

2005-06 BUDGET

Total Expenses

DPI's total expenses for 2005-06 are budgeted at \$359.9 million. Operating expenses will reduce as a result of removing duplication and streamlining services within the new Department.

The major areas of expenditure include:

- ◆ \$95.7 million for the Agriculture and Fisheries Program;
- ◆ \$105.9 million for the Biosecurity, Compliance and Mine Safety Program;
- ◆ \$48.2 million for the Mineral Resources Program; and
- ◆ \$110 million for the Science and Research Program.

Major initiatives for 2005-06 include:

- ◆ \$8.7 million provision towards continued drought assistance programs. Additional drought assistance funding will be provided in 2005-06 depending on the course of the drought;
- ◆ \$4.4 million to buy out commercial fishery licences in Cape Byron Marine Park;
- ◆ \$2 million to maintain the marine parks program administered by DPI;
- ◆ \$0.8 million towards the contingency fund for Noxious Pest Destruction, used for expenses incurred in control of plague locusts;
- ◆ \$7.6 million in grants to local government authorities to improve delivery of Noxious Weed Control programs across New South Wales. Weeds have been estimated to cost New South Wales more than \$600 million annually in lost agricultural production and control costs;
- ◆ \$4.2 million to cover the NSW contribution towards eradication of Red Imported Fire Ants being undertaken by the Queensland Department of Primary Industries; and
- ◆ \$3.2 million to continue implementation of mine safety initiatives to improve the occupational health and safety of the mining industry.

Capital Expenditure

The Department of Primary Industries' capital expenditure is \$13.3 million for 2005-06.

Major projects within this program include:

- ◆ \$3.7 million for the purchase and replacement of plant and equipment;
- ◆ \$3.1 million to enhance and upgrade information technology infrastructure;
- ◆ \$0.9 million for standardisation and integration of the information technology infrastructure of the three former agencies, Agriculture, Fisheries, and Mineral Resources;
- ◆ \$0.7 million to upgrade laboratories to comply with hygiene, water supply and fire standards;
- ◆ \$0.6 million to upgrade the Cronulla research facility to address heritage, occupational health and safety issues; and
- ◆ \$0.5 million to prevent incursions of cattle tick by implementing 24 hour electronic surveillance of vehicles transporting livestock from Queensland to New South Wales.

Asset sales in 2005-06 will provide a source of funds to reinvest in upgraded research capacity, contributing to better research results, further partnerships with industry and more efficient resource use. Specific reinvestment projects will be assessed for their contribution to government and industry research priorities and compliance with NSW Procurement Policy.

RURAL ASSISTANCE AUTHORITY

The Authority administers assistance schemes, loans and financial support including:

- ◆ the provision of assistance to primary producers under the Advancing Australian Agriculture package, a Commonwealth initiative with funding contributions from the State;
- ◆ the Special Conservation Scheme, which provides concessional-rate loans to assist farmers to implement improved land management practices;

- ◆ the Natural Disaster Relief Scheme, which provides assistance to both producers and small businesses suffering from the effects of natural disasters; and
- ◆ the *Farm Debt Mediation Act 1994*, which requires financiers to offer farmers mediation prior to commencement of any legal recovery action in regard to secured debt.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Projected expenditure in 2004-05 is \$70.1 million, compared to budgeted expenditure of \$30.6 million. The increase compared to budget is driven by drought-related programs. Exceptional Circumstances assistance is expected to total \$56.5 million due to the continuing effects of the drought and the extension of the recovery period in some drought-affected areas. Due to inclusion of drought-related initiatives, the demand for funding under the Special Conservation Scheme continued the 2003-04 trend with loans in 2004-05 totalling an estimated \$12 million.

STRATEGIC DIRECTIONS

The Authority will continue to place emphasis on measures which improve performance in the areas of productivity, profitability, sustainability and farm financial management skills.

2005-06 BUDGET

Total Expenses

In 2005-06, total expenses of the Authority are budgeted at \$37.9 million. Drought-related expenditure is expected to continue. Actual expenditure will depend on the course of the drought. The largest element in the Authority's 2005-06 budget is \$30.6 million for the Advancing Australian Agriculture program, which encompasses Exceptional Circumstances provisions.

The Authority also manages the Special Conservation Scheme, which provides loans at concessional interest rates for works such as soil conservation, irrigation and water supply. Loans are provided on the basis that the proposed works will have a beneficial impact on the land, the community and the environment. The scheme has been extended to include drought-related initiatives such as stock and domestic water and dam desilting. An amount of \$13 million has been provided for the scheme in 2005-06.

The Authority also manages the Natural Disaster Relief Scheme on behalf of the State. Under this Scheme, concessional-rate loans are made available to assist eligible primary producers and small businesses recover from the effects of natural disasters, such as storms, floods or bushfires. In 2005-06, \$2 million has notionally been provided for this scheme.

Capital Expenditure

The Authority receives a minor allocation of \$50,000 for the replacement and upgrade of computer facilities.

NSW FOOD AUTHORITY

The NSW Food Authority (the Authority) was established in April 2004 by merging Safe Food Production NSW with the food regulatory resources of NSW Health. It is Australia's first completely integrated or "through chain" food agency, responsible for food regulation at all points in the food supply chain.

As the State's food regulator, the Authority is responsible for ensuring food safety and compliance with food standards from production on-farm, or by harvest or catch, through processing and manufacture to retail and food service. The role of the Authority is to improve food safety, reduce food-borne illness and improve the general health of the community. The Authority also supports and assists the food regulatory activities of local governments, all of which are prescribed "enforcement agencies" under the *Food Act 2003*.

The Authority develops and manages food-safety schemes which are aimed at systematically identifying and controlling food-safety risks at all points in the food supply chain. Each scheme is tailored to specific industries or sectors and introduced by regulation under the Act.

The Authority ensures that industry complies with food regulatory requirements by licensing food businesses in New South Wales, auditing and inspecting their operations regularly, and by taking enforcement action for breaches of food laws.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Projected expenditure for 2004-05 is \$20.4 million and key developments during the year include:

- ◆ implementation of a plant products food-safety scheme and continuing development of proposed schemes in the areas of eggs, aged care, hospitals, nursing homes, childcare, delivered meals and high-risk catering, a number of which are scheduled for regulation in 2005-06;

- ◆ completion of the third year of work on the NSW Shellfish Harvest Area Classification regime aimed at ensuring that shellfish are harvested from clean waters;
- ◆ finalisation of work to improve the definition of, and support for, the role of local government in enforcing the national Food Standards Code, the *NSW Food Act 2003* and the State's food-safety schemes;
- ◆ development of a performance-based risk intervention model for auditing that incorporates third party auditing;
- ◆ establishment of a unit to investigate food-borne illness;
- ◆ implementation of a system for issue of penalty and infringement notices;
- ◆ implementation of a strategic operations review;
- ◆ contribution to the development of national standards, including the Food Standards Code, and Ministerial policy guidelines for the Australian and New Zealand regulatory system;
- ◆ establishment of a contact centre for consumers and industry, targeting of education messages to "at risk" consumers and ensuring equal access to the Food Authority's information for ethnic groups; and
- ◆ movement toward shared accommodation and corporate service arrangements with the Department of Primary Industries.

STRATEGIC DIRECTIONS

The Authority's mission is to ensure that food in New South Wales is safe and correctly labelled, and that consumers are able to make informed choices about the food they eat.

The Authority's key strategies for achieving this are:

- ◆ ensuring that food is safe and labelled as required;
- ◆ providing the regulatory framework for industry to produce safe and correctly labelled food and ensuring industry compliance through advice and training, consistent interpretation and enforcement of requirements;
- ◆ informing and educating consumers about food safety and how to make appropriate choices about food consumption; and
- ◆ being the State's recognised authority and reference point on food safety.

2005-06 BUDGET

Total Expenses

The Authority is funded on a shared basis by Government and industry with the Government contributing \$11.4 million toward the agency's total planned recurrent expenditure of \$22.7 million for 2005-06. This expenditure mainly relates to the provision of food-safety audit, enforcement, scheme development, implementation and licensing services. This is an increase on the budget for 2004-05 and includes additional expenditure associated with the implementation of new food-safety schemes along with continued government funded expenditure of:

- ◆ \$10 million for existing food regulatory activities;
- ◆ \$1 million toward the continuing development of food-safety schemes in the areas of aged care, hospitals, nursing homes, childcare, delivered meals and high risk catering, and
- ◆ \$0.4 million toward maintenance of the NSW Shellfish Harvest Area Classification regime.

Capital Expenditure

The Government is contributing \$1.1 million towards the capital expenditure program in 2005-06 which is estimated at \$2.1 million. This includes:

- ◆ \$1.2 million for continued development of IT infrastructure and for the "Paddock to Plate" intelligence system for managing interactions with NSW food businesses, providing a live interface for stakeholders and enabling State-wide tracking of food-borne illness and timely action to prevent its spread; and
- ◆ \$0.9 million for the purchase of replacement motor vehicles.

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	216,529	244,351	210,800
Other operating expenses	84,708	110,796	72,446
Maintenance	7,643	7,643	7,200
Depreciation and amortisation	15,113	14,260	14,260
Grants and subsidies	37,077	54,299	41,424
Borrowing costs	1,556	1,556	1,145
Other expenses	7,783	10,993	12,657
Total Expenses	370,409	443,898	359,932
Less:			
Retained Revenue -			
Sales of goods and services	29,771	33,271	34,812
Investment income	2,263	2,263	1,917
Retained taxes, fees and fines	8,600	8,700	8,801
Grants and contributions	38,239	38,239	39,529
Other revenue	150	150	155
Total Retained Revenue	79,023	82,623	85,214
Gain/(loss) on disposal of non current assets	200	1,366	200
NET COST OF SERVICES	291,186	359,909	274,518

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	201,564	225,248	191,541
Grants and subsidies	37,077	54,299	41,424
Finance costs	1,196	1,196	1,145
Other	111,031	151,314	103,762
Total Payments	350,868	432,057	337,872
Receipts			
Sale of goods and services	29,731	25,688	34,771
Interest	2,011	347	1,917
Other	57,596	65,405	61,435
Total Receipts	89,338	91,440	98,123
NET CASH FLOWS FROM OPERATING ACTIVITIES	(261,530)	(340,617)	(239,749)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	300	2,436	2,240
Advance repayments received	3,230	...	...
Purchases of property, plant and equipment	(26,543)	(26,343)	(13,334)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(23,013)	(23,907)	(11,094)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	...	14,000	...
Repayment of borrowings and advances	(4,034)	...	(3,500)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(4,034)	14,000	(3,500)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	247,413	295,435	241,121
Capital appropriation	22,963	22,911	8,840
Cash reimbursements from the Consolidated Fund Entity	6,134	6,134	...
Cash transfers to Consolidated Fund	...	800	...
NET CASH FLOWS FROM GOVERNMENT	276,510	325,280	249,961
NET INCREASE/(DECREASE) IN CASH	(12,067)	(25,244)	(4,382)
Opening Cash and Cash Equivalents	67,085	72,159	46,915
CLOSING CASH AND CASH EQUIVALENTS	55,018	46,915	42,533

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

Net cost of services	(291,186)	(359,909)	(274,518)
Non cash items added back	33,374	32,563	32,769
Change in operating assets and liabilities	(3,718)	(13,271)	2,000
Net cash flow from operating activities	(261,530)	(340,617)	(239,749)

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	55,018	46,915	42,533
Receivables	9,876	14,331	14,331
Other financial assets	6,286	2,327	2,327
Inventories	7,624	7,317	7,317
Other	2,318	2,420	2,420
Total Current Assets	81,122	73,310	68,928
Non Current Assets -			
Other financial assets	1,837	3,498	3,498
Property, plant and equipment -			
Land and building	157,255	219,148	213,358
Plant and equipment	64,555	45,329	50,837
Infrastructure systems	40,880	48,137	45,503
Total Non Current Assets	264,527	316,112	313,196
Total Assets	345,649	389,422	382,124
LIABILITIES -			
Current Liabilities -			
Payables	10,736	6,181	8,381
Interest bearing	7,141	5,195	6,050
Provisions	19,302	21,810	21,810
Other	413	3,017	3,017
Total Current Liabilities	37,592	36,203	39,258
Non Current Liabilities -			
Interest bearing	18,353	37,044	32,689
Provisions	6,010	5,506	5,506
Total Non Current Liabilities	24,363	42,550	38,195
Total Liabilities	61,955	78,753	77,453
NET ASSETS	283,694	310,669	304,671
EQUITY			
Reserves	74,235	138,489	138,489
Accumulated funds	209,459	172,180	166,182
TOTAL EQUITY	283,694	310,669	304,671

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

48.1 Agriculture and Fisheries

48.1.1 Agriculture and Fisheries

Program Objective(s): To assist sustainable development of the State's agricultural and fishing industries, whilst ensuring conservation of fisheries resources and maintaining a high standard of animal welfare.

Program Description: Extension and educational services, fisheries management, licensing and inspection of animal exhibits and animal research activities, building productive relationships with regional organisations and agencies.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Crop area sown using reduced tillage technology	%	60	50	70	70
Producers trained in Prograze using improved grazing management	%	93	95	95	95
Satisfactory test results from pesticide surveys of NSW produce	%	99.8	99.9	99.9	99.9
Aquatic species protected	no.	25	25	27	28
Aquatic communities protected	no.	37	38	39	42
Aquaculture production	\$m	50.7	53.4	53.0	58.0
 <u>Outputs:</u>					
Farmers attending production or farming systems workshops	no.	14,034	11,000	11,000	11,000
Animal Welfare Licences issued (research and exhibited animals)	no.	420	441	440	400
Value of PRIMEX assisted sales and negotiations	\$m	3.0	4.5	5.0	6.0
Lamb traded 'over the hooks'	%	20	25	25	30
Native fish stocked	mill	2.3	2.6	2.4	2.3
Habitat restoration sites	no.	72	131	203	300
Land-based fish farms	no.	250	238	219	225
Areas of submerged lands leased	ha	4,432	4,338	3,982	3,982
Fishery management strategies completed	no.	3	3	4	8
 <u>Average Staffing:</u>	 EFT	...	...	758	 690

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

48.1 Agriculture and Fisheries

48.1.1 Agriculture and Fisheries (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	60,970	70,862	59,369
Other operating expenses	17,676	19,492	16,468
Maintenance	909	917	864
Depreciation and amortisation	3,923	1,996	1,996
Grants and subsidies			
Animal welfare organisations	300	300	300
Rural financial counsellors	1,068	1,068	1,100
Government contribution to State Forests of NSW	9,557	9,557	9,557
Recurrent grants to non-profit organisations	80	80	90
Borrowing costs			
Interest on public sector borrowings and advances	1,196	1,196	1,145
Capitalised interest expense	360	360	...
Other expenses			
Commercial fisheries buyout	724	724	...
Marine parks commercial fisheries buyout	219	219	4,427
Support of agricultural courses	650	...	...
Australian Standing Committee on Agriculture	393	413	393
Total Expenses	98,025	107,184	95,709
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	351	388	400
Sale of farm produce	1,867	1,867	2,000
Miscellaneous services	2,427	2,427	2,512
Publication sales	667	667	692
Fees for services	380	380	393
Training charges	2,125	2,125	2,199
Fishery management charges	4,300	4,300	4,451
Minor sales of goods and services	600	600	622

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

48.1 Agriculture and Fisheries

48.1.1 Agriculture and Fisheries (cont)

OPERATING STATEMENT (cont)

Investment income	663	933	777
Retained taxes, fees and fines	8,600	8,700	8,801
Grants and contributions	5,096	5,096	5,669
Total Retained Revenue	27,076	27,483	28,516
Gain/(loss) on disposal of non current assets	74	324	99
NET COST OF SERVICES	70,875	79,377	67,094
CAPITAL EXPENDITURE	8,299	8,040	6,874

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

48.2 Mineral Resources

48.2.1 Mineral Resources

Program Objective(s): To manage mineral resources sustainably for high and stable economic growth; employment from exploration and mining; and a safe, healthy, environmentally responsible exploration and mining industry.

Program Description: Assessment of the State's geology and mineral resources, their allocation to private interests for exploration and mining, and regulation of exploration and mining activities for safety and environmental performance.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
NSW share of private mineral exploration in Australia	%	8.0	8.3	7.0	7.0
Value of NSW mineral production	\$m	6,775	6,800	8,700	8,800
Royalties collected	\$m	224.6	231.8	320.0	370.0
Lost time injuries	no.	566	443	365	360
Fatal injuries	no.	1	3	...	...
Mines operating to agreed Mining Operation Plans	%	90	90	95	95
Environmental security deposits held	\$m	295	310	385	385
 <u>Outputs:</u>					
Coverage of State by new standard series geoscience maps and data	sq km.	65,000	50,000	45,000	40,000
Titles and dealings processed within published time frames	%	90	90	90	90
Royalty debt level - % of total royalties	%	0.25	0.50	0.25	0.25
Safety regulation					
Investigations (safety operations)	no.	n.a.	n.a.	396	296
Enforcement actions	no.	n.a.	n.a.	317	302
Environmental regulation					
Audits, assessments and reviews	no.	633	650	800	800
Investigations and enforcements	no.	40	40	50	50
Rehabilitation of derelict mine sites	no.	37	34	26	26
 <u>Average Staffing:</u>	EFT	...	...	288	262

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

48.2 Mineral Resources

48.2.1 Mineral Resources (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	23,165	26,879	22,542
Other operating expenses	27,427	27,725	19,183
Maintenance	1,078	1,070	1,008
Depreciation and amortisation	2,061	3,708	3,708
Grants and subsidies			
Recurrent grants to non-profit organisations	80	80	80
Other expenses			
Remedial works to mined areas	1,705	1,705	1,722
Total Expenses	55,516	61,167	48,243
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	240	194	201
Publication sales	456	456	470
Consulting services	384	384	397
Recoupment of administration costs - non general government agencies	836	836	865
Recoupment of administration costs - general government agencies	86	86	89
Geophysical data	212	212	219
Investment income	275	276	235
Grants and contributions	102	102	104
Total Retained Revenue	2,591	2,546	2,580
NET COST OF SERVICES	52,925	58,621	45,663
<hr/>			
CAPITAL EXPENDITURE	11,486	11,477	1,360

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

48.3 Biosecurity, Compliance and Mine Safety

48.3.1 Biosecurity, Compliance and Mine Safety

Program Objective(s): To provide a bio-security framework to support and improve domestic and international market access for New South Wales primary industries products. To coordinate and where necessary implement emergency management planning and response. To help the mining industry continually to improve industry safety.

Program Description: Development of industry safety, bio-security and emergency response plans. Preparing Department of Primary Industries staff and others for a role in implementing these plans when needed. Development of appropriate legislative and regulatory structures to support improved primary industry bio-security.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Persons accredited in emergency response preparedness	no.	189	144	193	220
Compliance rates for recreational fishers	%	86	89	88	90
Compliance rates for commercial fishers	%	91	91	91	92
Compliance rates for aquaculture	%	48	40	85	85
 <u>Outputs:</u>					
Biosecurity plans to which Department has contributed	no.	86	68	104	80
Training programs for emergency response preparedness	no.	10	15	15	18
Biological control agent releases	no.	237	264	270	270
Attendees at workshop seminars relating to health and safety in the mining industry	no.	1,093	2,400	2,400	2,500
Major investigations (mining)	no.	n.a.	n.a.	5	4
Prosecutions (mining - Investigation Unit reports)	no.	n.a.	n.a.	...	3
Prosecutions (fisheries)	no.	436	326	400	425
SEINS penalty notices (fisheries)	no.	1,764	1,660	2,500	2,500
 <u>Average Staffing:</u>	EFT	...	...	491	447

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

48.3 Biosecurity, Compliance and Mine Safety

48.3.1 Biosecurity, Compliance and Mine Safety (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	39,493	43,983	38,460
Other operating expenses*	24,339	46,071	21,845
Maintenance	3,077	3,057	2,880
Depreciation and amortisation	7,177	6,702	6,702
Grants and subsidies			
Noxious weeds control	7,377	7,377	7,635
Wild Dog Destruction Board	60	60	60
Rural Lands Protection Boards	1,719	1,719	425
Recurrent grants to non-profit organisations	80	80	80
Drought Regional Initiatives Program	5,000	22,222	8,744
NSW Food Authority grant	11,676	11,676	12,523
Noxious Insect Destruction fund	...	...	750
Other expenses			
Beekeepers Compensation	50	50	50
Meshing for sharks	730	730	752
Australian Standing Committee on Agriculture	3,072	6,863	5,039
Total Expenses	103,850	150,590	105,945
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	350	233	241
Miscellaneous services	2,145	5,645	5,720
Fees for services	938	938	971
Minor sales of goods and services	50	50	50
Investment income	662	352	304
Grants and contributions	20,850	20,850	21,400
Total Retained Revenue	24,995	28,068	28,686
Gain/(loss) on disposal of non current assets	63	38	38
NET COST OF SERVICES	78,792	122,484	77,221
<hr/>			
CAPITAL EXPENDITURE	193	190	180

* 2004-05 projected expenditure includes \$21.3 million on control of plague locusts.

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

48.4 Science and Research

48.4.1 Science and Research

Program Objective(s): To provide strategic science that enhances growth, sustainability, and bio-security of NSW primary industries.

Program Description: Provide science, research and innovative technologies to increase the international competitiveness of the State's primary industries in an environmentally sustainable way. Provide the science to underpin effective bio-security policy and implementation.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
New crop/pasture varieties released	no.	6	6	5	10
State market share of varieties developed by the Department					
Wheat	%	30	31	35	55
Canola	%	70	55	55	40
Soybeans	%	75	85	85	85
Chickpeas	%	90	60	65	50
Lupins	%	55	60	65	60
Lucerne	%	35	40	45	50
Formal alliances with universities and other research partners	no.	17	21	24	31
 <u>Outputs:</u>					
Scientific and educational publications	no.	803	797	804	800
Intellectual property arrangements in place	no.	70	65	68	70
Samples processed by departmental laboratories	no.	351,104	409,637	420,000	420,000
 <u>Average Staffing:</u>	 EFT	...	...	1,155	 1,051

———2004-05———		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	92,901	102,627	90,429
Other operating expenses	15,266	17,508	14,950
Maintenance	2,579	2,599	2,448
Depreciation and amortisation	1,952	1,854	1,854

MINISTER FOR PRIMARY INDUSTRIES
48 DEPARTMENT OF PRIMARY INDUSTRIES

48.4 Science and Research

48.4.1 Science and Research (cont)

Grants and subsidies			
Recurrent grants to non-profit organisations	80	80	80
Other expenses			
Australian Standing Committee on Agriculture	240	289	274
Total Expenses	113,018	124,957	110,035
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	351	477	495
Sale of farm produce	2,115	2,115	2,121
Miscellaneous services	2,016	2,016	2,587
Fees for services	6,325	6,325	6,547
Minor sales of goods and services	550	550	570
Investment income	663	702	601
Grants and contributions	12,191	12,191	12,356
Other revenue	150	150	155
Total Retained Revenue	24,361	24,526	25,432
Gain/(loss) on disposal of non current assets	63	1,004	63
NET COST OF SERVICES	88,594	99,427	84,540
CAPITAL EXPENDITURE	6,565	6,636	4,920

MINISTER FOR PRIMARY INDUSTRIES
49 RURAL ASSISTANCE AUTHORITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	1,559	2,559	1,570
Other operating expenses	1,699	1,996	1,629
Maintenance	22	35	23
Depreciation and amortisation	18	18	18
Grants and subsidies	22,247	60,469	30,737
Borrowing costs	5,052	5,052	3,880
Total Expenses	30,597	70,129	37,857
Less:			
Retained Revenue -			
Investment income	3,737	3,787	4,014
Grants and contributions	7,550	...	...
Other revenue	56	156	58
Total Retained Revenue	11,343	3,943	4,072
NET COST OF SERVICES	19,254	66,186	33,785

MINISTER FOR PRIMARY INDUSTRIES
49 RURAL ASSISTANCE AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	1,447	2,386	1,396
Grants and subsidies	22,247	60,469	30,737
Finance costs	5,052	5,052	3,880
Other	8,531	8,778	8,462
Total Payments	37,277	76,685	44,475
Receipts			
Interest	207	257	214
Other	14,397	6,947	6,868
Total Receipts	14,604	7,204	7,082
NET CASH FLOWS FROM OPERATING ACTIVITIES	(22,673)	(69,481)	(37,393)
CASH FLOWS FROM INVESTING ACTIVITIES			
Advance repayments received	19,335	18,585	16,380
Purchases of property, plant and equipment	(50)	(50)	(50)
Advances made	(9,000)	(13,000)	(15,000)
NET CASH FLOWS FROM INVESTING ACTIVITIES	10,285	5,535	1,330
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	9,000	15,764	15,000
Repayment of borrowings and advances	(14,000)	(14,000)	(12,224)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(5,000)	1,764	2,776
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	17,772	64,606	33,629
Capital appropriation	50	50	50
Cash reimbursements from the Consolidated Fund Entity	54	140	...
Cash transfers to Consolidated Fund	...	(2,789)	...
NET CASH FLOWS FROM GOVERNMENT	17,876	62,007	33,679
NET INCREASE/(DECREASE) IN CASH	488	(175)	392
Opening Cash and Cash Equivalents	4,209	11,108	11,683
Reclassification of Cash Equivalents	...	(750)	...
CLOSING CASH AND CASH EQUIVALENTS	4,697	11,683	12,075

MINISTER FOR PRIMARY INDUSTRIES
49 RURAL ASSISTANCE AUTHORITY

	2004-05		2005-06
	Budget	Revised		Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(19,254)	(66,186)	(33,785)
Non cash items added back	(3,400)	(3,339)	(3,608)
Change in operating assets and liabilities	(19)	44	...
Net cash flow from operating activities	(22,673)	(69,481)	(37,393)

MINISTER FOR PRIMARY INDUSTRIES
49 RURAL ASSISTANCE AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	4,697	11,683	12,075
Receivables	1,554	1,485	1,485
Other financial assets	6,427	5,551	5,051
Other	...	7	7
Total Current Assets	12,678	18,726	18,618
Non Current Assets -			
Other financial assets	77,901	76,826	79,746
Property, plant and equipment - Plant and equipment	124	108	140
Total Non Current Assets	78,025	76,934	79,886
Total Assets	90,703	95,660	98,504
LIABILITIES -			
Current Liabilities -			
Payables	4,525	6,844	6,844
Interest bearing	10,707	7,600	7,100
Provisions	237	320	320
Total Current Liabilities	15,469	14,764	14,264
Non Current Liabilities -			
Interest bearing	72,364	76,258	79,534
Provisions	52	47	47
Total Non Current Liabilities	72,416	76,305	79,581
Total Liabilities	87,885	91,069	93,845
NET ASSETS	2,818	4,591	4,659
EQUITY			
Accumulated funds	2,818	4,591	4,659
TOTAL EQUITY	2,818	4,591	4,659

MINISTER FOR PRIMARY INDUSTRIES
49 RURAL ASSISTANCE AUTHORITY

49.1 Assistance to Farmers

49.1.1 Assistance to Farmers

Program Objective(s): To assist the rural industry to help rural people become independent of ongoing Government assistance. To promote an efficient and competitive rural sector and promote adjustment out of farming.

Program Description: Provide interest subsidies, loans and grants to farmers under various schemes. Assistance to farmers and small businesses affected by natural disasters.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Rural Adjustment Scheme applications	no.	1,584	3,553	3,500	1,550
Special Conservation Scheme applications	no.	961	637	500	500
Natural Disaster Relief Scheme applications	no.	63	135	70	50*
West 2000 Plus Program applications	no.	29	24	6	n.a.
Field trips and meetings in rural areas to promote available assistance measures	no.	60	110	59	50
Murrumbidgee Rural Partnership Program applications	no.	227	242	33	n.a.
Water Reform Program applications	no.	429	1,240	4	n.a.
Ovine Johne's Disease Grants	no.	479	102	...	n.a.
Namoi Groundwater Scheme applications	no.	28	12	9	n.a.
<u>Average Staffing:</u>	EFT	41	40	42	35

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,559	2,559	1,570
Other operating expenses	1,699	1,996	1,629
Maintenance	22	35	23
Depreciation and amortisation	18	18	18

* This is a notional figure only. The final number of applications will be subject to the occurrence of natural disasters in 2005-06.

MINISTER FOR PRIMARY INDUSTRIES
49 RURAL ASSISTANCE AUTHORITY

49.1 Assistance to Farmers

49.1.1 Assistance to Farmers (cont)

Grants and subsidies			
Advancing Australian Agriculture (State)	6,301	5,667	3,110
Advancing Australian Agriculture (Commonwealth)	4,000	51,519	27,460
Murrumbidgee Rural Partnership program	2,116	1,003	...
OJD grants - agriculture	4,200	...	...
Namoi Valley groundwater	3,350	...	...
West 2000 program	13	13	...
West 2000 Plus program	2,267	2,267	167
Borrowing costs			
Interest on public sector borrowings and advances	5,052	5,052	3,880
Total Expenses	30,597	70,129	37,857
Less:			
Retained Revenue -			
Investment income	3,737	3,787	4,014
Grants and contributions	7,550	...	...
Other revenue	56	156	58
Total Retained Revenue	11,343	3,943	4,072
NET COST OF SERVICES	19,254	66,186	33,785
CAPITAL EXPENDITURE	50	50	50

MINISTER FOR PRIMARY INDUSTRIES
NSW FOOD AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	1,223	1,000	4,704
Investment income	250	950	600
Retained taxes, fees and fines	5,558	5,414	7,345
Grants and contributions	11,676	11,676	12,523
Total Retained Revenue	18,707	19,040	25,172
Less:			
Expenses -			
Operating Expenses -			
Employee related	11,969	13,403	14,877
Other operating expenses	6,053	5,780	6,851
Maintenance	...	128	130
Depreciation and amortisation	797	1,094	813
Total Expenses	18,819	20,405	22,671
Gain/(loss) on disposal of non current assets	(20)	...	...
SURPLUS/(DEFICIT)	(132)	(1,365)	2,501

MINISTER FOR PRIMARY INDUSTRIES
NSW FOOD AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	1,223	1,000	4,704
Retained taxes	800	900	1,000
Interest	250	950	600
Other	17,130	16,476	19,681
Total Receipts	19,403	19,326	25,985
Payments			
Employee Related	11,868	10,433	16,029
Other	6,023	6,808	7,522
Total Payments	17,891	17,241	23,551
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,512	2,085	2,434
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	300	700	700
Purchases of property, plant and equipment	(800)	(1,450)	(2,125)
Purchases of investments	(6)	...	(1,190)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(506)	(750)	(2,615)
NET INCREASE/(DECREASE) IN CASH	1,006	1,335	(181)
Opening Cash and Cash Equivalents	4,872	2,931	5,756
Reclassification of Cash Equivalents	...	(1,490)	(590)
CLOSING CASH AND CASH EQUIVALENTS	5,878	5,756	6,165
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(132)	(1,365)	2,501
Non cash items added back	797	1,094	813
Change in operating assets and liabilities	847	2,356	(880)
Net cash flow from operating activities	1,512	2,085	2,434

MINISTER FOR PRIMARY INDUSTRIES
NSW FOOD AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	5,878	5,756	6,165
Receivables	912	2,924	2,413
Other financial assets	7,088	7,088	7,688
Other	90	111	95
Total Current Assets	13,968	15,879	16,361
Non Current Assets -			
Property, plant and equipment -			
Land and building	7,419	7,803	7,683
Plant and equipment	2,707	2,056	1,388
Intangibles	...	...	1,400
Total Non Current Assets	10,126	9,859	10,471
Total Assets	24,094	25,738	26,832
LIABILITIES -			
Current Liabilities -			
Payables	2,310	2,843	2,588
Provisions	1,659	2,761	2,688
Other	1,250	1,091	1,091
Total Current Liabilities	5,219	6,695	6,367
Non Current Liabilities -			
Provisions	7,550	5,585	9,618
Total Non Current Liabilities	7,550	5,585	9,618
Total Liabilities	12,769	12,280	15,985
NET ASSETS	11,325	13,458	10,847
EQUITY			
Reserves	140	140	140
Accumulated funds	11,185	13,318	10,707
TOTAL EQUITY	11,325	13,458	10,847

MINISTER FOR REGIONAL DEVELOPMENT, MINISTER FOR THE ILLAWARRA AND MINISTER FOR SMALL BUSINESS

The Department of State and Regional Development is responsible to the Minister for State Development, Minister for Regional Development and Minister for Small Business.

The Department provides the Minister with expert advice and delivers quality services to the community in order to advance the Government's regional development and small business objectives.

The Department adopts a whole-of-government perspective in its approach and actively encourages and supports the interests of the business sector and the community in its work.

During 2005-06 initiatives will include:

- ◆ small business development programs to support and assist people who are intending to start a business as well as those who are already in business. Tailored programs and services will be delivered across the State to meet the needs of firms at different stages of the business cycle, or with particular needs and opportunities; and
- ◆ regional development assistance supporting a range of programs specifically directed at fostering business and economic growth in regional New South Wales.

The Premier's Department supports the Minister for the Illawarra as part of the Government's commitment to:

- ◆ encourage the development of the Illawarra region; and
- ◆ ensure a whole-of-government approach to issues of a strategic regional nature.

MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM, MINISTER FOR PORTS AND MINISTER FOR THE HUNTER

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Roads and Traffic Authority			
Total Expenses	2,057.9	2,309.0	12.2
Capital Expenditure	1,212.3	1,191.3	-1.7
NSW Maritime Authority			
Total Expenses	76.9	83.6	8.7
Capital Expenditure	15.3	15.7	2.6
Total, Minister for Roads, Minister for Economic Reform, Minister for Ports and Minister for the Hunter			
Total Expenses	2,134.8	2,392.6	12.1
Capital Expenditure	1,227.6	1,207.0	-1.7

ROADS AND TRAFFIC AUTHORITY

The Roads and Traffic Authority (RTA) is responsible for:

- ◆ testing and licensing drivers and registering and inspecting vehicles;
- ◆ managing road use to achieve consistent travel times, particularly during peak periods, by reducing delays due to congestion and incidents and helping the community use the road system more effectively;
- ◆ improving road safety by encouraging better road user behaviour, compliance with regulations, improving the road environment and enhancing vehicle standards; and
- ◆ arterial road development, construction and asset management, to meet community, environmental, regulatory and economic needs.

The road system comprises:

- ◆ approximately 17,442 km of RTA managed major arterial roads, known as State Roads, which includes approximately 7,212 km of Commonwealth National Network;
- ◆ approximately 18,500 km of local council managed minor arterials, known as Regional Roads, partly funded by the RTA;
- ◆ approximately 142,900 km of local roads, funded by local rate-payers and Federal road assistance grants; and
- ◆ road and bridge infrastructure in the unincorporated area of New South Wales, managed by the RTA.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Operating expenses for 2004-05 are estimated at \$2.2 billion. Projected capital expenditure is \$1.3 billion. The total Capital and Maintenance Program is projected to be \$2.4 billion.

Expenditure under the M4/M5 Cashback Scheme to reimburse tolls paid is expected to be \$77 million in 2004-05.

The Government will continue its accelerated four year program of railway level crossing improvements. \$8 million has been committed in the past two years and funding of \$13 million is committed over the next two years to 2006-07.

The 2004-05 budget estimate for depreciation of infrastructure assets of \$577 million was based on the actual expense in 2002-03. In 2003-04, a number of road segments that were fully depreciated at 30 June 2003 were re-instated. These segments were revalued and given new estimated useful lives and depreciation raised accordingly going forward.

STRATEGIC DIRECTIONS

A combination of government funded and Public Private Partnerships are pursued, where appropriate, for the development and management of the road network. The RTA is currently at various stages of development of about \$4 billion worth of privately funded motorways.

In the Sydney region, the Orbital Motorway Strategy will improve road links between key business and residential areas and reduce congestion and travel times. Key orbital road projects continuing in 2005-06 include:

- ◆ Westlink M7 (Western Sydney Orbital) - 40 km of divided carriageway between the M5/Hume Highway at Prestons and the M2 at West Baulkham Hills that is partly funded by the Federal Government; and
- ◆ Lane Cove Tunnel – a 3.6 km long twin-tunnel between the M2 and the Gore Hill Freeway. The tunnel will complete the Sydney Orbital Motorway connecting the north-west with the CBD. It will also include bus lanes along Epping Road and Transit Lanes on the widened Gore Hill Freeway.

A major project for the city is the Cross City Tunnel – a 2.1 km tunnel between Darling Harbour and Rushcutters Bay with links to the Eastern Distributor. This project is expected to remove 95,000 car and truck trips per day from city streets and improve travel times and amenity in central Sydney.

Other continuing key road projects in Sydney include the upgrade of Old Windsor Road and Windsor Road in north-western Sydney and the upgrade of Cowpasture Road and Camden Valley Way in south-western Sydney.

Outside Sydney, the key road projects are on the National Network (F3 Freeway), Pacific Highway, New England Highway, Newell Highway, Hume Highway and Great Western Highway) and on the Princes Highway. In particular, a major program of upgrading the Pacific Highway is continuing between Hexham and the Queensland border.

Traffic and transport management priorities include strategic bus corridors and bus-only Transitways. The Government has allocated \$155 million in 2005-06 for bus priority measures. This is made up of \$25 million (including an additional \$10 million provided in 2005-06) for strategic bus corridors and \$130 million for the North West Transitway. Substantial progress on construction of the North West Transitway will be made in 2005-06, after the contract was awarded in January 2005. When completed in 2007, the Transitway will be in operation between Parramatta and Rouse Hill and Blacktown and Parklea.

As recommended in the Government's review of bus services in New South Wales, the focus for bus priority measures will be to support the operation of an identified network of strategic bus corridors in Sydney, Wollongong, Newcastle and the Central Coast. Implementation in 2005-06 will include new bus lanes, intersection improvements, responsive priority for buses at traffic signals and bus lane enforcement camera systems.

Electronic tolling is available on all tollways and tags issued for each system can be used on all of the others. New tollways such as the Cross City Tunnel, Lane Cove Tunnel and the Westlink M7 will operate without cash tollbooths.

Road safety strategies address speed management, drink driving, seat belt usage, fatigue management, motorcyclist and cyclist safety, school and youth programs, and educational programs for repeat traffic offenders. Areas which are receiving new or increased focus include: heavy vehicle safety; ongoing support of the Enhanced Enforcement Program; and a program of works to increase safety on the Pacific and Princes Highways.

The RTA will continue to address speeding problems. There are now 110 fixed digital speed camera sites at high-risk locations.

Recent customer service delivery improvements include the introduction of an online registration charges calculator, further expansion of the e-Safety Check Scheme for Authorised Inspection Stations and the rollout of Dealer Online to high volume motor dealers in the Sydney metropolitan and major regional areas. Several council agencies that currently process transactions manually will be converted to online processing. In 2005-06 the RTA will further promote the availability of its online services. The RTA will also review its business processes to enhance customer service options.

In conjunction with the Attorney General's Department, the RTA has expanded the Government Access Centre network to increase access to vehicle registration, driver licensing and services for people in rural and remote areas. A total of 67 Government Access Centres are now operating. The system will be further enhanced by a program of staff development as well as plans to increase the range of transactions available and promote the service.

The RTA will support the NSW Government's business and vocational licensing system by providing licence photos and proof of identity services to enable production of photo licence cards under the scheme. The RTA will also work with the WorkCover Authority of NSW to provide OHS testing as part of the Government Licensing Scheme (GLS). RTA will provide images, produce licence cards and conduct WorkCover National Certificate of Competency tests as part of the GLS, enabling the production of photo licences.

The RTA's community support programs include early childhood, primary and secondary school road safety education programs, and youth road safety programs including parent support workshops for the Graduated Licensing Scheme.

2005-06 BUDGET

The RTA's 2005-06 Roads Program Budget is \$2.9 billion.

Total Expenses

Road safety programs will remain a priority. Key initiatives include:

- ◆ continuing the early childhood and road safety school education programs, the Safety Around Schools Program and the School Crossing Supervisors Program;
- ◆ the development of a Parent/Student Young Driver Workshop for delivery in high schools;
- ◆ an alcohol interlock program targeting serious drink drive offenders, as a whole-of-government initiative;
- ◆ a heavy vehicle safety strategy including developing a revised fatigue management regime for heavy vehicle drivers, continuing education campaigns to increase seat belt wearing rates, programs to reduce occupational fatigue and associated drug usage by heavy vehicle drivers and new campaigns focussing on speeding and load restraint;
- ◆ implementation of legislation to hold operators of heavy vehicles accountable for speeding trucks;
- ◆ Operation Roadsafe, a joint RTA/Police road safety initiative in the eastern half of Sydney, similar to the strategy successfully used in Western Sydney;
- ◆ an integrated program to counter excessive speeding; continuing the Accident Reduction Program including the Road Blackspot Program;
- ◆ continuing the Enhanced Enforcement Program in partnership with the NSW Police;
- ◆ a \$79 million program of works to increase safety on the Pacific and Princes Highways, (\$31 million will be spent in 2005-06);
- ◆ the police to undertake a trial of testing drivers for certain drugs known to have an impairment effect;
- ◆ continuing to upgrade railway level crossings with flashing lights or boom gates as part of an accelerated four year program that commenced in 2003-04; and
- ◆ evaluation of a “point-to-point” speed camera detection trial to reduce the number of speeding drivers across the NSW road network.

Funding of \$42 million will be allocated to the Transport Management Centre in 2005-06 for traffic management operations, including monitoring traffic systems, managing incidents and events and providing information to road users.

The Government will provide a \$100 rebate on the cost of car registration for first and second year apprentices in New South Wales. This will act as an added incentive for young people considering an apprenticeship as part of their career.

The M4/M5 Cashback Scheme payments will continue with total program costs estimated at \$83 million in 2005-06.

Total operating expenses including \$707 million for depreciation of infrastructure assets are estimated at \$2.3 billion.

Capital Expenditure

The total Roads Program capital expenditure is estimated at \$1.3 billion.

The ten year \$2.2 billion Pacific Highway Upgrade Program comprises \$1.6 billion funded by the NSW Government and \$600 million by the Federal Government. Major works in 2005-06 will include:

- ◆ State-funded construction of the Coopersnook Bypass; and
- ◆ State/Federal funded construction of Brunswick Heads to Yelgun, Karuah to Bulahdelah (section 1) and Bundacree Creek to Possum Brush.

The Government will continue to invest annually an average of \$160 million (with about \$300 million spent in 2005-06) in north-western and south-western Sydney roads. Key projects in progress include:

- ◆ construction of the North West Transitway to link Parramatta, Rouse Hill and Blacktown;
- ◆ continuation or commencement of the remaining projects to complete the widening of Windsor Road and Old Windsor Road between Parramatta and Windsor;
- ◆ grade separation of the intersection of Old Windsor Road and Norwest Boulevard at Bella Vista;
- ◆ intersection improvements on Dunheved Road, Werrington Downs;
- ◆ conversion of two major roundabouts on Narellan Road to traffic signals and commencing works on the extension of Narellan Road to The Northern Road; and
- ◆ continuing the Cowpasture Road upgrade and widening of Camden Valley Way.

Other works within the Sydney area include:

- ◆ bus priority works on Warringah Road; and
- ◆ pedestrian overbridges at Yagoona, Wiley Park and Canterbury.

A 12-year \$460 million program to upgrade the Penrith to Orange route will continue by:

- ◆ continuing widening of the Great Western Highway to four lanes with divided carriageways between Leura and Katoomba; and
- ◆ commencing widening to four lanes between Woodford and Hazelbrook.

In the Hunter and Central Coast work will continue on:

- ◆ Five Islands Road widening to four lanes from Booragul to Speers Point;
- ◆ widening the Pacific Highway between Tuggerah and Wyong and between Glen Road and Burns Road, Ourimbah;
- ◆ reconstructing the junction of the Pacific Highway and Craigie Avenue north of Wyong;
- ◆ replacement of the roundabout with traffic signals at the entrance to John Hunter Hospital on Lookout Road, Newcastle;
- ◆ The Entrance Road, Terrigal Drive to Carlton Road widening;
- ◆ other intersection and pedestrian facilities improvements on The Entrance Road, through Long Jetty; and

In the Illawarra, South Coast and Southern Highlands work will include:

- ◆ continuing the Government's ten year Princes Highway upgrade, including constructing the North Kiama Bypass;
- ◆ continuing the Main Road 92 upgrade between Nowra and Nerriga;
- ◆ construction of a new 665 metre viaduct over the ocean to enable the re-opening of Lawrence Hargrave Drive between Coaldale and Coalcliff will progress with a view to re-open the road by early 2006;

- ◆ intersection improvements at Masters Road and Springhill Road, Mt St Thomas; and
- ◆ the Queanbeyan northern upgrade for heavy vehicles.

Capital expenditure on traffic management improvements will focus on a range of bus priority initiatives on strategic bus corridors, upgrading and enhancing of the co-ordinated traffic signal system and intersection and traffic facility improvements on other principal transport routes.

Work will continue on the National Network, including:

- ◆ Coolac Bypass on the Hume Highway;
- ◆ widening the southbound carriageway of the F5 Hume Highway to four lanes between Camden Valley Way and Brooks Road at Ingleburn;
- ◆ Albury-Wodonga Hume Freeway Project; and
- ◆ Devils Pinch realignment on the New England Highway.

NSW MARITIME AUTHORITY

NSW Maritime (formerly the Waterways Authority) is responsible for ensuring the safe use of navigable waters in New South Wales. Key aspects are the management of recreational vessels and commercial vessels and the co-ordination of safe commercial ports. It is also responsible for the appropriate development and use of wetland areas in Sydney Harbour, Botany Bay, Newcastle and Port Kembla.

NSW Maritime is the regulator for the implementation of safety management systems required of all ferry and charter vessel operations. In addition it is responsible for auditing the safety of commercial wharves.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

NSW Maritime is a non-budget dependent agency with its core business revenues derived from charges collected from recreational boating and commercial vessel clients and property and wetland management.

The agency was renamed in 2004 reflecting additional responsibilities beyond the management of waterway activity. The underlying operations of the agency have been stable. However, the financial outcomes are influenced by the nature and timing of property transactions. In particular developer contributions and asset sales have been delayed beyond 2005-06.

STRATEGIC DIRECTIONS

NSW Maritime is committed to working with all sectors of the boating community, marine industry, government and the general community to strive for equity, safety and environmental sustainability in the use of our waterways.

NSW Maritime has developed a number of strategies to meet its objectives of promoting safety on all navigable waterways and minimising the impact of waterways users on the marine environment, including:

- ◆ improving the knowledge of waterways users regarding the safe operation of recreational vessels through the issuing of licences, delivering educational programs (including the boating safety seminars and advertising campaigns), the provision of waterways information on the internet and the establishment and support of user groups;
- ◆ licensing commercial vessels and operators and, providing appropriate conditions under which an operation is carried out;
- ◆ installing and maintaining navigation aids and signs;
- ◆ licensing on-water events and setting conditions to be met by licensees;
- ◆ undertaking environmental services that contribute to clean waters;
- ◆ reducing sewage pollution from vessels;
- ◆ protecting the marine environment from pollution from oil spills, marine pests, impact from vessel wash and noise; and
- ◆ ensuring that all NSW ports comply with Commonwealth maritime security legislation as well as ensuring that port corporations have appropriate maritime security response arrangements in place and adhere to the requirements of the Port Safety Operating Licence.

Strategies developed in relation to NSW Maritime's property assets are:

- ◆ developing and maintaining maritime facilities or renewing existing assets through the capital works program and, where possible, facilitating private sector development;
- ◆ managing disposal of non-core assets and ensuring a sound financial return to Government;
- ◆ managing the regional ports of Eden and Yamba to optimise their contribution to the economic development of their respective regions and the State;
- ◆ providing advice on major planning and environmental matters involving wetland development and usage;
- ◆ assessing foreshore development plans and applications in Sydney Harbour, Botany Bay, Newcastle and Port Kembla through balanced consideration of community and commercial needs; and
- ◆ managing the residual responsibilities of the former Maritime Services Board.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are expected to be \$83.6 million. This includes providing recreational boating functions involving the promotion of safety and environmental protection on the water through boat licences and registrations, patrols, education, seminars, publications, compliance and enforcement activities.

Funds will be spent conducting commercial vessel surveys, providing environmental services in Sydney Harbour and Myall Lakes, navigation aid maintenance, accident investigation, construction of key waterway infrastructure as well as conducting safety audits of commuter wharves.

There will also be expenditure on maintenance of key assets such as the remediation of Homebush Bay.

Capital Expenditure

The total capital program for 2005-06 is \$15.7 million. This includes refurbishment and enhancement of Manly Wharf and the new infrastructure for the Rozelle Bay maritime precinct.

The renewal of assets such as vehicles and vessels to support the regulatory compliance and operational requirements is a necessary commitment. This includes the acquisition of vessels and outboard engines, the continued development of the computerised integrated management system and graphical leasing system, installation of navigation aids and waterway signage improvements.

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

PROGRAM SUMMARY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
TOTAL ROADS PROGRAM			
Operating expenses *	1,480,881	1,546,538	1,601,958
Capital expenditure	1,308,515	1,331,255	1,280,650
Total Roads Program	2,789,396	2,877,793	2,882,608

* (excludes depreciation of infrastructure assets)

**Consolidated Fund Appropriations to
the Total Roads Program**

Commonwealth road funds	473,110	491,110	457,340
Federation Fund	12,000	20,462	...
ATSB blackspots	14,287	14,287	14,287
Interstate vehicle registrations	24,000	24,000	25,000
Motor vehicle taxation	981,000	1,000,000	1,046,000
Heavy vehicle overloading fines	3,700	3,700	3,793
M4/M5 cashback	77,000	77,000	83,000
Untied Commonwealth roads funds	140,600	140,600	144,100
Consolidated Fund	689,694	698,236	716,465
Total	2,415,391	2,469,395	2,489,985

SUMMARY OF AVERAGE STAFFING

	Average Staffing (EFT)	
	2004-05	2005-06
AUTHORITY TOTAL	6,830	6,800

(Details of average staffing for the RTA are not available across programs.)

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	222,263	218,977	226,503
Other operating expenses	423,010	484,746	476,547
Maintenance	707,491	706,225	740,078
Depreciation and amortisation	585,609	699,663	717,619
Grants and subsidies	51,362	56,802	85,013
Borrowing costs	67,375	68,354	62,427
Other expenses	771	771	771
Total Expenses	2,057,881	2,235,538	2,308,958
Less:			
Retained Revenue -			
Sales of goods and services	247,363	256,286	252,939
Investment income	10,275	10,275	10,150
Grants and contributions	33,904	52,660	50,487
Other revenue	53,058	48,403	71,192
Total Retained Revenue	344,600	367,624	384,768
Gain/(loss) on disposal of non current assets	49	47	64
NET COST OF SERVICES	1,713,232	1,867,867	1,924,126

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	214,724	211,438	218,775
Grants and subsidies	52,133	57,573	85,784
Finance costs	62,800	63,800	57,600
Other	1,314,413	1,374,883	1,401,753
Total Payments	1,644,070	1,707,694	1,763,912
Receipts			
Sale of goods and services	247,890	256,813	253,493
Interest	10,275	10,275	10,150
Other	201,805	218,147	218,313
Total Receipts	459,970	485,235	481,956
NET CASH FLOWS FROM OPERATING ACTIVITIES	(1,184,100)	(1,222,459)	(1,281,956)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	52,609	52,651	32,624
Purchases of property, plant and equipment	(1,223,023)	(1,245,795)	(1,203,734)
Advances made	(2,367)	(28)	(2,019)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(1,172,781)	(1,193,172)	(1,173,129)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	...	1,500	8,290
Repayment of borrowings and advances	(82,200)	(82,200)	(82,400)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(82,200)	(80,700)	(74,110)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	1,400,219	1,419,761	1,467,398
Capital appropriation	1,015,172	1,049,634	1,022,587
NET CASH FLOWS FROM GOVERNMENT	2,415,391	2,469,395	2,489,985
NET INCREASE/(DECREASE) IN CASH	(23,690)	(26,936)	(39,210)
Opening Cash and Cash Equivalents	288,145	277,437	250,501
CLOSING CASH AND CASH EQUIVALENTS	264,455	250,501	211,291

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

	2004-05	
Budget	Revised	2005-06
\$000	\$000	Budget
		\$000

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

Net cost of services	(1,713,232)	(1,867,867)	(1,924,126)
Non cash items added back	540,463	656,812	657,554
Change in operating assets and liabilities	(11,331)	(11,404)	(15,384)
Net cash flow from operating activities	(1,184,100)	(1,222,459)	(1,281,956)

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	264,455	250,501	211,291
Receivables	87,325	117,814	117,814
Inventories	6,549	6,565	6,013
Other	5,317	7,142	7,142
Total Current Assets	363,646	382,022	342,260
Non Current Assets -			
Receivables	2,226	2,226	2,744
Other financial assets	71,308	71,308	73,327
Property, plant and equipment -			
Land and building	3,214,293	3,238,412	3,253,412
Plant and equipment	55,672	81,167	68,700
Infrastructure systems	59,364,173	66,314,171	66,763,538
Other	927,513	942,422	1,007,866
Total Non Current Assets	63,635,185	70,649,706	71,169,587
Total Assets	63,998,831	71,031,728	71,511,847
LIABILITIES -			
Current Liabilities -			
Payables	333,940	474,769	470,906
Interest bearing	43,406	28,617	28,617
Provisions	76,752	88,250	95,978
Other	59,720	78,782	88,593
Total Current Liabilities	513,818	670,418	684,094
Non Current Liabilities -			
Interest bearing	776,172	792,915	723,632
Provisions	424,170	370,848	580,262
Other	387,640	387,387	727,169
Total Non Current Liabilities	1,587,982	1,551,150	2,031,063
Total Liabilities	2,101,800	2,221,568	2,715,157
NET ASSETS	61,897,031	68,810,160	68,796,690

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
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STATEMENT OF FINANCIAL POSITION (cont)			
EQUITY			
Reserves	20,172,964	27,264,603	27,264,603
Accumulated funds	41,724,067	41,545,557	41,532,087
TOTAL EQUITY	61,897,031	68,810,160	68,796,690

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

50.1 Road Network Infrastructure

50.1.1 Network Development

Program Objective(s): To develop the State's road network focusing on strategic routes to promote economic growth, improve road safety, encourage greater use of public transport and meet environmental targets.

Program Description: Planning, designing, scheduling and organising the development of road and bridge works.

<u>Outcomes</u> :	Units	2002-03	2003-04	2004-05	2005-06
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Value of benefit of annual development program	\$m	2,147	2,349	2,478	2,478
Community satisfaction with road network development	%	61	66	66	66

Outputs:

Major works completed within - 10% of planned duration after approved date	%	91	86	90	90
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2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	5,414	5,414	5,414
Other operating expenses	40,267	55,992	56,866
Depreciation and amortisation	577,000	689,000	707,000
Grants and subsidies			
Local Government - capital grants	42,850	38,029	66,600
Grant to Transport Infrastructure Development Corporation	...	9,000	7,300
Borrowing costs			
Interest on T-Corp loans	59,800	60,800	54,600
Guarantee fee payments	3,000	3,000	3,000
Amortisation of discount on borrowings with T-Corp	4,575	4,554	4,827

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

50.1 Road Network Infrastructure

50.1.1 Network Development (cont)

OPERATING STATEMENT (cont)

Other expenses			
Contribution to the National Transport Commission	771	771	771
Total Expenses	733,677	866,560	906,378
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	3,105	3,105	3,105
Road tolls	25,021	25,804	28,084
Minor sales of goods and services	16,820	18,267	17,356
Investment income	5,136	5,136	5,075
Grants and contributions	30,904	43,800	45,852
Other revenue	53,058	48,403	71,192
Total Retained Revenue	134,044	144,515	170,664
Gain/(loss) on disposal of non current assets	49	47	64
NET COST OF SERVICES	599,584	721,998	735,650
CAPITAL EXPENDITURE	979,169	992,917	956,107

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

50.1 Road Network Infrastructure

50.1.2 Maintenance

Program Objective(s): To maintain the RTA's infrastructure (roads and bridges) to ensure reliability, safety and retained value. Support Councils' management of their secondary arterial road network.

Program Description: Manage the primary arterial road network infrastructure as a long-term renewable asset through a program of maintenance and reconstruction works. Provide financial assistance grants to Local Government to assist Councils manage their secondary arterial road network. Manage the provision of disaster repairs for public roads.

<u>Outcomes</u> :	Units	2002-03	2003-04	2004-05	2005-06
Pavement durability -					
Good	%	79	81	77	76
Fair	%	16	14	17	17
Poor	%	5	6	6	7
Ride Quality -					
Good	%	90	90	89	88
Fair	%	8	8	9	10
Poor	%	2	2	2	2

Outputs:

Maintenance and reconstruction expenditure on National Highways and State roads					
- per kilometre of roadway	\$000	31	38	38	37
- per million vehicle kilometres travelled	\$000	14	17	17	17

———2004-05———		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -			
Operating expenses -			
Employee related	7,756	7,216	7,216
Other operating expenses	19,669	14,846	14,851
Maintenance	617,401	611,057	635,807
Depreciation and amortisation	2,870	3,555	3,540
Total Expenses	647,696	636,674	661,414

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

50.1 Road Network Infrastructure

50.1.2 Maintenance (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	15,878	15,930	14,284
Permits	800	800	800
Road tolls	48,258	47,475	45,561
Minor sales of goods and services	25,230	27,401	26,033
Investment income	3,083	3,083	3,045
Grants and contributions	1,250	3,569	1,879

Total Retained Revenue	94,499	98,258	91,602
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NET COST OF SERVICES	553,197	538,416	569,812
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CAPITAL EXPENDITURE	163,178	169,326	164,635
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**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

50.2 Road Safety, Licensing and Vehicle Management

50.2.1 Road Safety, Licensing and Vehicle Management

Program Objective(s): To reduce the trauma and cost to the community of road deaths and injuries. To reduce adverse impacts of vehicles on roads and on the environment. To ensure compliance with driver licensing and vehicle registration requirements.

Program Description: Implementing initiatives to increase safe road use behaviour, ensure that drivers and cyclists are eligible and competent, ensure that vehicles meet road worthiness and emission standards, and ensure that a high standard of customer service is maintained.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Fatalities per 100,000 population	no.	7.8	8.3	7.3	6.7
Fatalities per 100 million vehicle kms travelled	no.	0.8	0.8*	0.7*	0.6*
Customers rating service as "good or very good"	%	94	92	90	90
 <u>Outputs:</u>					
Driver/rider tests	thous	188.6	207.8	227.0	247.0
New licences issued	thous	171.7	146.2**	146.4	146.6
Licences on issue	mill	4.7	4.7	4.8	4.9
Registered vehicles	mill	4.6	4.8	4.9	5.0
Motor Registries -					
Cost per transaction	\$	6.0	5.8	6.0	6.2
Weighted transactions per net hour worked	no.	15.1	16.1	16.0	16.0
State funded Accident Blackspot treatments	no.	127	134	130	130
School crossing supervisor sites	no.	600	637	670	695

* Estimates based on projected fatalities and a 4.5 percent growth in vehicle kilometres travelled.

** Method for counting records revised from January 2004.

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

50.2 Road Safety, Licensing and Vehicle Management

50.2.1 Road Safety, Licensing and Vehicle Management (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	184,758	181,801	188,500
Other operating expenses	216,875	250,687	239,950
Depreciation and amortisation	5,021	6,219	6,194
Grants and subsidies			
Road safety programs - payments to general government agencies	8,512	8,863	10,313
Total Expenses	415,166	447,570	444,957
Less:			
Retained Revenue -			
Sales of goods and services			
Plate fees	55,009	55,009	57,006
Third party insurance data access fees	9,864	11,500	11,800
Fine default fees - commission	5,328	5,328	5,521
Minor sales of goods and services	33,640	36,534	34,711
Investment income	1,013	1,013	1,000
Grants and contributions	1,250	3,568	1,879
Total Retained Revenue	106,104	112,952	111,917
NET COST OF SERVICES	309,062	334,618	333,040
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CAPITAL EXPENDITURE	22,818	23,987	23,809

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

50.3 Traffic and Transport

50.3.1 Traffic and Transport

Program Objective(s): To maximise the efficiency of moving people and goods by better managing the road network and encouraging the use of alternatives to the motor car.

Program Description: Improving road network performance through traffic control systems, managing incidents and route management strategies. Providing priority for buses, improving facilities for cyclists and pedestrians and maintaining traffic facilities assets.

<u>Outcomes</u> :	Units	2002-03	2003-04	2004-05	2005-06
Average peak hour speed on seven major routes in Sydney -					
Morning peak	kmh	34	34	33	33
Afternoon peak	kmh	41	41	40	40
 <u>Outputs</u> :					
Traffic signals in operation	no.	3,330	3,410	3,490	3,570
Pedestrian Access & Mobility Plans*	no.	48	54	68	82
Railway Level Crossings - major upgrades (per annum)	no.	10	8	12	12
Cycleway length -					
Off-road cycleways	KM.	1,030	1,125	1,210	1,290
On-road cycleways	KM.	2,040	2,135	2,235	2,360
Bus and Transit Lane length -					
Bus Lanes	KM.	75	76	76	89
Transit lanes	KM.	106	86	86	86
T-Way Lanes	KM.	31	31	31	31**

* Locality plans for town suburban precincts developed by local councils with assistance from the RTA to provide pedestrian treatments deemed necessary.

** A further 17 km of T-Way lanes are under construction in 2005-06 between Parramatta and Rouse Hill, and are due for completion in 2006-07.

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

50.3 Traffic and Transport

50.3.1 Traffic and Transport (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	24,335	24,546	25,373
Other operating expenses	69,199	86,221	81,880
Maintenance	90,090	95,168	104,271
Depreciation and amortisation	718	889	885
Grants and subsidies			
Public Transport Infrastructure Improvement Program	...	910	800
Total Expenses	184,342	207,734	213,209
Less:			
Retained Revenue -			
Sales of goods and services			
Minor sales of goods and services	8,410	9,133	8,678
Investment income	1,043	1,043	1,030
Grants and contributions	500	1,723	877
Total Retained Revenue	9,953	11,899	10,585
NET COST OF SERVICES	174,389	195,835	202,624
CAPITAL EXPENDITURE	47,136	48,605	46,771

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

50 ROADS AND TRAFFIC AUTHORITY

50.4 M4/M5 Cashback Scheme

50.4.1 M4/M5 Cashback Rebates

Program Objective(s): To reimburse tolls to motorists driving New South Wales privately registered vehicles on the M4 and M5 Motorways.

Program Description: Reimbursing motorists directly for the toll component paid using Electronic Toll Tags on the M4 and M5 Motorways when driving New South Wales privately registered cars and motorcycles.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs</u> :					
M4/M5 cashback claims paid	no.	334,000	410,000	500,000	550,000

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -

Other operating expenses

	77,000	77,000	83,000
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Total Expenses

	77,000	77,000	83,000
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NET COST OF SERVICES

	77,000	77,000	83,000
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**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

NSW MARITIME AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	53,625	56,326	58,087
Investment income	2,625	6,920	5,540
Retained taxes, fees and fines	30,500	31,845	34,153
Grants and contributions	23,234	488	4,700
Other revenue	20,216	8,555	14,477
Total Retained Revenue	130,200	104,134	116,957
Less:			
Expenses -			
Operating Expenses -			
Employee related	29,812	27,927	31,512
Other operating expenses	11,833	12,846	11,910
Maintenance	12,004	25,182	13,775
Depreciation and amortisation	8,221	10,969	8,114
Grants and subsidies	2,139	2,480	2,863
Borrowing costs	12,976	14,208	15,469
Total Expenses	76,985	93,612	83,643
Gain/(loss) on disposal of non current assets	15,358	(278)	84
SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS	68,573	10,244	33,398
Distributions -			
Dividends and capital repatriations	146,333	12,620	16,505
SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS	(77,760)	(2,376)	16,893

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

NSW MARITIME AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	47,726	54,658	58,087
Interest	(76)	4,394	5,621
Other	122,170	83,977	16,832
Total Receipts	169,820	143,029	80,540
Payments			
Employee Related	34,117	31,092	30,658
Grants and subsidies	2,139	2,480	2,863
Finance costs	12,976	14,208	15,469
Other	109,823	79,281	18,678
Total Payments	159,055	127,061	67,668
NET CASH FLOWS FROM OPERATING ACTIVITIES	10,765	15,968	12,872
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	115,024	723	750
Purchases of property, plant and equipment	(15,962)	(22,607)	(15,656)
NET CASH FLOWS FROM INVESTING ACTIVITIES	99,062	(21,884)	(14,906)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	...	(2,340)	(2,214)
Dividends paid	(146,333)	(9,000)	(15,940)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(146,333)	(11,340)	(18,154)
NET INCREASE/(DECREASE) IN CASH	(36,506)	(17,256)	(20,188)
Opening Cash and Cash Equivalents	52,644	71,842	54,586
CLOSING CASH AND CASH EQUIVALENTS	16,138	54,586	34,398
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	68,573	10,244	33,398
Non cash items added back	(5,560)	10,969	(5,667)
Change in operating assets and liabilities	(52,248)	(5,245)	(14,859)
Net cash flow from operating activities	10,765	15,968	12,872

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

NSW MARITIME AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	16,138	54,586	34,398
Receivables	8,659	4,607	4,526
Other financial assets	51,262	51,779	51,779
Inventories	102	54	54
Other	3,544	104	104
Total Current Assets	79,705	111,130	90,861
Non Current Assets -			
Receivables	11,093	9,456	7,899
Investment properties	...	...	174,099
Property, plant and equipment -			
Land and building	96,844	195,550	47,681
Plant and equipment	16,603	15,215	16,953
Infrastructure systems	273,558	258,403	251,092
Other	4,971	4,450	...
Total Non Current Assets	403,069	483,074	497,724
Total Assets	482,774	594,204	588,585
LIABILITIES -			
Current Liabilities -			
Payables	6,618	42,566	29,133
Interest bearing	2,338	2,214	2,097
Provisions	2,844	18,736	27,726
Other	32,436	23,050	2,211
Total Current Liabilities	44,236	86,566	61,167
Non Current Liabilities -			
Interest bearing	14,750	12,535	10,438
Provisions	16,297	11,126	11,384
Other	6,706	8,310	2,500
Total Non Current Liabilities	37,753	31,971	24,322
Total Liabilities	81,989	118,537	85,489
NET ASSETS	400,785	475,667	503,096

**MINISTER FOR ROADS, MINISTER FOR ECONOMIC REFORM,
MINISTER FOR PORTS AND MINISTER FOR THE HUNTER**

NSW MARITIME AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION (cont)			
EQUITY			
Reserves	72,305	72,305	40,435
Accumulated funds	328,480	403,362	462,661
TOTAL EQUITY	400,785	475,667	503,096

**MINISTER FOR RURAL AFFAIRS,
MINISTER FOR LOCAL GOVERNMENT,
MINISTER FOR EMERGENCY SERVICES
AND MINISTER FOR LANDS**

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Local Government			
Total Expenses	89.7	89.4	-0.4
Capital Expenditure	0.2	0.2	...
New South Wales Fire Brigades			
Total Expenses	430.1	453.7	5.5
Capital Expenditure	43.3	35.8	-17.2
Department of Rural Fire Service			
Total Expenses	150.2	162.0	7.9
Capital Expenditure	8.0	8.8	10.3
State Emergency Service			
Total Expenses	30.6	36.4	18.9
Capital Expenditure	3.7	4.2	13.8
Department of Lands			
Total Expenses	79.6	79.4	-0.2
Capital Expenditure	2.4	3.2	31.4
Land and Property Information New South Wales			
Total Expenses	127.8	134.8	5.5
Capital Expenditure	15.0	15.0	...
Total, Minister for Rural Affairs, Minister for Local Government, Minister for Emergency Services and Minister for Lands			
Total Expenses	908.0	955.7	5.3
Capital Expenditure	72.6	67.2	-7.4

DEPARTMENT OF LOCAL GOVERNMENT

The Department of Local Government's primary functions are to:

- ◆ develop the legislative and policy framework within which local councils operate;
- ◆ monitor compliance and financial performance of councils;
- ◆ improve local government performance and sustainability; and
- ◆ shape and implement government policy and programs.

The Department provides a clear policy and legislative framework to local government to ensure councils are robust, sustainable, and able to deliver quality services to their communities. Major service delivery outputs are generally in the form of legislation, policies, programs, publications, training, mediation and strategic advice.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Department of Local Government continues to adopt a proactive role in fostering improvements in the performance of the local government sector.

The local government reform program entered its second year in 2004-05. As a result of the reform process, the number of councils in New South Wales has reduced from 172 to 152. The Department continues to work closely with the newly formed councils.

A public inquiry, conducted under Section 740 of the *Local Government Act 1993*, was undertaken in 2004-05 to inquire, report, and provide recommendations on the efficiency and effectiveness of the governance of Tweed Shire Council. An investigation under Section 430 has now commenced.

The findings resulting from the Liverpool City Council Public Inquiry held in 2003-04 has led to the amendment of the *Local Government Act 1993*, which now incorporates the participation of councils in Public Private Partnerships. The Local Government Project Review Committee, chaired by the Department, has been established and is intended to safeguard the community interest by reviewing large or high risk Public Private Partnership projects prior to Councils entering contractual arrangements with the private sector.

Other initiatives implemented during 2004-05 include an early intervention program of review entitled “Promoting Better Practice” to identify and remedy poor performance promptly, and identify and share examples of good practice with councils.

During the last five years rate rebates for pensioners increased by \$3 million to \$74 million. Other payments during the last two years included one-off increases totalling \$2 million for the local government reform program and \$1.2 million to conduct major inquiries into a number of councils.

STRATEGIC DIRECTIONS

The Department of Local Government provides a high-level analytical and intervention capacity, concentrating on:

- ◆ legislation and policy;
- ◆ finances of councils;
- ◆ major investigations and pecuniary interest matters; and
- ◆ performance management.

The Department is encouraging councils to develop strategic alliances, share resources and improve the transparency of governance arrangements to better meet the needs of their communities.

2005-06 BUDGET

Total Expenses

Estimated total expenses for the Department in 2005-06 are \$89.4 million, including:

- ◆ \$76 million for the pensioner council rates rebate scheme;
- ◆ \$0.5 million to review proposed projects under the Public-Private Partnership Program; and
- ◆ \$4.7 million for Companion Animals administration and payments to local councils.

Capital Expenditure

The capital allocation of \$0.2 million provides for replacing fully depreciated and obsolete computer and office equipment.

NEW SOUTH WALES FIRE BRIGADES

The New South Wales Fire Brigades (NSWFB) serves and works with the community to prevent fire and to respond to fire, hazardous material and rescue incidents in order to protect and preserve life, property and the environment. The NSWFB is responsible for providing fire protection to developed centres throughout the State. In times of emergency, such as bushfire crisis or other natural disaster, the NSWFB also supports the other emergency services in both urban and non-urban areas and maintains a significant capability to assist in the response to major structure collapse and counter terrorist incidents.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The NSW Fire Brigades is funded 73.7 percent by the insurance industry, 12.3 percent by local government with a net cost to the State of 14 percent.

Between 1999-2000 and 2004-05 there was a 10.4 percent growth in the number of incidents attended by the NSWFB. In 2005-06, the NSWFB is expected to respond to more than 135,000 incidents, representing a response, on average, every six minutes.

The NSWFB has received significant funding increases over recent years. The NSWFB's expenditure totalled \$330.7 million (including \$37.7 million capital) in 1999-2000. In 2005-06, expenditure is budgeted at \$489.5 million (including \$35.8 million capital), an increase of 48 percent over this period.

In 1997, the Government embarked on the first major fire station building program in 75 years. Strategic programs in the greater Sydney area, Central Coast, the Hunter Valley and regional New South Wales have to date seen 26 new stations built and made operational. Twenty seven stations have been significantly refurbished including a significant rebuild of No 1 Station in Sydney.

Since 1995, \$2.7 million has been spent on establishing new Community Fire Units bringing the total to 268 units. The units operate in residential areas with a high level of bushland nearby. To date, approximately 4,700 volunteers attached to the various units, of whom approximately 35 percent are women, have received training under the program. These units and volunteers are an integral part of the NSWFB's public education and fuel reduction strategies in bushfire prone areas.

In 2004-05, additional budget and other funding was provided to:

- ◆ increase funding for the Crown long service leave pool (\$5.1 million);
- ◆ continue payments of Death and Disability benefits (\$4 million);
- ◆ undertake additional induction, basic first-aid training, advanced gas detector and advanced life support training to retained firefighters (\$2.4 million);
- ◆ comply with the latest regulations and requirements of occupational health and safety (\$0.9 million); and
- ◆ upgrade health and fitness assessment and support (\$0.6 million).

STRATEGIC DIRECTIONS

The NSW Fire Brigades aims to minimise the impact of emergency incidents on the community. The NSWFB continues to develop initiatives to maximise the effectiveness and efficiency of core business processes, including incident prevention, fire suppression, management of hazardous material incidents, the provision of rescue services and response to natural hazards.

Over the next four years, the Brigades will also receive nearly \$72 million to purchase state of the art urban and rural fire engines and \$21 million for improved communications.

Since 1997, new stations have been completed at St Andrews, Blacktown, Kellyville, Horningsea Park, Rosemeadow, Narellan, Huntingwood, Regentville, Bonnyrigg Heights, Kariong, Bateau Bay, Berkeley Vale, Umina, Dubbo, Kelso, Doyalson, Toronto, Lawson, Schofields, East Maitland, Shellharbour, Portland, Mt Victoria, Nambucca Heads, Teralba and Wangi Wangi.

The NSWFB will receive \$12.5 million in recurrent funding over the next four years for firefighter safety and counter terrorism equipment, and sharing the operational costs of a helicopter with the NSW Police Service. An additional \$12 million will also be provided over the next four years for the replacement and maintenance of safety and counter terrorism equipment. This will significantly increase the NSWFB's capability for counter terrorism and hazardous materials response.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are estimated to be \$453.7 million. In 2005-06, the NSWFB will receive funding to:

- ◆ assist in the asset maintenance of properties (\$3.4 million) and the fleet (\$1.7 million);
- ◆ assist in the asset maintenance support for critical information systems (\$0.4 million);
- ◆ support the operational training program (\$0.8 million);
- ◆ improve the capability for firefighter safety and counter terrorism (\$2.5 million);
- ◆ meet the 4 percent wage increase effective from 1 July 2004 for Administrative and Trades employees and operational staff (\$4.3 million); and
- ◆ deploy an additional 52 permanent firefighters to various fire stations across the State (\$3.5 million).

Capital Expenditure

In 2005-06, the NSWFB's capital works program is \$35.8 million. This will fund capital works projects including:

- ◆ \$18 million for continuation of an ongoing program to acquire and replace firefighting appliances;
- ◆ \$4 million for continuation of the fire station building renovation program;
- ◆ \$3 million for the replacement and servicing program for firefighter safety and counter terrorism equipment; and
- ◆ \$5.7 million for upgrading information technology, communications and paging equipment.

This capital expenditure will benefit both city and rural areas of New South Wales and will continue to address the need for additional facilities in growth areas.

DEPARTMENT OF RURAL FIRE SERVICE

The Department of Rural Fire Service is responsible for the promotion of effective rural fire fighting services within the State, including the co-ordination of bushfire fighting and bushfire prevention activities.

The Rural Fire Service is also the host agency for the Office for Emergency Services. The Office is responsible for policy advice to the Minister and administrative support to the State Emergency Management Committee and the State Rescue Board. The Office also manages the Natural Disaster Mitigation Program.

The prevention and containment of bushfires would not be possible without the unpaid work of some 69,000 volunteers, who operate through 2,094 community based rural fire brigades attached to 122 local councils.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenditure by the Rural Fire Service on bushfire fighting activities is financed by the Consolidated Fund (13 percent), local government (13.3 percent) and the insurance industry (73.7 percent).

The State's contribution towards fire fighting services is paid into the Rural Fire Fighting Fund along with the fire levies from insurances companies and councils. These funds are then dispersed in accordance with the advice of the Rural Fire Service Advisory Committee.

The level of funding provided to the Rural Fire Fighting Fund has increased significantly over recent financial years. The total amount provided to the Rural Fire Fighting Fund in 1999-2000 was \$80.4 million. In comparison, the total amount to be provided in 2005-06 will be \$140.2 million, which excludes a capital component of \$0.8 million, an increase of 74.3 percent over this period.

In 2004-05 additional funding was provided, largely enabling the Rural Fire Service to:

- ◆ provide an additional contribution to the Bushfire Fighters' Compensation Fund (\$2.2 million);
- ◆ increase funding to the emergency firefighting fund (\$2.2 million); and
- ◆ enhance operational communication networks (\$1.5 million).

Funds were also made available to the Office for Emergency Services for:

- ◆ Natural Disaster Mitigation Program administration and grants (\$12.5 million); and
- ◆ increased grants to volunteer rescue units (\$0.4 million).

STRATEGIC DIRECTIONS

The Department of Rural Fire Service is an integral part of a complex bushfire management infrastructure comprising volunteer rural fire brigades, local government councils, land management agencies and other fire authorities.

The Service continues to respond to a wide range of emerging priorities and issues generated through government and community expectations, developments in emergency sector technology and doctrine as well as through the initiative and contribution of staff and volunteers. The response is encapsulated in these main areas:

- ◆ improving the safety of the community by mitigating the impact of fire through the implementation of programs associated with raising community fire awareness, regulating land use and the management of fuel levels;
- ◆ establishing planning, management and information systems to improve the allocation of resources; and
- ◆ recognising the importance of the contribution of our volunteers, by improving their safety and identifying programs that will accommodate the demands of lifestyles as well as facilitating their involvement in Service activities.

The Service relocated to Homebush Bay in September 2004. A purpose-built Emergency Command Centre was provided to accommodate central personnel and essential facilities, equipment and state of the art fire, meteorological and mapping technology.

2005-06 BUDGET

Total Expenses

Department of Rural Fire Service 2005-06 expenses are estimated at \$162 million. This level of funding will allow the Rural Fire Service to:

- ◆ continue the tanker upgrade program for local brigades (\$27.4 million);

- ◆ fund maintenance and equipment grants to local councils (\$47.4 million);
- ◆ continue subsidies to local brigades for brigade stations (\$3.4 million); and
- ◆ continue to provide local councils with advice about appropriate bushfire safety measures for residential buildings and other developments in bushfire prone lands (\$1.2 million).

Funds have been made available to the Office for Emergency Services for grants to be made under the Natural Disaster Mitigation Program (\$12.1 million) and the Bushfire Mitigation Program (\$2.7 million).

Capital Expenditure

The Department of Rural Fire Service's \$8.8 million 2005-06 capital expenditure program includes provision for the following projects:

- ◆ acquisition of motor vehicles (\$6.5 million); and
- ◆ purchase of computers and other small items of equipment (\$2.3 million).

STATE EMERGENCY SERVICE

The State Emergency Service (SES) is a volunteer based organisation dedicated to providing timely assistance in times of natural or man-made incidents or emergencies. While its main responsibilities reflect its role as the combat agency for floods and storms, the SES is also the major provider of land and inland water search and rescue throughout the State. Additionally, the SES provides significant support to NSW Police, the Rural Fire Service and other emergency services in a wide range of emergency situations. Currently there are around 10,000 SES volunteers responding to over 30,000 incidents per year.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The SES has received significant funding increases over the past five financial years.

Since 1999-2000, funding provided to the SES has increased from \$22 million (including \$2.4 million capital) to \$40.6 million (including \$4.2 million capital) representing an increase of 84.5 percent. This additional funding has enabled the SES to address major priorities in the area of rescue equipment, improve protective clothing for all volunteers, provide nationally recognised competency based training, purchase and maintain communication equipment, construct new division headquarters, and employ paid divisional controllers, learning and development officers, flood planners and public education officers.

Additional funding in 2004-05 included:

- ◆ \$3.4 million for the upgrade and maintenance of radio communications equipment and paging services;
- ◆ \$1.4 million for information management and technology upgrades;
- ◆ \$1.1 million for the Hawkesbury/Nepean Floodplain Management program; and
- ◆ \$0.1 million for Critical Incident Stress program.

STRATEGIC DIRECTIONS

The State Emergency Service will continue to improve its capability to deal with floods, storms, other incidents and emergencies.

The organisational capability of the Service will be improved by: enhancing State and Division headquarters to better support the Volunteer Units; the implementation of a 24 x 7 Operations Communications Centre to ensure that the calls for help received are processed and dispatched in a more timely and efficient manner; improved mobilisation of out of area volunteer teams to respond to requests for assistance following floods and storms; and improved call out arrangements for SES Road Crash Rescue crews.

The Operations Communications Centre will also assist with the establishment of real time intelligence gathering of events to assist operational management. The development of public communication and flood planning programs to ensure that communities at risk are aware of the nature of the risks and how to protect themselves and their property is a key strategy that will continue to be addressed throughout 2005-06.

State Emergency Service volunteers will continue to be trained in emergency operation and rescue procedures which are of world class standard. The volunteers are also provided with protective clothing and equipment that meet Occupational Health and Safety requirements. These factors are essential in providing the community with a combat agency that will assist them during flood and storm operations.

2005-06 BUDGET

Total Expenses

The State Emergency Service's total expenses for 2005-06 are projected to be \$36.4 million.

Additional funding has been provided in the following areas:

- ◆ \$1.9 million to increase in the organisational capability of the Service by enhancing State and Division headquarters to better support the Volunteer Units;
- ◆ \$0.9 million to design, test, implement and operate a 24 x 7 Operations Communication Centre that will facilitate the enhanced and streamlined dispatch of SES Units to emergencies; and
- ◆ \$0.3 million for Risk Communication to maintain the Service's Creating Safer Communities program.

Capital Expenditure

In 2005-06 the total capital expenditure program is estimated at \$4.2 million.

Funding will continue for the provision of rescue equipment and radio systems, with \$2.6 million being allocated to install new radio systems in divisions as well as maintaining a repair pool for all radios across New South Wales.

An amount of \$1.3 million will be used to continue to purchase essential rescue equipment, including road rescue equipment, flood rescue boats, emergency lighting, vertical rescue equipment and rescue call out systems.

Volunteer units, division headquarters and state headquarters will receive \$0.2 million to purchase paging hardware and paging facilities to assist during emergency operations.

DEPARTMENT OF LANDS

The Department comprises Crown Lands management, Native Title and Aboriginal Land Claims management, Soil Conservation Service, the Office of Rural Affairs and Land and Property Information NSW, which is reported separately.

The Department's role covers the sustainable management of Crown lands, the provision of spatial information and land and property related information, the description, identification, and registration of ownership of land in New South Wales, provision of land management and conservation consulting services and assistance to rural New South Wales in developing sustainable communities.

Its land management responsibilities in respect to Crown land includes management and protection of the natural environment by active management facilitated through leases, licenses and trusts to ensure the optimal use of Crown land for use in agriculture, as natural reserves and for recreational pursuits.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenditures over the last three years has increased with the growth in size of the Department following transfer of further activities from the Department of Infrastructure, Planning and Natural Resources.

STRATEGIC DIRECTIONS

The Government has announced a number of changes to enhance Crown Estate management by simplifying Crown leases and licences administration. These changes will result in divestment of some lands to their users on a permanent basis and also sale of other Crown land. This will give greater capacity to focus on core business activities to meet economic, social and environmental outcomes.

One aim of these changes is to improve the economic return from Crown Land, reduce contingent liabilities and more readily meet the diversified needs of the community for Crown Land. Similarly, work is continuing to refocus Soil Services to make it commercially viable whilst continuing to provide value added services to its rural and regional customers.

2005-06 BUDGET

Total Expenses

Total expenses for 2005-06 are \$79.4 million. This includes \$46.4 million for the maintenance and management of Crown Lands, \$19.8 million for soil conservation activity and \$13.2 million paid to Land and Property Information to continue community service programs such as maintenance of topographical data, survey marks, aerial photography and the Geographic Names Board.

Capital Expenditure

The total capital program for the Department for 2005-06 is \$3.2 million. This program includes \$0.3 million for replacement of computers, plant and equipment and \$0.3 million for building refurbishments to commence to address occupational health and safety issues.

Funding of \$0.2 million has also been provided within the Crown Lands capital works program to complete the development of the Land Direct information system. Remediation work to a number of dams on Crown Lands will continue at a cost of \$2.1 million. It is planned that \$0.3 million for equipment acquisition will be spent within the Soil Services program.

LAND AND PROPERTY INFORMATION NEW SOUTH WALES

The role of Land and Property Information (LPI) is to operate the State's land and property registration and information services, to provide land valuation and survey services, and to create value through the integration of land, spatial and property information.

LPI has offices throughout New South Wales with its principal offices located in Sydney and Bathurst. LPI offers customers convenient access to services irrespective of location through the innovative use of information and communications technology.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

LPI's business activity continues to grow in line with the State economy generally and the level of property transactions in particular. LPI continues to invest in technological solutions to improve efficiency and create value for the convenience of its customers.

STRATEGIC DIRECTIONS

In 2005-06, LPI will continue to concentrate on its core activities. LPI will improve the integration of its data sets and the electronic delivery of its information to meet public and private sector needs. LPI is working with the other jurisdictions to develop a National Electronic Conveyancing System. When fully implemented this will change the way conveyancing is undertaken across Australia.

2005-06 BUDGET

Total Expenses

Total expenses for 2005-06 are estimated to be \$134.8 million. The majority of this expenditure is spent on statutory land valuations, land title creation and registration services, spatial information, survey and mapping services and technical support.

Capital Expenditure

The 2005-06 Budget for capital expenditure is \$15 million. The program for LPI includes improving land information systems, enhancing and developing electronic service delivery capabilities and the renewal of plant and equipment.

Specific projects include:

- ◆ development of E-Channel services;
- ◆ development toward electronic lodgement and registration of real property transactions;
- ◆ upgrade of rural addresses;
- ◆ improved regional service delivery;
- ◆ the conversion of old system and manual titles to Torrens title; and
- ◆ the conservation and digitisation of historical plans.

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

51 DEPARTMENT OF LOCAL GOVERNMENT

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	5,900	6,170	6,154
Other operating expenses	7,539	7,849	6,443
Maintenance	41	41	41
Depreciation and amortisation	264	264	264
Grants and subsidies	76,000	75,000	76,500
Total Expenses	89,744	89,324	89,402
Less:			
Retained Revenue -			
Sales of goods and services	52	52	54
Investment income	200	200	207
Retained taxes, fees and fines	4,500	4,500	4,500
Total Retained Revenue	4,752	4,752	4,761
NET COST OF SERVICES	84,992	84,572	84,641

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

51 DEPARTMENT OF LOCAL GOVERNMENT

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	5,779	6,014	5,827
Grants and subsidies	76,000	75,000	76,500
Other	7,800	8,110	7,486
Total Payments	89,579	89,124	89,813
Receipts			
Sale of goods and services	52	52	54
Interest	200	200	207
Other	4,740	4,740	4,740
Total Receipts	4,992	4,992	5,001
NET CASH FLOWS FROM OPERATING ACTIVITIES	(84,587)	(84,132)	(84,812)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(150)	(150)	(150)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(150)	(150)	(150)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	84,225	83,875	84,195
Capital appropriation	150	150	150
Cash reimbursements from the Consolidated Fund Entity	221	221	...
NET CASH FLOWS FROM GOVERNMENT	84,596	84,246	84,345
NET INCREASE/(DECREASE) IN CASH	(141)	(36)	(617)
Opening Cash and Cash Equivalents	4,637	6,153	6,117
CLOSING CASH AND CASH EQUIVALENTS	4,496	6,117	5,500
CASH FLOW RECONCILIATION			
Net cost of services	(84,992)	(84,572)	(84,641)
Non cash items added back	691	566	591
Change in operating assets and liabilities	(286)	(126)	(762)
Net cash flow from operating activities	(84,587)	(84,132)	(84,812)

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

51 DEPARTMENT OF LOCAL GOVERNMENT

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	4,496	6,117	5,500
Receivables	1,121	902	902
Other	14	82	82
Total Current Assets	5,631	7,101	6,484
Non Current Assets -			
Property, plant and equipment - Plant and equipment	910	939	752
Intangibles	...	...	73
Total Non Current Assets	910	939	825
Total Assets	6,541	8,040	7,309
LIABILITIES -			
Current Liabilities -			
Payables	1,993	2,285	1,523
Provisions	646	531	531
Total Current Liabilities	2,639	2,816	2,054
Non Current Liabilities -			
Provisions	121	91	91
Total Non Current Liabilities	121	91	91
Total Liabilities	2,760	2,907	2,145
NET ASSETS	3,781	5,133	5,164
EQUITY			
Accumulated funds	3,781	5,133	5,164
TOTAL EQUITY	3,781	5,133	5,164

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

51 DEPARTMENT OF LOCAL GOVERNMENT

51.1 Development, Oversight and Assistance to Local Government

51.1.1 Development, Oversight of and Assistance to Local Government

Program Objective(s): To provide a framework for local government which facilitates high quality local government services for New South Wales citizens.

Program Description: Provide a clear legislative, policy and performance framework for local government that fosters best practice. Undertaking investigations and mediations, and monitoring local government activities to ensure compliance with legislative requirements.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Amendments to legislation and regulations	no.	10	12	12	12
Circulars and guidelines issued to councils	no.	54	53	60	60
Councils that attended education seminars	no.	90	90	85	90
Complaints processed	no.	1,050	1,050	1,100	1,300
Regulatory determinations made	no.	115	130	130	150
<u>Average Staffing:</u>	EFT	63	62	61	61

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	5,531	5,801	5,774
Other operating expenses	3,189	3,499	2,093
Maintenance	41	41	41
Depreciation and amortisation	264	264	264
Grants and subsidies			
Grants and Subsidies - Public-Private			
Partnerships Project Assessments	...	500	500
Total Expenses	9,025	10,105	8,672

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

51 DEPARTMENT OF LOCAL GOVERNMENT

51.1 Development, Oversight and Assistance to Local Government

**51.1.1 Development, Oversight of and Assistance to Local Government
(cont)**

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	52	52	54
Investment income	60	60	67

Total Retained Revenue	112	112	121
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NET COST OF SERVICES	8,913	9,993	8,551
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CAPITAL EXPENDITURE	150	150	150
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**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

51 DEPARTMENT OF LOCAL GOVERNMENT

51.2 Rate Rebates for Pensioners

51.2.1 Rate Rebates for Pensioners

Program Objective(s): To provide relief to eligible pensioners from council rates.

Program Description: Rebates to local councils of up to 50 percent of eligible pensioner council rates.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Pensioner households assisted across the rating categories -					
General	thous	425	460	450	450
Water	thous	238	250	245	245
Sewerage	thous	160	190	200	200
 <u>Outputs:</u>					
Rebate claims processed	no.	426	420	430	430
<u>Average Staffing:</u>	EFT	1	1	1	1

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	76	76	80
Grants and subsidies			
Pensioner rate rebates	76,000	74,500	76,000
Total Expenses	76,076	74,576	76,080
NET COST OF SERVICES	76,076	74,576	76,080

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
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MINISTER FOR LANDS**

51 DEPARTMENT OF LOCAL GOVERNMENT

51.3 Companion Animals

51.3.1 Companion Animals

Program Objective(s): To improve companion animal welfare and to reduce the environmental impact of companion animals.

Program Description: Regulation of ownership, care and management of companion animals. Maintain a record of registered cats and dogs. Promote appropriate care and management of companion animals.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Number of animals registered	thous	319	104	101	102
Education - visits	no.	8	9	9	10
- funded projects	no.	24	24	5	10
<u>Average Staffing:</u>	EFT	4	4	4	4

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -

 Employee related

 Other operating expenses

293	293	300
4,350	4,350	4,350

Total Expenses

4,643	4,643	4,650
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Less:

Retained Revenue -

 Investment income

 Retained taxes, fees and fines

140	140	140
4,500	4,500	4,500

Total Retained Revenue

4,640	4,640	4,640
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NET COST OF SERVICES

3	3	10
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**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
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52 NEW SOUTH WALES FIRE BRIGADES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	340,759	356,435	358,815
Other operating expenses	48,423	50,897	46,959
Maintenance	12,569	13,653	18,618
Depreciation and amortisation	28,061	28,248	28,045
Borrowing costs	305	370	1,280
Total Expenses	430,117	449,603	453,717
Less:			
Retained Revenue -			
Sales of goods and services	7,947	11,798	8,340
Investment income	1,530	1,800	1,600
Retained taxes, fees and fines	2,000	3,895	2,000
Other revenue	212	3,115	88
Total Retained Revenue	11,689	20,608	12,028
Gain/(loss) on disposal of non current assets	...	270	...
NET COST OF SERVICES	418,428	428,725	441,689

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
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MINISTER FOR LANDS**

52 NEW SOUTH WALES FIRE BRIGADES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	340,759	356,268	358,815
Finance costs	305	370	1,280
Other	69,108	73,081	73,953
Total Payments	410,172	429,719	434,048
Receipts			
Sale of goods and services	8,147	11,728	7,516
Retained taxes	2,000	3,895	2,000
Interest	1,530	1,800	1,600
Other	9,412	12,315	9,288
Total Receipts	21,089	29,738	20,404
NET CASH FLOWS FROM OPERATING ACTIVITIES	(389,083)	(399,981)	(413,644)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	500	...
Purchases of property, plant and equipment	(43,250)	(45,251)	(35,807)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(43,250)	(44,751)	(35,807)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	2,200	9,748	3,287
Repayment of borrowings and advances	(3,670)	(2,670)	(8,752)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(1,470)	7,078	(5,465)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	421,062	425,219	450,441
Capital appropriation	14,964	17,065	7,631
NET CASH FLOWS FROM GOVERNMENT	436,026	442,284	458,072
NET INCREASE/(DECREASE) IN CASH	2,223	4,630	3,156
Opening Cash and Cash Equivalents	34,041	38,903	43,533
CLOSING CASH AND CASH EQUIVALENTS	36,264	43,533	46,689

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

52 NEW SOUTH WALES FIRE BRIGADES

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(418,428)	(428,725)	(441,689)
Non cash items added back	28,061	28,248	28,045
Change in operating assets and liabilities	1,284	496	...
Net cash flow from operating activities	(389,083)	(399,981)	(413,644)

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

52 NEW SOUTH WALES FIRE BRIGADES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	36,264	43,533	46,689
Receivables	8,229	10,457	10,457
Inventories	1,077	1,139	1,139
Other	1,132	1,294	1,294
Total Current Assets	46,702	56,423	59,579
Non Current Assets -			
Property, plant and equipment -			
Land and building	214,116	255,508	250,031
Plant and equipment	154,124	163,231	176,470
Total Non Current Assets	368,240	418,739	426,501
Total Assets	414,942	475,162	486,080
LIABILITIES -			
Current Liabilities -			
Payables	18,125	21,227	21,227
Provisions	20,164	22,214	22,214
Total Current Liabilities	38,289	43,441	43,441
Non Current Liabilities -			
Interest bearing	3,840	10,078	4,613
Provisions	6,084	14,146	14,146
Total Non Current Liabilities	9,924	24,224	18,759
Total Liabilities	48,213	67,665	62,200
NET ASSETS	366,729	407,497	423,880
EQUITY			
Reserves	145,410	197,306	197,006
Accumulated funds	221,319	210,191	226,874
TOTAL EQUITY	366,729	407,497	423,880

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MINISTER FOR LANDS**

52 NEW SOUTH WALES FIRE BRIGADES

**52.1 Prevention and Suppression of Fire and Provision of Other Emergency and
Rescue Services**

52.1.1 Operation and Maintenance of Brigades and Special Services

Program Objective(s): To prevent and extinguish fire, to protect and save life, property and environment in case of fire and release of hazardous materials, and to carry out rescue operations where there may be no immediate danger from fire.

Program Description: Provision of permanent and volunteer Fire Brigades within the metropolitan areas and country towns. Provision and maintenance of suitable premises, communication networks and firefighting appliances and equipment to enable prompt response to fire incidents.

<u>Outcomes</u> :*	Units	2002-03	2003-04	2004-05	2005-06
Building fires in which spread of fire was confined to -					
Room or compartment of origin	%	72.0	74.4	69.4	69.1
Structure of origin	%	95	96	96	96
 <u>Outputs</u> :					
Total attendance at incidents	no.	128,231	129,403	131,991	134,631
Response times to structure fires -					
50th percentile (minutes)	no.	6.0	7.0	6.8	6.8
90th percentile (minutes)	no.	10.6	11.4	11.0	11.0
 <u>Average Staffing</u> :	EFT	3,792	3,876	3,854	3,915

* The output indicator "50th and 90th percentile response times to structure fires" replaces a superseded indicator "% of calls responded to in 10 minutes". The new indicator complies with the standardised and more comparable performance indicator for response times agreed by the Productivity Commission and the Australasian Fire Authorities Council.

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52 NEW SOUTH WALES FIRE BRIGADES

**52.1 Prevention and Suppression of Fire and Provision of Other Emergency and
Rescue Services**

52.1.1 Operation and Maintenance of Brigades and Special Services (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	324,187	338,869	340,253
Other operating expenses	40,802	42,062	39,704
Maintenance	12,192	12,970	17,687
Depreciation and amortisation	27,090	27,057	26,862
Borrowing costs			
interest on T-Corp loans	290	370	1,280
Total Expenses	404,561	421,328	425,786
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	292	292	191
Automatic fire alarm monitoring	5,060	5,065	5,157
Public education course fees	1,237	1,717	1,145
False alarm charges	973	3,820	1,433
Minor sales of goods and services	19	388	40
Investment income	1,460	1,719	1,528
Retained taxes, fees and fines	1,908	3,720	1,910
Other revenue	202	2,975	84
Total Retained Revenue	11,151	19,696	11,488
Gain/(loss) on disposal of non current assets	...	270	...
NET COST OF SERVICES	393,410	401,362	414,298
CAPITAL EXPENDITURE			
	41,088	43,063	34,017

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MINISTER FOR LANDS**

52 NEW SOUTH WALES FIRE BRIGADES

**52.1 Prevention and Suppression of Fire and Provision of Other Emergency and
Rescue Services**

52.1.2 Fire Brigade Training and Development

Program Objective(s): To maintain a high standard of performance of firefighting services through the education and training of the Brigades in the containment and extinguishing of fire, the safe handling of hazardous materials and the performance of rescue operations.

Program Description: Maintenance of education and training programs and provision of training facilities and staff.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Mean time to control incidents -					
Building fires	mins	35	34	48	38
Non-fire rescue calls	mins	39	26	27	27
Hazardous material incidents	mins	35	31	35	35

Outputs:

Recruit firefighters trained	no.	140	227	322	312
Number of firefighters qualified for Senior Firefighter rank	no.	142	206	166	234
Number qualified for Station Officer rank and above	no.	61	118	108	96
Firefighters qualified as pumper/aerial appliance operators	no.	295	359	605	620
Breathing apparatus training/accreditation	no.	5,840	5,922	5,922	9,000

<u>Average Staffing:</u>	EFT	108	111	120	124
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52 NEW SOUTH WALES FIRE BRIGADES

**52.1 Prevention and Suppression of Fire and Provision of Other Emergency and
Rescue Services**

52.1.2 Fire Brigade Training and Development (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	9,802	8,854	9,617
Other operating expenses	3,682	5,181	4,480
Maintenance	251	410	559
Depreciation and amortisation	625	949	941
Borrowing costs			
interest on T-Corp loans	9	...	...
Total Expenses	14,369	15,394	15,597
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	7	7	5
Automatic fire alarm monitoring	117	122	124
Public education course fees	29	40	26
False alarm charges	23	92	35
Investment income	33	41	37
Retained taxes, fees and fines	44	90	46
Other revenue	5	72	2
Total Retained Revenue	258	464	275
NET COST OF SERVICES	14,111	14,930	15,322
CAPITAL EXPENDITURE			
	1,297	1,313	1,075

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MINISTER FOR LANDS**

52 NEW SOUTH WALES FIRE BRIGADES

**52.1 Prevention and Suppression of Fire and Provision of Other Emergency and
Rescue Services**

52.1.3 Investigations, Research and Advisory Services

Program Objective(s): To minimise the incidence of fire through public and industry awareness of fire preventative measures. To promote improvement in firefighting services.

Program Description: Delivery of advice and assistance to the public and industry of fire preventative measures. Investigation of the cause of major fires and the instigation of research into new firefighting methods.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Fires/100,000 population	no.	547	537	543	548
Incendiary/suspicious fires/100,000 population	no.	300	185	185	185
Malicious calls/100,000 population	no.	92	97	95	93
Building fires/100,000 population	no.	92	124	123	122
 <u>Outputs:</u>					
Number of building inspections completed	no.	1,422	1,628	1,554	1,554
Total time spent on inspection of premises (in officer hours)	no.	4,521	5,177	4,941	4,941
Total incidents investigated -	no.	472	402	411	411
Accidental	no.	161	150	138	138
Suspicious/deliberate	no.	236	181	192	192
Number of automatic fire alarms connected to various types of premises (including third party service providers)	no.	7,731	9,456	9,754	10,953
 <u>Average Staffing:</u>	EFT	68	66	66	66

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52 NEW SOUTH WALES FIRE BRIGADES

**52.1 Prevention and Suppression of Fire and Provision of Other Emergency and
Rescue Services**

52.1.3 Investigations, Research and Advisory Services (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	6,770	8,712	8,945
Other operating expenses	3,939	3,654	2,775
Maintenance	126	273	372
Depreciation and amortisation	346	242	242
Borrowing costs			
interest on T-Corp loans	6	...	...
Total Expenses	11,187	12,881	12,334
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	7	7	4
Automatic fire alarm monitoring	127	117	119
Public education course fees	31	43	29
False alarm charges	24	88	32
Minor sales of goods and services	1	...	...
Investment income	37	40	35
Retained taxes, fees and fines	48	85	44
Other revenue	5	68	2
Total Retained Revenue	280	448	265
NET COST OF SERVICES	10,907	12,433	12,069
CAPITAL EXPENDITURE	865	875	715

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

53 DEPARTMENT OF RURAL FIRE SERVICE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	51,497	53,836	55,692
Other operating expenses	11,220	11,220	12,128
Depreciation and amortisation	2,670	2,870	3,000
Grants and subsidies	77,934	69,734	82,976
Other expenses	6,880	7,180	8,217
Total Expenses	150,201	144,840	162,013
Less:			
Retained Revenue -			
Retained taxes, fees and fines	98,887	98,887	103,407
Grants and contributions	17,845	17,845	18,660
Other revenue	3,505	4,405	5,330
Total Retained Revenue	120,237	121,137	127,397
NET COST OF SERVICES	29,964	23,703	34,616

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

53 DEPARTMENT OF RURAL FIRE SERVICE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	47,897	51,963	53,629
Grants and subsidies	57,342	49,442	62,176
Other	56,302	47,274	47,158
Total Payments	161,541	148,679	162,963
Receipts			
Retained taxes	98,887	98,702	103,407
Other	30,960	26,696	29,740
Total Receipts	129,847	125,398	133,147
NET CASH FLOWS FROM OPERATING ACTIVITIES	(31,694)	(23,281)	(29,816)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	4,810	4,810	4,980
Purchases of property, plant and equipment	(7,980)	(9,849)	(8,799)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(3,170)	(5,039)	(3,819)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	32,974	26,672	36,572
Capital appropriation	...	41	819
NET CASH FLOWS FROM GOVERNMENT	32,974	26,713	37,391
NET INCREASE/(DECREASE) IN CASH	(1,890)	(1,607)	3,756
Opening Cash and Cash Equivalents	21,220	22,952	21,345
CLOSING CASH AND CASH EQUIVALENTS	19,330	21,345	25,101
CASH FLOW RECONCILIATION			
Net cost of services	(29,964)	(23,703)	(34,616)
Non cash items added back	2,670	2,870	3,000
Change in operating assets and liabilities	(4,400)	(2,448)	1,800
Net cash flow from operating activities	(31,694)	(23,281)	(29,816)

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

53 DEPARTMENT OF RURAL FIRE SERVICE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	19,330	21,345	25,101
Receivables	2,519	2,519	2,519
Other	237	237	237
Total Current Assets	22,086	24,101	27,857
Non Current Assets -			
Property, plant and equipment - Plant and equipment	14,134	14,134	14,953
Total Non Current Assets	14,134	14,134	14,953
Total Assets	36,220	38,235	42,810
LIABILITIES -			
Current Liabilities -			
Payables	4,043	2,905	2,905
Provisions	5,590	6,728	11,694
Total Current Liabilities	9,633	9,633	14,599
Non Current Liabilities -			
Provisions	8,799	8,799	9,699
Total Non Current Liabilities	8,799	8,799	9,699
Total Liabilities	18,432	18,432	24,298
NET ASSETS	17,788	19,803	18,512
EQUITY			
Accumulated funds	17,788	19,803	18,512
TOTAL EQUITY	17,788	19,803	18,512

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

53 DEPARTMENT OF RURAL FIRE SERVICE

53.1 Funding and Administration of Rural Firefighting Services

53.1.1 Funding and Administration of Rural Firefighting Services

Program Objective(s): To promote effective rural firefighting services within the State, including the co-ordination of bushfire fighting and prevention activities.

Program Description: Assistance to local government councils in the formation, equipping and maintenance of bushfire brigades. The State contributes 13 percent, councils contribute 13.3 percent and insurance companies contribute 73.7 percent.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs</u> :					
Provision and maintenance of new and second hand tankers	\$m	27.4	25.5	25.5	27.4
Subsidies to local government for brigade stations	\$m	3.8	3.6	3.2	3.4
Provision of maintenance grants to local government	\$m	11.3	11.4	13.1	13.2
District equipment and operating costs - other	\$m	28.5	30.2	32.4	34.2
District management costs	\$m	22.2	32.2	33.0	36.5
<u>Average Staffing</u> :	EFT	495	578	608	614

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	48,019	50,358	52,115
Other operating expenses	7,841	7,891	8,829
Depreciation and amortisation	2,670	2,870	3,000
Grants and subsidies			
Firefighting equipment - capital grants	37,708	36,208	38,720
Payments to Regional Fire Associations	800	800	800
Costs associated with bushfire fighting activities - payments to Local Councils	19,792	19,492	20,000
Disaster welfare relief	6,434	6,434	7,277

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

53 DEPARTMENT OF RURAL FIRE SERVICE

53.1 Funding and Administration of Rural Firefighting Services

53.1.1 Funding and Administration of Rural Firefighting Services (cont)

OPERATING STATEMENT (cont)

Other expenses			
Aerial support	1,600	2,400	1,648
Insurance costs - firefighting	1,080	1,280	3,069
Workers compensation - Bushfire Fund	4,200	3,500	3,500
Total Expenses	130,144	131,233	138,958
Less:			
Retained Revenue -			
Retained taxes, fees and fines	98,887	98,887	103,407
Grants and contributions	17,845	17,845	18,660
Other revenue	2,555	3,455	4,380
Total Retained Revenue	119,287	120,187	126,447
NET COST OF SERVICES	10,857	11,046	12,511
<hr/>			
CAPITAL EXPENDITURE	7,980	9,849	8,799

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
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MINISTER FOR LANDS**

53 DEPARTMENT OF RURAL FIRE SERVICE

53.2 Support of Rural Firefighting Services

53.2.1 Training of Volunteer Bushfire Fighters

Program Objective(s): To facilitate and promote the training of bushfire fighters.

Program Description: Co-ordination and development of training courses, design of standards and the evaluation of training for volunteer bushfire fighters throughout New South Wales.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Certified bushfire instructors (at 30 June)	no.	1,579	1,700	2,000	2,100
Bushfire assessors (at 30 June)	no.	432	600	800	900
Hours of training, regional and State	thous	15	18	21	24
Hours of training, local district/brigade level	thous	335	360	370	400
<u>Average Staffing:</u>	EFT	8	8	10	12

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	752	752	815
Other operating expenses	1,049	1,049	1,070
Total Expenses	1,801	1,801	1,885
NET COST OF SERVICES	1,801	1,801	1,885

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

53 DEPARTMENT OF RURAL FIRE SERVICE

53.2 Support of Rural Firefighting Services

53.2.2 Public Education and Information Services

Program Objective(s): To promote community awareness of bushfire issues and generally educate the community in bushfire prevention, protection and safety.

Program Description: Public education and information services for the residents of New South Wales in bushfire prevention, protection and safety.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
BushFire Bulletin circulation	no.	36,000	36,000	36,000	36,000
Public skills displays and competitions for bushfire fighters	no.	20	20	25	25
Community fireguard courses	no.	10	10	20	20
Rural Education Program	no.	10	10	10	10
School Education Program	no.	4	4	4	4
<u>Average Staffing:</u>	EFT	7	8	10	10

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	606	606	642
Other operating expenses	1,170	1,120	1,108
Total Expenses	1,776	1,726	1,750
NET COST OF SERVICES	1,776	1,726	1,750

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

53 DEPARTMENT OF RURAL FIRE SERVICE

**53.3 Planning and Co-ordination of Rescue Services and Emergency
Management**

**53.3.1 Planning and Co-ordination of Rescue Services and Emergency
Management**

Program Objective(s): To ensure the provision of comprehensive, balanced and co-ordinated rescue services and emergency management throughout New South Wales.

Program Description: The preparation of plans, co-ordination of operations, and provision of effective training for Emergency Management and rescue operations. Advice to the Minister for Emergency Services on policies, resource allocation and specific issues. Support to the Minister in the performance of ministerial functions. Co-ordination of advice from, and action by, emergency services agencies on policies and specific issues.

	Average Staffing (EFT)	
<u>Activities:</u>	2004-05	2005-06
Training	1	1
Administrative support to State Emergency Management Committee and State Rescue Board	7	7
Planning and Operations	4	4
Policy advice and co-ordination	6	6
Critical Infrastructure Protection Planning	4	...
Natural Disaster Mitigation Program Management	4	4
	26	22

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GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

53 DEPARTMENT OF RURAL FIRE SERVICE

**53.3 Planning and Co-ordination of Rescue Services and Emergency
Management**

**53.3.1 Planning and Co-ordination of Rescue Services and Emergency
Management (cont)**

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	2,120	2,120	2,120
Other operating expenses	1,160	1,160	1,121
Grants and subsidies			
Grants to volunteer rescue units	1,300	1,300	1,339
Disaster mitigation Australia package - recurrent	11,900	5,500	14,840
Total Expenses	16,480	10,080	19,420
Less:			
Retained Revenue -			
Other revenue	950	950	950
Total Retained Revenue	950	950	950
NET COST OF SERVICES	15,530	9,130	18,470

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

54 STATE EMERGENCY SERVICE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	8,037	8,334	11,358
Other operating expenses	10,682	10,682	11,646
Maintenance	78	78	80
Depreciation and amortisation	2,520	2,520	2,520
Grants and subsidies	9,256	10,756	10,756
Total Expenses	30,573	32,370	36,360
Less:			
Retained Revenue -			
Sales of goods and services	27	27	28
Investment income	81	81	84
Grants and contributions	5,481	5,481	5,481
Total Retained Revenue	5,589	5,589	5,593
Gain/(loss) on disposal of non current assets	71	71	71
NET COST OF SERVICES	24,913	26,710	30,696

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

54 STATE EMERGENCY SERVICE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	7,470	7,571	10,786
Grants and subsidies	9,256	10,756	10,756
Other	12,070	11,852	13,036
Total Payments	28,796	30,179	34,578
Receipts			
Sale of goods and services	27	27	28
Interest	81	77	84
Other	6,791	6,582	6,791
Total Receipts	6,899	6,686	6,903
NET CASH FLOWS FROM OPERATING ACTIVITIES	(21,897)	(23,493)	(27,675)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	71	71	71
Purchases of property, plant and equipment	(3,678)	(4,727)	(4,187)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(3,607)	(4,656)	(4,116)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	21,574	23,074	27,603
Capital appropriation	3,678	4,727	4,187
Cash reimbursements from the Consolidated Fund Entity	251	251	...
NET CASH FLOWS FROM GOVERNMENT	25,503	28,052	31,790
NET INCREASE/(DECREASE) IN CASH	(1)	(97)	(1)
Opening Cash and Cash Equivalents	89	3,641	3,544
CLOSING CASH AND CASH EQUIVALENTS	88	3,544	3,543
CASH FLOW RECONCILIATION			
Net cost of services	(24,913)	(26,710)	(30,696)
Non cash items added back	3,087	3,087	3,092
Change in operating assets and liabilities	(71)	130	(71)
Net cash flow from operating activities	(21,897)	(23,493)	(27,675)

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

54 STATE EMERGENCY SERVICE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	88	3,544	3,543
Receivables	696	1,047	1,047
Inventories	2,912	3,361	3,361
Other	128	213	213
Total Current Assets	3,824	8,165	8,164
Non Current Assets -			
Property, plant and equipment -			
Land and building	6,844	8,664	8,515
Plant and equipment	15,908	14,989	16,805
Total Non Current Assets	22,752	23,653	25,320
Total Assets	26,576	31,818	33,484
LIABILITIES -			
Current Liabilities -			
Payables	471	1,215	1,215
Provisions	732	496	496
Total Current Liabilities	1,203	1,711	1,711
Non Current Liabilities -			
Provisions	...	321	321
Total Non Current Liabilities	...	321	321
Total Liabilities	1,203	2,032	2,032
NET ASSETS	25,373	29,786	31,452
EQUITY			
Reserves	870	1,807	1,807
Accumulated funds	24,503	27,979	29,645
TOTAL EQUITY	25,373	29,786	31,452

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

54 STATE EMERGENCY SERVICE

54.1 Provision of Emergency Services

54.1.1 Provision of Emergency Services

Program Objective(s): To provide appropriate emergency services management for flood, storm, tempest and other incidents and emergencies.

Program Description: Provision of immediate assistance to the community by means of rescue and property protection services in times of natural or man-made incidents or emergencies.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Number of volunteers trained -					
Disaster rescue	no.	400	400	400	400
Flood boat rescue	no.	350	340	350	380
First aid	no.	1,850	1,800	1,820	1,800
Vertical rescue	no.	100	80	90	115
Flood plans completed or reviewed	no.	25	18	15	25
Flood plans tested	no.	15	8	56	20
River action guides completed	no.	30	13	19	20
Flood intelligence cards completed	no.	25	11	25	25
Operational training sessions conducted	no.	n.a.	15	10	10
Field radio communications systems installed	no.	4	4	4	4
Protective clothing supplied	thous	30	30	20	20
Flood boats provided	no.	12	17	10	20
General rescue equipment provided	no.	1,000	1,900	2,100	2,200
Radio stations receiving community service announcements	no.	140	150	160	160
Public awareness workshops conducted	no.	8	12	8	8
Responses to flood, storms, motor vehicle accidents, and search and rescue	thous	n.a.	12	20	17
Responses to support for communities, bushfires and other agencies	thous	n.a.	4	3	4
<u>Average Staffing:</u>	EFT	87	87	87	116

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

54 STATE EMERGENCY SERVICE

54.1 Provision of Emergency Services

54.1.1 Provision of Emergency Services (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	8,037	8,334	11,358
Other operating expenses	10,682	10,682	11,646
Maintenance	78	78	80
Depreciation and amortisation	2,520	2,520	2,520
Grants and subsidies			
Emergency Rescue Workers Insurance	2,000	3,500	3,500
Grants to volunteer rescue units	975	975	975
Volunteer rescue units - capital grants	1,281	1,281	1,281
Disaster welfare relief	5,000	5,000	5,000
Total Expenses	30,573	32,370	36,360
Less:			
Retained Revenue -			
Sales of goods and services			
Minor sales of goods and services	27	27	28
Investment income	81	81	84
Grants and contributions	5,481	5,481	5,481
Total Retained Revenue	5,589	5,589	5,593
Gain/(loss) on disposal of non current assets	71	71	71
NET COST OF SERVICES	24,913	26,710	30,696
CAPITAL EXPENDITURE			
	3,678	4,727	4,187

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

55 DEPARTMENT OF LANDS

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	34,017	34,726	35,994
Other operating expenses	19,514	21,212	16,715
Maintenance	363	363	374
Depreciation and amortisation	596	830	830
Grants and subsidies	23,986	21,416	24,377
Other expenses	1,080	1,080	1,080
Total Expenses	79,556	79,627	79,370
Less:			
Retained Revenue -			
Sales of goods and services	15,448	14,976	16,794
Investment income	628	1,000	650
Retained taxes, fees and fines	3,000	3,000	3,105
Grants and contributions	2,189	2,189	2,309
Other revenue	1,384	1,385	1,432
Total Retained Revenue	22,649	22,550	24,290
NET COST OF SERVICES	56,907	57,077	55,080

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

55 DEPARTMENT OF LANDS

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	32,094	44,299	33,370
Grants and subsidies	23,986	21,416	24,377
Other	27,332	29,192	24,676
Total Payments	83,412	94,907	82,423
Receipts			
Sale of goods and services	18,801	12,975	26,531
Interest	628	1,000	650
Other	9,973	13,214	6,346
Total Receipts	29,402	27,189	33,527
NET CASH FLOWS FROM OPERATING ACTIVITIES	(54,010)	(67,718)	(48,896)
CASH FLOWS FROM INVESTING ACTIVITIES			
Advance repayments received	...	11,377	...
Purchases of property, plant and equipment	(2,402)	(2,465)	(3,157)
Advances made	...	...	(10,637)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(2,402)	8,912	(13,794)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	...	...	6
Repayment of borrowings and advances	...	(1)	...
NET CASH FLOWS FROM FINANCING ACTIVITIES	...	(1)	6
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	55,037	54,974	53,318
Capital appropriation	2,152	2,215	2,907
Cash reimbursements from the Consolidated Fund Entity	96	600	...
NET CASH FLOWS FROM GOVERNMENT	57,285	57,789	56,225
NET INCREASE/(DECREASE) IN CASH	873	(1,018)	(6,459)
Opening Cash and Cash Equivalents	6,795	8,885	7,867
CLOSING CASH AND CASH EQUIVALENTS	7,668	7,867	1,408

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

55 DEPARTMENT OF LANDS

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(56,907)	(57,077)	(55,080)
Non cash items added back	3,047	2,681	3,372
Change in operating assets and liabilities	(150)	(13,322)	2,812
Net cash flow from operating activities	(54,010)	(67,718)	(48,896)

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

55 DEPARTMENT OF LANDS

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	7,668	7,867	1,408
Receivables	19,451	13,816	10,606
Other financial assets	3,182	...	...
Inventories	398	298	298
Other	...	693	693
Total Current Assets	30,699	22,674	13,005
Non Current Assets -			
Other financial assets	10,694	15,132	25,769
Property, plant and equipment -			
Land and building	8,146	8,259	7,939
Plant and equipment	7,707	7,090	7,637
Infrastructure systems	1,500	1,100	3,200
Total Non Current Assets	28,047	31,581	44,545
Total Assets	58,746	54,255	57,550
LIABILITIES -			
Current Liabilities -			
Payables	2,768	2,700	4,917
Interest bearing	...	5	5
Provisions	3,156	2,856	2,715
Other	...	1,761	27
Total Current Liabilities	5,924	7,322	7,664
Non Current Liabilities -			
Interest bearing	3,185	3,334	3,340
Provisions	14,492	6,306	5,566
Total Non Current Liabilities	17,677	9,640	8,906
Total Liabilities	23,601	16,962	16,570
NET ASSETS	35,145	37,293	40,980

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

55 DEPARTMENT OF LANDS

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION (cont)			
EQUITY			
Reserves	196	349	349
Accumulated funds	34,949	36,944	40,631
TOTAL EQUITY	35,145	37,293	40,980

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

55 DEPARTMENT OF LANDS

55.1 Crown Lands

55.1.1 Crown Land Services

Program Objective(s): Effective and sustainable use of the Crown Estate of New South Wales to achieve economic, environmental, community and client benefits.

Program Description: Crown land asset management, assessment, environmental protection, development, marketing and sale. Provision of information on Crown lands and maintenance of the systems of Crown reserves (including recreational areas, walking tracks, showgrounds and caravan parks). Administration of Crown Land tenures and use, Crown roads, Minor ports, Aboriginal Land Claims and Native Title applications.

<u>Outputs</u> :	Units	2002-03	2003-04	2004-05	2005-06
Stewardship of Crown Land:					
Bushfire Mitigation works	no.	n.a.	71	113	130
Weed reduction programs	no.	140	144	142	152
Pest animal control programs	no.	15	15	15	25
Reserve Trusts supported:					
Community Trusts	no.	1,645	1,621	1,610	1,620
Local government trusts	no.	5,060	5,045	5,248	5,250
State Recreation Area trusts	no.	8	8	8	8
Minor Ports Maintenance Program	\$000	2,088	2,088	1,080	2,060
Minor Dams Program	\$000	n.a.	400	400	2,100
State Land Tenure System:					
Lease, Licence & Permit applications	thous	0.7	0.7	0.8	0.7
Lease, Licence & Permit accounts administered	thous	11.8	12.7	13.3	34.4
Provision of Tenure Information - searches	thous	7.5	8.0	8.1	9.3
Sale/Development of Crown land parcels					
Sale of developed land	no.	154	152	138	110
Sale of surplus sites	no.	464	509	570	600
Aboriginal Land Claims finalised	no.	161	146	153	140
Native Title applications and status investigations	no.	974	966	957	1,217
<u>Average Staffing</u> :	EFT	332	313	327	348

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

55 DEPARTMENT OF LANDS

55.1 Crown Lands

55.1.1 Crown Land Services (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	23,437	23,459	25,274
Other operating expenses	10,094	10,031	8,463
Maintenance	356	200	200
Depreciation and amortisation	137	180	180
Grants and subsidies			
State Parks Trusts	1,076	1,076	1,114
Recurrent grants to non-profit organisations	1,887	1,887	1,944
Capital grants paid to other organisations	315	315	315
Local Government - capital grants	6,480	3,910	6,776
Public Reserves - capital grants	900	900	900
Grants to organisations - other general government agencies	160	160	160
Other expenses			
Fishing port maintenance	1,080	1,080	1,080
Total Expenses	45,922	43,198	46,406
Less:			
Retained Revenue -			
Sales of goods and services			
Miscellaneous services	844	318	874
Fees for services	100	250	104
Fees for services rendered - Land Titles Office	...	500	172
Materials to produce goods and services	(600)	(600)	...
Investment income	628	1,000	650
Retained taxes, fees and fines	3,000	3,000	3,105
Grants and contributions	150	150	150
Other revenue	90	90	90
Total Retained Revenue	4,212	4,708	5,145
NET COST OF SERVICES	41,710	38,490	41,261
<hr/>			
CAPITAL EXPENDITURE	2,152	2,215	2,907

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

55 DEPARTMENT OF LANDS

55.2 Soil Conservation and Rural Services

55.2.1 Soil Conservation Service and the Office of Rural Affairs

Program Objective(s): To achieve the protection and conservation of farm water supplies, soil and related resources. Facilitate the development of sustainable rural communities.

Program Description: Provide a specialist consulting service in environmental protection and rehabilitation, resource planning and assessment, environmental engineering and training in soil conservation. Undertake the design and construction of soil conservation earthworks, farm water supplies, the maintenance of Hunter Valley Flood Mitigation Works. Consult with and design programs to support the sustainable development of rural communities and the operations of the Rural Communities Consultative Council.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Soil and water conservation earthworks	ha	27,702	28,032	25,857	20,000
Consultancy net sales target	\$m	6.9	6.0	6.8	8.9
Soilworks net sales target	\$m	9.8	7.4	7.2	7.5
<u>Average Staffing:</u>	EFT	171	182	164	159

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	10,580	11,267	10,720
Other operating expenses	9,420	11,181	8,252
Maintenance	7	163	174
Depreciation and amortisation	459	650	650
Grants and subsidies			
Grants to agencies for recurrent purposes	13,168	13,168	13,168
Total Expenses	33,634	36,429	32,964

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

55 DEPARTMENT OF LANDS

55.2 Soil Conservation and Rural Services

55.2.1 Soil Conservation Service and the Office of Rural Affairs (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Fees for services rendered - Land Titles Office	166	...	...
Other operating revenue	780	350	1,320
Soil Business Operations	17,061	17,061	18,006
Materials to produce goods and services	(2,903)	(2,903)	(3,682)
Grants and contributions	2,039	2,039	2,159
Other revenue	1,294	1,295	1,342
Total Retained Revenue	18,437	17,842	19,145
NET COST OF SERVICES	15,197	18,587	13,819

CAPITAL EXPENDITURE	250	250	250
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**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

LAND AND PROPERTY INFORMATION NEW SOUTH WALES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	129,766	124,766	131,274
Investment income	1,530	1,530	1,530
Grants and contributions	13,168	13,168	13,168
Total Retained Revenue	144,464	139,464	145,972
Less:			
Expenses -			
Operating Expenses -			
Employee related	80,193	81,693	83,964
Other operating expenses	32,657	31,657	35,216
Maintenance	3,648	3,648	3,757
Depreciation and amortisation	10,652	10,652	11,464
Grants and subsidies	359	359	368
Borrowing costs	282	282	...
Total Expenses	127,791	128,291	134,769
SURPLUS BEFORE DISTRIBUTIONS	16,673	11,173	11,203
Distributions -			
Dividends and capital repatriations	9,920	6,648	6,666
Tax equivalents	5,002	3,352	3,361
SURPLUS AFTER DISTRIBUTIONS	1,751	1,173	1,176

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

LAND AND PROPERTY INFORMATION NEW SOUTH WALES

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	130,365	122,178	131,882
Interest	2,030	3,006	1,648
Other	17,093	17,215	17,118
Total Receipts	149,488	142,399	150,648
Payments			
Employee Related	80,200	98,808	80,704
Grants and subsidies	359	359	368
Finance costs	282	282	...
Equivalent Income Tax	3,502	9,886	4,611
Other	41,064	38,689	43,779
Total Payments	125,407	148,024	129,462
NET CASH FLOWS FROM OPERATING ACTIVITIES	24,081	(5,625)	21,186
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(15,000)	(17,544)	(15,000)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(15,000)	(17,544)	(15,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	75	...	...
Repayment of borrowings and advances	...	(211)	(2,558)
Dividends paid	(16,322)	(19,777)	(8,705)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(16,247)	(19,988)	(11,263)
NET INCREASE/(DECREASE) IN CASH	(7,166)	(43,157)	(5,077)
Opening Cash and Cash Equivalents	71,604	67,004	23,847
CLOSING CASH AND CASH EQUIVALENTS	64,438	23,847	18,770
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	11,671	7,821	7,842
Non cash items added back	10,652	10,652	11,464
Change in operating assets and liabilities	1,758	(24,098)	1,880
Net cash flow from operating activities	24,081	(5,625)	21,186

**MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL
GOVERNMENT, MINISTER FOR EMERGENCY SERVICES AND
MINISTER FOR LANDS**

LAND AND PROPERTY INFORMATION NEW SOUTH WALES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	64,438	23,847	18,770
Receivables	9,078	9,078	9,313
Inventories	1,800	1,800	1,800
Other	1,830	1,830	1,830
Total Current Assets	77,146	36,555	31,713
Non Current Assets -			
Property, plant and equipment -			
Land and building	48,953	48,953	49,900
Plant and equipment	37,706	37,706	18,120
Intangibles	...	...	22,175
Total Non Current Assets	86,659	86,659	90,195
Total Assets	163,805	123,214	121,908
LIABILITIES -			
Current Liabilities -			
Payables	7,820	7,820	8,225
Interest bearing	446	446	...
Tax	2,500	2,500	1,250
Provisions	16,631	26,111	23,959
Total Current Liabilities	27,397	36,877	33,434
Non Current Liabilities -			
Interest bearing	2,112	2,112	...
Provisions	94,391	42,038	106,611
Total Non Current Liabilities	96,503	44,150	106,611
Total Liabilities	123,900	81,027	140,045
NET ASSETS	39,905	42,187	(18,137)
EQUITY			
Accumulated funds	39,905	42,187	(18,137)
TOTAL EQUITY	39,905	42,187	(18,137)

**SPECIAL MINISTER OF STATE,
MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS,
MINISTER FOR AGEING AND
MINISTER FOR DISABILITY SERVICES**

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Commerce			
Total Expenses	672.4	596.6	-11.3
Capital Expenditure	262.3	281.3	7.2
Department of Ageing, Disability and Home Care			
Total Expenses	1,385.4	1,549.0	11.8
Capital Expenditure	36.8	66.8	81.6
Home Care Service of New South Wales			
Total Expenses	176.9	187.5	6.0
Capital Expenditure	3.0	3.0	...
Superannuation Administration Corporation			
Total Expenses	47.5	52.7	10.7
Capital Expenditure	3.0	3.7	2.3
Motor Accidents Authority			
Total Expenses	33.5	39.1	16.7
Capital Expenditure	0.1	0.1	...
Rental Bond Board			
Total Expenses	30.3	31.2	3.0
Capital Expenditure .....	...	...	...
WorkCover Authority			
Total Expenses	238.2	266.7	12.0
Capital Expenditure	16.0	13.4	-16.6
Workers' Compensation (Dust Diseases) Board			
Total Expenses	76.9	89.6	16.5
Capital Expenditure	0.4	0.5	25.0

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Building and Construction Industry Long Service Payments Corporation			
Total Expenses	73.4	91.0	24.0
Capital Expenditure	1.7	1.0	-40.0
Total, Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Minister for Ageing and Minister for Disability Services			
Total Expenses	2,734.5	2,903.4	6.2
Capital Expenditure	323.3	369.8	14.4

DEPARTMENT OF COMMERCE

The purpose of the Department of Commerce is to provide a simple and fair way of conducting business in New South Wales and to help government get best value when building and maintaining public assets and when buying goods and services. The Department provides services that support the following NSW Government priorities:

- ◆ A fair marketplace for consumers and traders;
- ◆ Fair and productive workplaces;
- ◆ Simple and transparent dealings with government; and
- ◆ Improved NSW Government performance.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Department of Commerce was formed in 2003 from the former Department of Fair Trading, the former Department of Industrial Relations, the Office of Information Technology in the former Department of Information and Technology Management, and the former Department of Public Works and Services.

In 2004-05, the Department of Commerce was restructured to deliver services more efficiently and effectively. The Department now comprises the Office of Fair Trading, the Office of Industrial Relations, Service Improvement (formerly Office of Government Business), and NSW Procurement (formerly Office of Government Procurement). The former Office of Information, Communications and Technology has been split, with the Government Chief Information Officer (GCIO) now located in NSW Procurement and the remaining ICT projects located in Service Improvement.

This year, budgets for these entities have been consolidated into a single budget for the Department of Commerce. New program statements based on the revised programs are also included in this year's Budget Papers.

The Department's expenses are funded by revenues generated on a fee-for-service basis (66 percent of the total), the Consolidated Fund (26 percent), and statutory funds (8 percent).

In 2004-05, Commerce sold three of its businesses, QStores, State Mail and the Government Printing Service. Each of these businesses competed for work with the private sector and required significant investment. The businesses were sold by a competitive tender process run by a steering committee chaired by NSW Treasury. The tender process was overseen by an independent probity adviser.

The following initiatives were undertaken in 2004-05:

◆ *Fair marketplace for consumers and traders*

- The Department introduced major new consumer protection measures, including mandatory disclosure provisions for credit providers so consumers can meaningfully compare interest rates across different products; improved prudential management of funeral funds to protect the rights of people contributing money to these funds many years in advance; and new requirements setting limits on the powers of strata scheme executive committees to protect the rights of all owners.
- Under new provisions, successful actions were taken to prevent real estate agents quoting different prices to buyers and sellers, and auctioneers accepting dummy bids.
- Commerce spent \$4.5 million to continue implementing the Fair Trading Information Centre, a major call centre that will provide customers with fast and efficient service.
- The Department participated in initiating a national framework for co-ordinating investigation, compliance and enforcement of unlawful marketplace activities originating interstate.

◆ *Fair and productive workplaces*

- The Department implemented the final stage of the Government's three year, \$4.1 million *Behind the Label* program to improve the working lives of NSW clothing outworkers, through the creation of voluntary and mandatory codes for local clothing manufacturers, community education for outworkers and increased industry surveillance.

◆ *Simple and transparent dealings with government*

- By aggregating the purchasing of multiple agencies through period contracts, Commerce generated whole-of-government savings worth approximately \$450 million in 2003-04. Over the past five years, the reported use of period contracts has increased from \$1.6 billion per annum to \$3.1 billion in 2003-04.
- Commerce implemented the “Gateway” review process for capital projects of high risk or expected cost of over \$10 million, or \$5 million for ICT projects. This is a peer and external review procedure that minimises the risk of cost and time overruns in major capital works.
- Commerce began the roll-out of a State-wide broadband service to 24 regional centres. Broadband enables better service delivery, including specialist teaching in remote schools, access to specialist medical advice from regional hospitals, and the distribution of complex, real-time information for emergencies. The broadband service is expected to result in efficiency savings of more than 20 percent per annum (\$10 million per annum).
- The Department negotiated with electricity retailers and provided superior technical analysis of electricity supply contracts. The Department’s negotiations on whole-of-government electricity contracts (\$72 million in 2003-04) delivered savings of \$3.7 million in the six month period to December 2004.

◆ *Improved NSW Government performance*

- Commerce developed a new school classroom design to support reduced class sizes in primary schools. The design, known as the modular design range, is fully fabricated offsite. Benefits include faster construction times and less disruption to schools during construction. Commerce awarded contracts which resulted in 100 classrooms being delivered for occupation at the start of the 2005 school year.
- The Department completed installing 1,400 personal computers and 900 fast Internet connections to 1,200 non-government organisations providing health, welfare and other community services. Development commenced on an internet based system that will allow referrals to be securely transferred between agencies. Efficiency savings across Government are estimated to be \$7 million per year. The total cost of the project is \$7.6 million, of which \$7 million was spent in 2004-05 and remainder in the first half of 2005-06.

- Commerce began the development of the Government Licensing System. The project will improve the quality and efficiency of licensing and increase consumer protection. It will save up to \$70 million in avoided technology infrastructure costs, streamlined business and occupational licensing practices, and integrated licensing regimes.
- Commerce assisted NSW Government agencies to reduce energy consumption and greenhouse gas emissions in government buildings. Electricity costs have been reduced by between 9 percent and 19 percent, depending on the building type. Reductions of up to 1,117 tonnes per annum of carbon dioxide equivalent have been achieved for a large building.

STRATEGIC DIRECTIONS

The strategic directions for the priorities being addressed by the Department are:

- ◆ *Fair marketplace for consumers and traders (Office of Fair Trading):*
 - Improve the fairness of laws governing consumer and trader dealings;
 - Provide consumers and traders access to information on their rights and obligations;
 - Provide traders with information on the commercial benefits of fair practice; and
 - Provide effective compliance with fair trading laws.
- ◆ *Fair and productive workplaces (Office of Industrial Relations):*
 - Advise Government on the fairness and responsiveness of the industrial relations framework and regulations;
 - Provide employers and employees with access to information on their rights and obligations; and
 - Provide effective compliance with industrial relations regulations.
- ◆ *Simple and transparent dealings with government (NSW Procurement):*
 - Provide simple consistent frameworks for dealing with government in the procurement of building infrastructure, information communications technology and goods and services;

- Assist agencies to develop appropriate procurement capabilities;
 - Provide agencies with access to value for money goods and services; and
 - Provide agencies with access to independent advice on large complex procurement.
- ◆ *Improved NSW Government performance (Service Improvement):*
- Deliver value and manage time and cost risks in the creation of building infrastructure;
 - Assist agencies to have the right information communication technology capabilities;
 - Assist agencies to maximise the value of existing physical assets through better planning and management; and
 - Deliver optimal outcomes for state significant projects and mitigate the impact on government service delivery from natural disasters or terrorism.

2005-06 BUDGET

Total Expenses

Total expenses for 2005-06 are budgeted to be \$596.6 million. Total expenses are 11.3 percent lower than the 2004-05 budget. The reduction in expenditure reflects the Department's strategy of divesting services that are not consistent with its core objectives and improved efficiencies in service delivery.

The services provided by the Department of Commerce and the associated direct costs include:

- ◆ \$150 million for policy/legislation review of fair trading laws, compliance and information to the community on fair trading;
- ◆ \$18 million for review and advice on Industrial Relations regulations, compliance and information to employers and employees on regulations;
- ◆ \$13 million towards Smartbuy®, an online procurement system;
- ◆ \$23 million for the management of goods and services standing offer agreements and client specific contracts;

- ◆ \$25 million to Central Corporate Services Unit to reduce the cost of corporate services;
- ◆ \$57 million to provide government information and communication technology services, including managing the Government Radio Network and Long Term Radio Strategy projects. The Department also provides advice to NSW Government agencies to minimise risk and gain the best value from information and communication technology;
- ◆ \$17 million to provide expert technical advice from the Government Architect's Office;
- ◆ \$104 million to provide project management services to assist agencies in the construction of buildings and procurement of information and communication technology;
- ◆ \$21 million to provide technical expert advice to agencies and the community on the management and use of water; and
- ◆ \$121 million to manage the State's motor vehicle fleet to provide value for the NSW Government.

Capital Expenditure

Total capital expenditure in 2005-06 is budgeted at \$281.3 million.

Motor vehicles for State Fleet represent the major component of capital expenditure with an allocation of \$227 million, primarily to replace existing fleet vehicles.

Commerce has allocated \$37 million for information system enhancements, including a new system for project and contract management, fleet management, and records management system. The allocation also allows for the continuation of existing work programs, including the Government Radio Network, the long term radio strategy, Smartbuy®, and the Business License Information Service.

Commerce has also allocated \$17 million towards computer upgrades and replacement, office rationalisation and essential capital maintenance projects.

DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

The Department of Ageing, Disability and Home Care (DADHC) is responsible for delivering programs and policies that assist older people, people with a disability and their carers to participate in community life. The Department is a provider and a funder of supports to this client group. The Department shares this responsibility with a number of other NSW Government agencies that deliver services and programs in areas such as health care, transport, family and children's services, and housing.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

In the 2004-05 Budget, the Government increased funding for services by \$141.3 million over four years. This included \$30.6 million over four years to deliver a broader range of intensive support options for children with a disability and \$54.1 million over four years for reforming the post school programs.

During 2004-05, the Government also provided an additional \$54.5 million to the Department in light of increased demand for services and to stabilise funding and service delivery arrangements. These increases are reflected in the Department's expenses which are estimated at \$1.4 billion in 2004-05.

STRATEGIC DIRECTIONS

The Department is currently working towards developing a sustainable and equitable community care and disability service system that can respond to the significant demand pressures experienced in this area. This system will recognise that:

- ◆ most support for older people and people with a disability is provided by family, friends or others in the community;
- ◆ a small number of older people and people with a disability need periodic or infrequent supports to help them through critical times in their lives; and
- ◆ a very small number of older people and people with a disability need and use specialist supports on a regular basis because they have limited assistance in the community or have high and complex support needs.

Service priorities in 2005-06 will build on the work in 2003-04 and 2004-05 to stabilise current funding and service delivery arrangements. In 2005-06, the major emphasis will be on:

- ◆ improving the flexibility of the Department's services, including broadening the options available to people seeking supported accommodation;
- ◆ making service eligibility more transparent and equitable; and
- ◆ improving the efficiency and effectiveness of the services, including the arrangements for funding and administering non-government providers.

2005-06 BUDGET

Total Expenses

The Department's total expense budget in 2005-06 is \$1.5 billion, an increase of \$163.6 million on the 2004-05 Budget. In 2005-06, this budget will be administered across a new program structure that aligns the Department's services with the two key results that the Department is required to achieve. The key results are that people with ongoing intensive support needs are living in suitable accommodation, and the ability of older people with a disability to live in their own home environment is maximised.

Supported Accommodation

Under this program, the emphasis will be on the services and support programs to assist people with a disability who have intensive support needs. This group of people generally does not have adequate alternative support arrangements that enable them to live in suitable accommodation and participate in the community.

The services are predominantly supported accommodation in community or large residential settings that are provided by the Department or non-government organisations. The program also includes intensive personal care programs that are provided in a person's own home.

Total expenditure in 2005-06 on these services is estimated at \$831.2 million. Major funding allocations include:

- ◆ \$110.2 million over four years (\$10.1 million in 2005-06) for increasing places to support high needs clients transferring from the Department of Community Services when they turn 18, and expected client transfers from other agencies; and
- ◆ \$8.4 million over four years (\$1.2 million in 2005-06) to support trials of alternative supported accommodation models.

Community Support

Under this program, the Department provides an extensive range of less intensive services and supports designed to enable older people and people with a disability to continue to live in their own home environment. It includes community access services, respite, case management and therapy services, and a wide range of personal assistance and community care services.

Total expenditure in 2005-06 on these services is estimated at \$717.9 million. This includes \$8.8 million over four years (\$2.2 million in 2005-06) to clear current blockages to respite beds.

Commonwealth and State Joint Funding Initiatives

The Department's expenditure includes \$425.5 million from the Australian Government to fund a range of services under the Commonwealth-State-Territory Disability Agreement (CSTDA) and the Home and Community Care (HACC) Program. This funding is split across the two program areas.

Commonwealth-State-Territory Disability Agreement (CSTDA)

In 2005-06, the NSW Government's contribution under the Agreement will be \$920.1 million to fund a range of programs and services under the Commonwealth-State-Territory Disability Agreement (CSTDA). Australian Government funding of \$194.2 million in 2005-06 brings total funding under this Agreement to \$1,114.3 million.

Home and Community Care Agreement

The Home and Community Care (HACC) Program is a joint Commonwealth - State Program which provides funding to an extensive range of support services to assist frail older people, and people with a disability, to continue to live independently. The program tries to minimise premature or inappropriate admission of people to permanent residential care.

The Department administers the program with assistance from the Department of Health and the Ministry of Transport. One of the main service providers under this Agreement is the Home Care Service of New South Wales, which is shown separately as an agency in the 2005-06 Budget Papers.

Total estimated expenditure on the HACC Program in 2005-06 is \$468.7 million (includes estimated expenditure of \$62.3 million by the Department of Health under the HACC program). This expenditure, after excluding some carry over of funding for previous years' commitments, provides an increase of \$33.5 million or 8.1 percent on the 2004-05 Budget. The NSW Government's contribution in 2005-06 will be \$183.8 million, an increase of \$13.4 million or 7.9 percent on the 2004-05 Budget.

Non-Government Providers

Expenditure across the Department's various program areas includes funding for the non-government sector for providing various community and accommodation support services. In 2005-06, the total expenditure to non-government providers is estimated at \$723 million.

Capital Expenditure

The Department's capital expenditure program allocation for 2005-06 is \$66.7 million. Major capital expenditure projects include \$24.9 million for acquisition of supported accommodation places for new clients, \$15 million for relocating people with a disability to community based accommodation settings, and \$9.5 million for improvements to or replacement of the Department's various existing accommodation facilities. An amount of \$1.5 million to develop a grants administration system has also been allocated.

HOME CARE SERVICE OF NEW SOUTH WALES

The Home Care Service of New South Wales (Home Care) provides home-based assistance to frail, older people, younger people with a disability and their carers. Assistance is provided to maintain the independence of clients in a community setting and to avoid or delay their admission into institutional care. Home Care receives the bulk of its funding from the Home and Community Care (HACC) Program. Services are also provided on a fee basis under the Disability Services, Veteran Home Care and Commonwealth Aged Care Packages program.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Home Care's budgeted expenditure increased by 1.2 percent in 2004-05, and a further 6 percent increase is budgeted for 2005-06, a total increase of 33.1 percent since 2000-01.

STRATEGIC DIRECTIONS

In 2005-06, the Home Care Service will continue to focus on:

- ◆ taking opportunities to foster State-wide and local partnerships with mainstream and other community based providers to improve outcomes of the service;
- ◆ implement a number of new business systems and processes including financials, human resources and a time management system for rostering care workers;

- ◆ continuing to implement recommendations from the Audit Office Report including introduction of a State-wide fees policy, regular client reviews and quality assurance processes; and
- ◆ examining unit costs including benchmarking with other providers to identify strategies to increase efficiencies.

2005-06 BUDGET

Total Expenses

Home Care's total expenses are projected to be \$187.5 million for 2005-06, an increase of \$10.5 million or 6 percent on the 2004-05 Budget. Total expenses should increase further as the Home Care Service is successful in bidding for HACC growth funds.

Capital Expenditure

Home Care's \$3 million capital expenditure program provides \$1.8 million for the replacement of plant and equipment, and \$1.2 million for motor vehicles.

SUPERANNUATION ADMINISTRATION CORPORATION *(TRADING AS PILLAR ADMINISTRATION)*

The former Superannuation Administration Authority became a statutory State Owned Corporation, the Superannuation Administration Corporation, on 26 July 1999. In November 2001, the Corporation's trading name became Pillar Administration (Pillar).

The business of the corporation, as prescribed in the *Superannuation Administration Authority Corporatisation Act 1999*, is the provision of superannuation scheme administration services and related services in both the public and private sectors. Pillar's clients in the public sector include the trustees of the First State Superannuation Fund, the Pooled Fund, and the Parliamentary Contributory Superannuation Fund. The services provided include collecting contributions and paying benefits, maintaining member records, inquiry services, accounting and finance, and statutory reporting.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

As a State Owned Corporation, Pillar operates on a fully commercial basis. The major corporate objectives in recent years have been:

- ◆ quality of service and compliance for existing clients;
- ◆ system development;
- ◆ market competitiveness and business expansion; and
- ◆ profitability.

The relocation to Wollongong was a Government funded initiative. There are currently 400 positions located in the Coniston building and in adjoining leased premises. Further staff will be located in Wollongong in accordance with business needs.

Pillar has been successful in tendering for additional business, continues to market its services, and expects further success in winning new business. Business expansion will enable it to improve the returns it has from past expenditure on systems development and to spread the costs of general overheads.

STRATEGIC DIRECTIONS

2005-06 BUDGET

As a statutory State Owned Corporation, Pillar is subject to the commercial monitoring regime that provides accountability and reporting requirements to the New South Wales Government as shareholder.

The 2005-06 Statement of Corporate Intent will focus on:

- ◆ maintaining existing clients;
- ◆ quality of service and compliance;
- ◆ system enhancements in line with statutory and market needs;
- ◆ profitability; and
- ◆ business expansion, particularly in the private sector.

Total Expenses

Estimated operating expenses for 2005-06 are forecast at \$52.7 million, an increase over 2004-05 due to increases in staff numbers to administer new client accounts.

Capital Expenditure

Capital expenditure is forecast at \$3.7 million for system enhancements and office fit outs to meet new business needs.

MOTOR ACCIDENTS AUTHORITY

The Motor Accidents Authority of New South Wales (MAA) monitors and supervises the Compulsory Third Party (CTP) Scheme for motor vehicles registered in New South Wales. Competing licensed insurers sell CTP insurance (known as the 'Green Slip') to the public in New South Wales.

The MAA services the community by undertaking the following tasks:

- ◆ monitoring the operation of the CTP Scheme;
- ◆ collection and analysis of statistics on the Scheme;
- ◆ publication and dissemination of information on the Scheme;
- ◆ providing funding for the reduction of trauma as a result of motor vehicle accidents;
- ◆ issuing certain guidelines to ensure compliance with the Act;
- ◆ providing advice to the Minister on the efficiency and effectiveness of the Scheme;
- ◆ providing support and advice to the Motor Accidents Council;
- ◆ supporting the provision of acute care treatment, rehabilitation, long-term support and other services for persons injured in motor accidents;
- ◆ providing claims and medical dispute resolution services and an advisory service;

- ◆ public education and awareness of the Green Slip and various road safety initiatives; and
- ◆ monitoring and review of legislation and policy co-ordination.

The Authority has statutory functions in connection with third party insurance, including its role as the Nominal Defendant and in the licensing and supervision of insurers.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The average CTP insurance premium has been reduced and kept under control through appropriate legislative reforms and a close scrutiny of premium filings. At 30 June 2004 the average premium prices had fallen to pre-1996 levels making them more affordable than ever for NSW motorists.

The MAA manages HIH payments to claimants and service providers through its agent Allianz Insurance Co. Ltd. The actuarial valuation of HIH claims liabilities was estimated at \$163.3 million (discounted value, net of reinsurance and including claims handling expenses) as at 30 June 2004.

STRATEGIC DIRECTIONS

The MAA aims to administer the programs in an effective, efficient and economical manner, whilst ensuring compliance with all relevant statutory requirements.

The MAA's objective is to have a CTP Insurance and Compensation Scheme that is affordable, fair and accessible by:

- ◆ being an effective regulator;
- ◆ promoting appropriate treatment of injured persons;
- ◆ providing medical and claims assessments in disputed cases;
- ◆ providing advice to the Minister, Board, Council, Parliamentary Committee and stakeholders;
- ◆ supporting injury prevention initiatives; and
- ◆ providing services as the Nominal Defendant.

The MAA has been administering HIH Nominal Defendant run-off claim payments, funded by the NSW Treasury and all related matters including liaison with the HIH Liquidator.

2005-06 BUDGET

Total Expenses

The MAA's total expenses in 2005-06 are estimated to be \$39.1 million. This includes \$14.1 million in grants for road safety and rehabilitation projects, and for improvements to the medical and claims assessment services. In 2005-06 total expenses will increase by \$5.6 million in comparison to 2004-05 Budget.

The increase in expenditure in 2005-06 compared to the previous year's Budget consists of the following:

- ◆ an overall increase in employee related costs due to expanded activities in MAA's Motor Accidents Assessment Services (MAAS) from an increase in assessment applications, as well as salary award increases and associated costs; and
- ◆ an increase in other operating expenses due in part to additional grant funding of \$2.9 million, mostly related to Road Safety, and an increase of \$1.1 million in assessors' fees.

Most of MAA's income is derived from the CTP levy which remains at 2.5 percent (same as last year) on gross CTP insurance premiums collected by the licensed insurers. In 2005-06 a projected deficit of \$1.5 million will be funded from MAA's retained earnings.

Capital Expenditure

The Authority's capital expenditure program relates solely to office related equipment such as computers, office machines and furniture and is budgeted at \$0.1 million for 2005-06.

RENTAL BOND BOARD

The Rental Bond Board is a statutory corporation, established under the *Landlord and Tenant (Rental Bonds) Act 1977*, and is the custodian of rental bonds taken on private residential tenancies in New South Wales. It comprises five members, one of whom is the Commissioner of the Office of Fair Trading.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Office of Fair Trading, part of the Department of Commerce, undertakes the administrative functions of the Board on a user pays basis. The Board is a self-funding body, and derives its income mainly from net earnings on rental bond deposits.

The Board estimates that it will administer \$650 million of rental bond deposits on behalf of landlords in 2005-06. These administered funds do not form part of the assets reported within the balance sheet of the Board.

2005-06 BUDGET

Total Expenses

Total expenses are estimated at \$31.2 million in 2005-06 (\$30.3 million in 2004-05). The Board estimates that it will earn \$35.1 million in revenue to support its activities. The Board's expenses include provision for:

- ◆ \$12.3 million to administer the rental bond scheme;
- ◆ \$8.3 million in grants supporting 50 percent of the costs of the residential tenancy functions of the Consumer, Trader and Tenancy Tribunal. The Tribunal has power to determine matters in relation to the termination of tenancy agreements, payment of rental bonds on termination of tenancies, breaches relating to terms of tenancy agreements and payment of compensation;
- ◆ \$4.3 million in grants including support of 50 percent of the costs of the Tenancy Advice and Advocacy Program. This program provides advice, information and advocacy services to public and private tenants and, where appropriate, people seeking to become tenants. The services are provided in accordance with the *Landlord and Tenant (Rental Bonds) Act 1977*;
- ◆ \$5.4 million to meet the operating costs of providing information, education and mediation services within the framework of the *Retirement Villages Act 1989* to tenants, village residents, landlords, their agents and village managements; and
- ◆ \$1.2 million to meet operating costs of strata and mediation services.

WORKCOVER AUTHORITY

In undertaking its statutory role, the WorkCover Authority:

- ◆ promotes the prevention of injuries and diseases at the workplace and the development of healthy and safe workplaces;
- ◆ promotes the prompt, efficient and effective management of the return to work of persons injured at work; and
- ◆ regulates the operation of workers' compensation insurance arrangements.

While the operations of the WorkCover Authority are included in the State Budget, the Budget does not include the underwriting and investment activities of the Workers Compensation Insurance Fund since it is not part of the State accounts.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

To meet the Authority's key corporate objectives, expenditure in recent years reflects ongoing activities in the review and reform of workers' compensation and occupational health and safety legislation.

The revised 2004-05 Budget and 2005-06 Budget data mainly reflects continued funding of reform measures in occupational health and safety requirements and the re-design of the WorkCover Scheme.

STRATEGIC DIRECTIONS

The reforms to workers' compensation are continuing to improve the financial position of the Workers' Compensation Scheme. An independent actuarial report on the Workers' Compensation Scheme as at 31 December 2004 showed the accumulated deficit at \$1.6 billion. This is a \$1.27 billion improvement over the deficit of \$2.9 billion reported at 31 December 2003.

A series of reform initiatives for the Workers' Compensation Scheme is to continue. There will be a focus on improving the viability of the Workers' Compensation Scheme through initiatives that will improve insurer performance, achieve better return-to-work rates and speed up dispute resolution.

2005-06 BUDGET

Total Expenses

Total expenses for the Authority in 2005-06 are estimated at \$266.7 million, including:

- ◆ \$67.9 million for the safety inspectorate and the prevention of injuries and diseases at workplaces;
- ◆ \$34.4 million for the resolution of workers' compensation disputes including funding of the Workers' Compensation Commission;
- ◆ \$29.3 million to meet the cost of workers' compensation related claims made in respect of uninsured employers, failed insurers and those arising from bush fire fighting and emergency services activities; and
- ◆ \$41.3 million for oversight and regulation of the Workers' Compensation Scheme including the support of employers and employees with injury management.

Capital Expenditure

The capital program of \$13.4 million in 2005-06 provides for:

- ◆ \$7.6 million for a range of software applications necessary to deliver the business of WorkCover, meet the requirements of WorkCover Scheme reform and related occupational health and safety legislative changes. The information management and technology strategic plan supports the corporate goals of WorkCover in facilitating the delivery of services to the community. The plan is consistent with the Government's blueprint on information management and technology;
- ◆ \$2.1 million for the implementation and enhancement of infrastructure solutions to provide the technology platform on which the core business activities of WorkCover are based;
- ◆ \$2.8 million for the ongoing program to upgrade office accommodation at a number of regional and district offices including Lismore, Goulburn, Wollongong and Orange; and
- ◆ \$0.9 million for the purchase of minor technical and computer equipment.

WORKERS' COMPENSATION (DUST DISEASES) BOARD

The Workers' Compensation (Dust Diseases) Board was established under the *Workers' Compensation (Dust Diseases) Act 1942*. Under the Act, the Board is required to determine eligibility and award compensation to workers and to dependants of deceased workers. The Board is also responsible for administering the Workers' Compensation (Dust Diseases) Fund and the payment of monies for compensation, awards, research grants, fees, salaries and all other costs of administering the Act, including the operating expenses of the Dust Diseases Tribunal.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Board estimates its liabilities on the basis of incurred but not yet reported (IBNR) claims. The Board's expenditure includes dust disease compensation payments made and any additional dust disease compensation liabilities recognised. Claims expense figures used by the Board are based on actuarial advice.

The Board is projecting to have \$534 million of cash and other financial assets as at June 2006 to offset, together with future levy income, total liabilities of \$1.3 billion.

STRATEGIC DIRECTIONS

The Board's policy is to maintain the Dust Diseases levy rate for 2005-06 at a level sufficient to meet liabilities associated with reported claims and claims incurred but not reported (IBNR) over a medium to longer term.

The Board's fundamental objective is to compensate and improve the care, dignity and health of workers suffering from dust diseases. Recent initiatives include the introduction of a mobile respiratory screening service for industry. The Board also funds numerous research programs and promotes awareness in occupational respiratory health.

The Board has projected investment income of \$42.8 million in 2005-06 (\$38.2 million in 2004-05) reflecting improved market returns.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are estimated at \$89.6 million including payments of claims liabilities of \$62.4 million and other operating expenditure of \$27.2 million.

Capital Expenditure

The Board is budgeting to acquire \$0.5 million of assets in 2005-06, comprising information technology, office refurbishment and scientific equipment upgrades, including a mobile respiratory testing unit.

BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE PAYMENTS CORPORATION

The Corporation administers the *Building and Construction Industry Long Service Payments Act 1986*. The Act provides workers in the building and construction industry with an industry-based, portable long service benefit scheme.

The Corporation earns its revenue to fund the scheme through:

- ◆ a 0.2 percent levy on the cost of prescribed building and construction work in New South Wales; and
- ◆ investment earnings on scheme funds.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Corporation administers long service benefits, which are required to be readily available when members decide to claim them. The Corporation cannot control the numbers of claims that may be made in any year, and therefore disbursements and cash flows may vary significantly from year to year.

Budget figures for scheme liabilities, long service payments, investment and levy income are essentially based on the latest actuarial advice whilst current year projections take into account both actuarial advice and existing circumstances and experience.

STRATEGIC DIRECTIONS

The Corporation is continuing to examine and implement ways in which customer service and the effectiveness and efficiency of the organisation's operations may be improved.

2005-06 BUDGET

Total expenses are estimated to be \$91 million of which \$80.5 million relates to scheme liabilities. This comprises long service payments which are made to beneficiaries and a long service payments liability expense, which encompasses new liabilities accumulating during the year and any changes in the accumulated liability.

Total income is estimated at \$66.3 million, of which \$37.3 million is income from the long service levy and \$29 million is investment earnings from funds invested through NSW Treasury Corporation.

It has been assumed that the current long service levy rate will continue at its existing level. Therefore a budget deficit is forecast in the 2005-06 financial year. The Corporation is monitoring the financial situation closely.

Capital Expenditure

An amount of \$0.7 million has been budgeted for to complete the redesign and enhancement of the Corporation's Worker system and \$0.3 million for annual provisions.

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	436,856	385,662	405,262
Investment income	4,860	5,261	5,155
Retained taxes, fees and fines	36,425	37,776	36,623
Grants and contributions	7,077	10,100	9,082
Other revenue	16,969	5,793	357
Total Retained Revenue	502,187	444,592	456,479
Less:			
Expenses -			
Operating Expenses -			
Employee related	328,608	327,826	308,180
Other operating expenses	147,736	123,647	116,581
Maintenance	1,613	15,624	15,689
Depreciation and amortisation	79,580	88,395	111,570
Grants and subsidies	15,667	18,290	17,205
Borrowing costs	48,993	19,047	25,343
Other expenses	50,167	2,266	2,042
Total Expenses	672,364	595,095	596,610
Gain/(loss) on disposal of non current assets	...	(2,491)	(7,863)
NET COST OF SERVICES	170,177	152,994	147,994
Government contributions	201,421	175,984	167,572
SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS	31,244	22,990	19,578
Distributions -			
Dividends and capital repatriations	9,170	1,743	3,681
Tax equivalents	6,877	1,307	2,761
SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS	15,197	19,940	13,136

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	435,686	312,184	403,346
Retained taxes	(1,700)	(2,220)	(1,290)
Interest	3,778	3,975	3,848
Other	67,237	419,026	332,067
Total Receipts	505,001	732,965	737,971
Payments			
Employee Related	324,171	523,368	306,293
Grants and subsidies	15,667	18,290	17,215
Finance costs	48,993	19,047	25,343
Equivalent Income Tax	5,430	1,466	2,398
Other	178,157	610,105	419,491
Total Payments	572,418	1,172,276	770,740
NET CASH FLOWS FROM OPERATING ACTIVITIES	(67,417)	(439,311)	(32,769)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	29,810	50,588	153,227
Proceeds from sale of investments	...	99,307	...
Purchases of property, plant and equipment	(282,343)	(120,903)	(262,831)
Purchases of investments	(10,000)	...	(4,253)
Other	24	39,298	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(262,509)	68,290	(113,857)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	128,848	351,512	...
Repayment of borrowings and advances	(12)	(19)	(8,919)
Dividends paid	(7,565)	(8,087)	(1,743)
NET CASH FLOWS FROM FINANCING ACTIVITIES	121,271	343,406	(10,662)

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT (cont)			
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	174,354	156,566	145,427
Capital appropriation	19,255	12,488	17,730
Cash reimbursements from the Consolidated Fund Entity	2,476	2,475	...
Cash transfers to Consolidated Fund	...	(12,315)	...
NET CASH FLOWS FROM GOVERNMENT	196,085	159,214	163,157
NET INCREASE/(DECREASE) IN CASH	(12,570)	131,599	5,869
Opening Cash and Cash Equivalents	214,629	50,980	182,579
CLOSING CASH AND CASH EQUIVALENTS	202,059	182,579	188,448
CASH FLOW RECONCILIATION			
Surplus/(net cost of services) for year before distributions	(177,054)	(154,301)	(150,755)
Non cash items added back	89,332	91,568	114,685
Change in operating assets and liabilities	20,305	(376,578)	3,301
Net cash flow from operating activities	(67,417)	(439,311)	(32,769)

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	202,059	182,579	188,448
Receivables	196,548	195,029	200,367
Other financial assets	35,950	166,348	171,893
Inventories	9,215	23,885	22,907
Other	95,125	130,564	32,174
Total Current Assets	538,897	698,405	615,789
Non Current Assets -			
Inventories	6,580	6,329	6,153
Property, plant and equipment -			
Land and building	40,193	45,705	45,235
Plant and equipment	483,291	431,558	440,682
Other	60,037	60,498	62,893
Total Non Current Assets	590,101	544,090	554,963
Total Assets	1,128,998	1,242,495	1,170,752
LIABILITIES -			
Current Liabilities -			
Payables	193,860	319,646	341,733
Interest bearing	4	84,367	82,223
Tax	7,989	327	690
Provisions	40,563	30,616	33,529
Other	108,334	1,100	1,100
Total Current Liabilities	350,750	436,056	459,275
Non Current Liabilities -			
Interest bearing	293,662	267,149	260,374
Provisions	62,913	63,939	66,462
Other	200	2,407	2,432
Total Non Current Liabilities	356,775	333,495	329,268
Total Liabilities	707,525	769,551	788,543
NET ASSETS	421,473	472,944	382,209

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
<hr/>			
STATEMENT OF FINANCIAL POSITION (cont)			
EQUITY			
Reserves	17,542	21,502	21,502
Accumulated funds	403,931	451,442	360,707
TOTAL EQUITY	421,473	472,944	382,209

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AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

56.1 Commerce

56.1.1 Office of Fair Trading*

Program Objective(s): To ensure a fair marketplace for consumers and traders.

Program Description: Review of fair trading legislation, provision of information and other services to consumers and traders, compliance enforcement and impartial dispute resolution through an independent Tribunal.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Legislation assessed as fair to consumers/traders	%	100	100	100	100
Customer satisfaction with services	%	94	89	≥90	≥90
Accuracy of information provided to public	%	87	99	≥90	≥90
Informal consumer complaint resolution rate	%	72	67	≥70	≥70
Prosecutions which are successful	%	86	91	≥90	≥90
 <u>Outputs:</u>					
Enquiries	thous	1,563	2,779	2,830	2,818
Investigations	no.	2,406	2,163	1,876	1,930
Complaints	no.	26,109	29,758	32,300	32,300
Business name and licensing transactions	thous	597	606	615	611
Consumer Trader & Tenancy Tribunal Applications					
General division	no.	6,843	5,803	5,373	5,105
Home Building division	no.	5,685	4,048	4,000	4,000
Commercial division	no.	336	380	384	411
Motor Vehicle division	no.	1,447	1,197	1,029	977
Tenancy division	no.	45,306	46,498	44,670	46,010
Residential Parks division	no.	1,104	1,022	1,298	1,558
Retirement Villages division	no.	58	43	50	55
Strata & Community Schemes division	no.	918	945	1,043	1,116
Strata Schemes Mediations	no.	926	1,027	1,050	1,110
 <u>Average Staffing:</u>	EFT	1,149	1,160	1,106**	1,106**

* Budget 2004-05 Programs 59.1.1 Office of Fair Trading and 59.1.2 Consumer, Trader and Tenancy Tribunal have been merged to form Program 56.1.1 Office of Fair Trading.

** 90 staff transferred to Program 56.1.4 Service Improvement.

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

56.1 Commerce

56.1.1 Office of Fair Trading (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	87,205	87,787	89,936
Other operating expenses	34,024	33,457	33,828
Depreciation and amortisation	9,550	6,550	7,000
Grants and subsidies			
Financial counselling services	1,400	1,400	1,435
Recurrent grants to non-profit organisations	138	99	141
Miscellaneous education grants	510	173	520
Co-operative development	357	153	364
Building service grants	662	303	675
Tenancy advice and advocacy education program	3,500	3,462	3,570
Subsidies to organisations - public financial enterprises	9,100	12,100	10,500
Other expenses			
Settlement of claims for damages	1,300	1,809	1,326
Indemnity and guarantee payments under Govt Guaranteed Loan Scheme	150	150	150
Legal and other costs	550	267	561
Ex gratia payments	5	40	5
Total Expenses	148,451	147,750	150,011
Less:			
Retained Revenue -			
Sales of goods and services			
Publication sales	125	176	180
Fees for services	4,000	4,754	4,872
Recoupment of administration costs - non general government agencies	3,600	3,000	2,200
Recoupment of administration costs - general government agencies	19,067	18,400	21,552
Electrical appliance testing	1,000	1,041	1,067
Register of Encumbered Vehicles fees	8,400	8,121	8,324
Minor sales of goods and services	50	103	50

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

56.1 Commerce

56.1.1 Office of Fair Trading (cont)

Investment income	2,030	2,531	2,520
Retained taxes, fees and fines	36,425	37,776	36,623
Grants and contributions	7,077	9,350	8,313
Other revenue	419	356	280
Total Retained Revenue	82,193	85,608	85,981
NET COST OF SERVICES	66,258	62,142	64,030
CAPITAL EXPENDITURE	6,547	10,997	4,842

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

56.1 Commerce

56.1.2 Office of Industrial Relations

Program Objective(s): To ensure industrial relations laws in New South Wales are understood and complied with, and administration of the public sector appeals process.

Program Description: Provision of industrial relations information and policy advice. Inspection and regulation of NSW workplaces. Hearing and adjudication of appeals against promotion and disciplinary decisions in the public sector.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Employers who comply with industrial relations laws within three months after being notified they don't comply	%	72	77	80	75
Non compliant employers who comply or who are prosecuted within six months after being notified they don't comply	%	51	81	90	90
 <u>Outputs:</u>					
Information packages delivered to workplace	no.	5,000	7,700	10,500	11,000
Handling of enquiries in a timely manner	%	75	85	85	85
Successful prosecutions	%	100	97	97	97
 <u>Average Staffing:</u>	 EFT	 208	 195	 155*	 155*

* 23 staff transferred to Program 56.1.4 Service Improvement.

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AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

56.1 Commerce

56.1.2 Office of Industrial Relations (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	13,033	12,971	13,303
Other operating expenses	4,800	4,759	4,168
Maintenance	163	51	70
Depreciation and amortisation	1,160	750	750
Grants and subsidies			
Recurrent grants to non-profit organisations	...	600	...
Total Expenses	19,156	19,131	18,291
Less:			
Retained Revenue -			
Sales of goods and services			
Publication sales	180	200	210
Fees for services	87	87	95
Sale of transcripts	19	19	25
Minor sales of goods and services	3	3	10
Investment income	30	30	35
Other revenue	1	25	30
Total Retained Revenue	320	364	405
NET COST OF SERVICES	18,836	18,767	17,886
CAPITAL EXPENDITURE			
	160	160	160

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AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

56.1 Commerce

56.1.3 NSW Procurement

Program Objective(s): To reduce procurement costs and risks for the NSW Government by providing simple and consistent procurement frameworks between the NSW Government and commercial entities.

Program Description: In consultation with government and commercial stakeholders develop equitable procurement processes, effective probity and specialist procurement tools for asset, goods and services and information communication and technology procurement. Assist agencies to develop their procurement capabilities.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
\$ savings to NSW Government achieved through the Commerce master media and placement contracts compared to market media rates	mill	32.9	31.6	29.0	29.0
Disputes settlement ratio (%) (\$settled amount/ \$amount claimed)	%	24	18	26	26
<u>Outputs:</u>					
\$ spent transacted through Commerce managed goods and services contracts per quarter.	bill	2.89	3.12	3.28	3.50
Accuracy of all advertisements placed as intended	%	98.5	99.0	98.0	98.0
Value of contracts adversely affected by insolvency of prequalified contractors and consultants compared to the value of all contracts	%	0.4	...	<1.0	<1.0
Visits to NSW Government portal	mill	1.6	1.8	2.0	2.2
Value of C21/GC21 contracts compared to construction contracts valued over \$1 million under Commerce default Procurement System	%	80	75	85	90
eTenders as a proportion of Government tenders (based on GAI data)	%	30	30	35	40
Overall average performance score of prequalified contractors (for construction works)	%	62.9	66.9	65	65
Users on the Government Radio Network	no.	15,800	14,900	14,900	15,000
<u>Average Staffing:</u>	EFT	n.a.*	n.a.*	356	312

* NSW Procurement was formed in 2004-05

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

56.1 Commerce

56.1.3 NSW Procurement* (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating Expenses -			
Employee related	46,180	44,193	39,957
Other operating expenses	36,684	45,882	51,066
Maintenance	625	14,826	15,073
Depreciation and amortisation	3,635	8,111	10,621
Other expenses	48,162	...	...
Total Expenses	135,286	113,012	116,717
Less:			
Retained Revenue -			
Sales of goods and services	83,998	69,285	72,382
Investment income	560	540	520
Grants and contributions	...	750	769
Other revenue	3,078	407	44
Total Retained Revenue	87,636	70,982	73,715
NET COST OF SERVICES	47,650	42,030	43,002
CAPITAL EXPENDITURE	20,863	13,077	23,883

* This Program, and Program 56.1.4 Service Improvement, contribute all of the dividends and tax equivalent payments shown in the Department of Commerce Operating Statement.

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

56.1 Commerce

56.1.4 Service Improvement

Program Objective(s): To deliver value and minimise risk for the NSW Government in the creation of assets, maximise the value of existing assets, reduce risks from natural disasters and acts of terrorism, through the provision of expert advice.

Program Description: Provide NSW Government agencies with expert technical advice in asset creation, ICT and the management of existing assets. Services include project management, program management, architectural and other technical expertise.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outcomes:</u>					
Client satisfaction with the asset outcome	%	n.a.	82	84	80
<u>Outputs:</u>					
Projects managed by Commerce completed within budget	%	n.a.	94	95	95
Projects managed by Commerce completed on time	%	n.a.	95	95	95
Average square metres of government office accommodation	Sq m	17.70	17.75	17.88	18.00
<u>Average Staffing:</u>	EFT	n.a.*	n.a.*	1,997**	1,942**

* Service Improvement was formed in 2004-05.

** 90 staff transferred from Program 56.1.1 Office of Fair Trading and 23 staff transferred from Program 56.1.2 Office of Industrial Relations.

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AND MINISTER FOR DISABILITY SERVICES**

56 DEPARTMENT OF COMMERCE

56.1 Commerce

56.1.4 Service Improvement* (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating Expenses -			
Employee related	182,190	182,875	164,984
Other operating expenses	72,228	39,549	27,519
Maintenance	825	747	546
Depreciation and amortisation	65,235	72,984	93,199
Borrowing costs	48,993	19,047	25,343
Total Expenses	369,471	315,202	311,591
Less:			
Retained Revenue -			
Sales of goods and services	316,327	280,473	294,295
Investment income	2,240	2,160	2,080
Grants and contributions	...	...	...
Other revenue	13,471	5,005	3
Total Retained Revenue	332,038	287,638	296,378
Gain/(loss) on disposal of non current assets	...	(2,491)	(7,863)
NET COST OF SERVICES	37,433	30,055	23,076
CAPITAL EXPENDITURE			
	234,865	234,189	252,390

* This Program and Program 56.1.3 NSW Procurement contribute all of the dividends and tax equivalent payments shown in the Department of Commerce Operating Statement.

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

57 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	440,394	464,228	480,256
Other operating expenses	86,349	88,107	88,311
Maintenance	10,574	10,574	10,479
Depreciation and amortisation	6,131	6,131	8,397
Grants and subsidies	833,454	847,293	952,154
Other expenses	8,502	8,502	9,433
Total Expenses	1,385,404	1,424,835	1,549,030
Less:			
Retained Revenue -			
Sales of goods and services	28,399	24,062	27,955
Investment income	478	1,278	1,242
Grants and contributions	9,891	5,747	5,941
Other revenue	...	7,681	3,286
Total Retained Revenue	38,768	38,768	38,424
Gain/(loss) on disposal of non current assets	...	(1,927)	415
NET COST OF SERVICES	1,346,636	1,387,994	1,510,191

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AND MINISTER FOR DISABILITY SERVICES**

57 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	425,203	440,927	453,261
Grants and subsidies	833,454	847,293	952,154
Other	108,189	126,672	115,571
Total Payments	1,366,846	1,414,892	1,520,986
Receipts			
Sale of goods and services	28,399	24,062	27,955
Interest	478	1,278	1,242
Other	11,814	7,151	12,392
Total Receipts	40,691	32,491	41,589
NET CASH FLOWS FROM OPERATING ACTIVITIES	(1,326,155)	(1,382,401)	(1,479,397)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	11,433	3,015
Purchases of property, plant and equipment	(36,763)	(36,763)	(66,766)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(36,763)	(25,330)	(63,751)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	1,299,468	1,357,119	1,480,573
Capital appropriation	36,763	37,236	66,766
Cash reimbursements from the Consolidated Fund Entity	22,137	24,800	...
Cash transfers to Consolidated Fund	...	(2,821)	(1,848)
NET CASH FLOWS FROM GOVERNMENT	1,358,368	1,416,334	1,545,491
NET INCREASE/(DECREASE) IN CASH	(4,550)	8,603	2,343
Opening Cash and Cash Equivalents	9,289	6,442	15,045
CLOSING CASH AND CASH EQUIVALENTS	4,739	15,045	17,388

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

57 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

	2004-05	
	Budget	Revised
	\$000	\$000

	2005-06
	Budget
	\$000

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

Net cost of services	(1,346,636)	(1,387,994)	(1,510,191)
Non cash items added back	32,317	32,317	34,792
Change in operating assets and liabilities	(11,836)	(26,724)	(3,998)
Net cash flow from operating activities	(1,326,155)	(1,382,401)	(1,479,397)

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

57 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	4,739	15,045	17,388
Receivables	8,620	29,942	28,692
Inventories	310	247	247
Other	407	169	169
Total Current Assets	14,076	45,403	46,496
Non Current Assets -			
Property, plant and equipment -			
Land and building	363,270	410,299	452,572
Plant and equipment	35,896	30,527	35,056
Intangibles	...	...	8,967
Total Non Current Assets	399,166	440,826	496,595
Total Assets	413,242	486,229	543,091
LIABILITIES -			
Current Liabilities -			
Payables	21,258	30,527	25,694
Provisions	29,163	30,532	30,532
Other	...	1,848	...
Total Current Liabilities	50,421	62,907	56,226
Non Current Liabilities -			
Provisions	...	2,710	2,710
Total Non Current Liabilities	...	2,710	2,710
Total Liabilities	50,421	65,617	58,936
NET ASSETS	362,821	420,612	484,155
EQUITY			
Reserves	65,512	133,561	133,561
Accumulated funds	297,309	287,051	350,594
TOTAL EQUITY	362,821	420,612	484,155

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AND MINISTER FOR DISABILITY SERVICES**

57 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

57.1 Supported Accommodation

57.1.1 Supported Accommodation

Program Objective(s): To enable people without adequate alternative support arrangements to live in suitable accommodation and to participate in the community.

Program Description: Providing supported accommodation for people with a disability and intensive personal care services to frail older people and people with a disability. Services are provided directly by the Department or through non-government organisations funded by the Department.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
Supported accommodation places	no.	4,931	5,053	5,179	5,314
Attendant care places	no.	214	314	314	314
Personal care (hours)	thous	1,693	1,801	1,889	2,003
<u>Average Staffing:</u>	EFT	4,285	4,376	4,796	4,796

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	317,829	340,182	344,475
Other operating expenses	47,789	49,642	50,683
Maintenance	6,257	6,331	5,467
Depreciation and amortisation	3,246	3,249	4,448
Grants and subsidies			
Disability Services program	268,657	288,640	319,288
Home and Community Care program	84,654	84,614	91,466
Grants to agencies for recurrent purposes	221	223	223
Capital grants to non-profit organisations	1,196	1,207	5,674
Other expenses			
Expenses for child support and departmental residential care	8,502	8,502	9,433
Total Expenses	738,351	782,590	831,157

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MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

57 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

57.1 Supported Accommodation

57.1.1 Supported Accommodation (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Residential client fees	27,010	22,864	27,955
Minor sales of goods and services	1,383	288	...
Investment income	202	736	716
Total Retained Revenue	28,595	23,888	28,671
Gain/(loss) on disposal of non current assets	...	(1,927)	415
NET COST OF SERVICES	709,756	760,629	802,071

CAPITAL EXPENDITURE	27,310	27,313	59,067
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AND MINISTER FOR DISABILITY SERVICES**

57 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

57.2 Community Support

57.2.1 Community Support

Program Objective(s): To assist older people and people with a disability to live in their own home environment.

Program Description: Providing a range of services to older people and people with a disability including respite, community access and day programs, skill development, therapy and case management, and a wide range of personal assistance services. Services are provided directly by the Department or through non-government organisations funded by the Department.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Respite clients	no.	20,000	22,000	23,000	24,000
Post-school program places	no.	n.a.	n.a.	3,790	4,275
Personal assistance services (hours)	thous	4,127	4,413	4,909	5,203
<u>Average Staffing:</u>	EFT	941	960	1,053	1,129

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	122,565	124,046	135,781
Other operating expenses	38,560	38,465	37,628
Maintenance	4,317	4,243	5,012
Depreciation and amortisation	2,885	2,882	3,949
Grants and subsidies			
Disability Services program	180,327	190,363	208,575
Community development	137	137	137
Financial Assistance for Veterans Access Program	...	...	5,533
Home and Community Care program	292,773	276,608	314,937
Ageing program	4,489	4,489	5,298
Grants to agencies for recurrent purposes	197	220	198
Capital grants to non-profit organisations	803	792	825

Total Expenses	647,053	642,245	717,873
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AND MINISTER FOR DISABILITY SERVICES**

57 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE

57.2 Community Support

57.2.1 Community Support (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	6	910	...
Investment income	276	542	526
Grants and contributions	9,891	5,747	5,941
Other revenue	...	7,681	3,286

Total Retained Revenue	10,173	14,880	9,753
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NET COST OF SERVICES	636,880	627,365	708,120
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CAPITAL EXPENDITURE	9,453	9,450	7,699
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**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

58 HOME CARE SERVICE OF NEW SOUTH WALES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	145,807	143,468	155,855
Other operating expenses	29,323	28,637	29,576
Maintenance	4	200	204
Depreciation and amortisation	1,800	1,369	1,845
Total Expenses	176,934	173,674	187,480
Less:			
Retained Revenue -			
Sales of goods and services	29,780	26,770	28,581
Investment income	1,200	1,200	1,470
Grants and contributions	148,248	148,909	153,974
Other revenue	1,203	795	1,423
Total Retained Revenue	180,431	177,674	185,448
NET COST OF SERVICES	(3,497)	(4,000)	2,032

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

58 HOME CARE SERVICE OF NEW SOUTH WALES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	144,977	144,181	155,845
Other	34,668	51,398	49,563
Total Payments	179,645	195,579	205,408
Receipts			
Sale of goods and services	29,426	26,639	28,416
Interest	1,200	1,200	1,470
Other	154,531	169,598	175,397
Total Receipts	185,157	197,437	205,283
NET CASH FLOWS FROM OPERATING ACTIVITIES	5,512	1,858	(125)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	900	1,265	1,076
Purchases of property, plant and equipment	(3,000)	(3,000)	(3,000)
Purchases of investments	...	...	(52)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(2,100)	(1,735)	(1,976)
NET INCREASE/(DECREASE) IN CASH	3,412	123	(2,101)
Opening Cash and Cash Equivalents	13,120	17,654	17,777
CLOSING CASH AND CASH EQUIVALENTS	16,532	17,777	15,676
CASH FLOW RECONCILIATION			
Net cost of services	3,497	4,000	(2,032)
Non cash items added back	1,800	1,369	1,845
Change in operating assets and liabilities	215	(3,511)	62
Net cash flow from operating activities	5,512	1,858	(125)

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

58 HOME CARE SERVICE OF NEW SOUTH WALES

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	16,532	17,777	15,676
Receivables	7,851	7,851	7,851
Other	2	2	2
Total Current Assets	24,385	25,630	23,529
Non Current Assets -			
Other financial assets	14,185	12,204	13,204
Property, plant and equipment -			
Land and building	1,060	720	720
Plant and equipment	6,421	5,385	5,413
Intangibles	...	...	51
Total Non Current Assets	21,666	18,309	19,388
Total Assets	46,051	43,939	42,917
LIABILITIES -			
Current Liabilities -			
Payables	6,605	5,081	5,091
Provisions	9,550	9,550	9,550
Other	4,814	1,900	1,952
Total Current Liabilities	20,969	16,531	16,593
Non Current Liabilities -			
Provisions	17,011	17,011	22,574
Total Non Current Liabilities	17,011	17,011	22,574
Total Liabilities	37,980	33,542	39,167
NET ASSETS	8,071	10,397	3,750
EQUITY			
Reserves	9,915	7,548	8,496
Accumulated funds	3,497	2,849	(4,746)
TOTAL EQUITY	13,412	10,397	3,750

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

58 HOME CARE SERVICE OF NEW SOUTH WALES

58.1 Home Care Service

58.1.1 Home Care Service

Program Objective(s): To assist frail older people, younger people with a disability and their carers, who, without assistance, would be unable to remain living at home.

Program Description: Provision of home care services including personal care, domestic assistance, respite care, live-in/overnight care, shopping, meal preparation and home maintenance.

<u>Outputs:</u>	Units	2002-03	2003-04	2004-05	2005-06
Total hours of service provided for the year	thous	4,052	4,189	3,612	3,991*
Domestic Assistance hours	%	46	45	47	48
Personal Care hours	%	38	38	39	38
Respite Care hours	%	13	13	12	12
Other Care hours	%	3	4	2	2
Total number of customers serviced per year	thous	55	56	52	53
Average hours per customer per year	no.	74	75	70	75
<u>Average Staffing:</u>	EFT	3,019	2,925	2,773	2,900

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	145,807	143,468	155,855
Other operating expenses	29,323	28,637	29,576
Maintenance	4	200	204
Depreciation and amortisation	1,800	1,369	1,845
Total Expenses	176,934	173,674	187,480

* Government funding for services under the HACC Program will rise by an estimated \$33.5 million in 2005-06. The funding is allocated to the Department of Ageing Disability and Home Care to maintain and purchase more HACC services. These services are provided by the Government's Home Care Service and non-government service providers. Hours of service provided through the Home Care Service could rise further if it successfully competes for a share of this additional funding.

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

58 HOME CARE SERVICE OF NEW SOUTH WALES

58.1 Home Care Service

58.1.1 Home Care Service (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Home Care Service fees	29,780	26,770	28,581
Investment income	1,200	1,200	1,470
Grants and contributions	148,248	148,909	153,974
Other revenue	1,203	795	1,423

Total Retained Revenue	180,431	177,674	185,448
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NET COST OF SERVICES	(3,497)	(4,000)	2,032
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CAPITAL EXPENDITURE	3,000	3,000	3,000
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**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES
SUPERANNUATION ADMINISTRATION CORPORATION**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	51,434	51,723	56,458
Investment income	99	225	250
Other revenue	721	1,853	478
Total Retained Revenue	52,254	53,801	57,186
Less:			
Expenses -			
Operating Expenses -			
Employee related	25,855	30,973	33,078
Other operating expenses	14,908	12,845	12,415
Maintenance	2,729	3,036	3,188
Depreciation and amortisation	4,055	3,943	3,969
Total Expenses	47,547	50,797	52,650
SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS	4,707	3,004	4,536
Distributions -			
Dividends and capital repatriations	951	841	1,144
Tax equivalents	1,019	901	1,226
SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS	2,737	1,262	2,166

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES
SUPERANNUATION ADMINISTRATION CORPORATION**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	50,692	51,582	56,427
Interest	99	225	250
Other	4,535	5,814	4,112
Total Receipts	55,326	57,621	60,789
Payments			
Employee Related	25,960	32,451	33,936
Equivalent Income Tax	426	932	622
Other	21,777	17,169	20,509
Total Payments	48,163	50,552	55,067
NET CASH FLOWS FROM OPERATING ACTIVITIES	7,163	7,069	5,722
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(3,000)	(5,539)	(3,700)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(3,000)	(5,539)	(3,700)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	(1,000)	...	...
Dividends paid	(1,120)	(1,076)	(841)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(2,120)	(1,076)	(841)
NET INCREASE/(DECREASE) IN CASH	2,043	454	1,181
Opening Cash and Cash Equivalents	5,135	6,103	6,557
CLOSING CASH AND CASH EQUIVALENTS	7,178	6,557	7,738
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	3,688	2,103	3,310
Non cash items added back	4,055	3,943	3,969
Change in operating assets and liabilities	(580)	1,023	(1,557)
Net cash flow from operating activities	7,163	7,069	5,722

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES
SUPERANNUATION ADMINISTRATION CORPORATION**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	7,178	6,557	7,738
Receivables	8,255	5,876	6,273
Other	325	325	325
Total Current Assets	15,758	12,758	14,336
Non Current Assets -			
Property, plant and equipment -			
Land and building	...	4,000	4,000
Plant and equipment	10,654	8,879	8,610
Other	1,500	2,345	2,066
Total Non Current Assets	12,154	15,224	14,676
Total Assets	27,912	27,982	29,012
LIABILITIES -			
Current Liabilities -			
Payables	2,868	3,226	3,868
Tax	948	901	1,226
Provisions	8,972	6,640	5,395
Total Current Liabilities	12,788	10,767	10,489
Non Current Liabilities -			
Tax	53	...	...
Provisions	1,240	4,073	3,215
Other	150	229	229
Total Non Current Liabilities	1,443	4,302	3,444
Total Liabilities	14,231	15,069	13,933
NET ASSETS	13,681	12,913	15,079
EQUITY			
Accumulated funds	13,681	12,913	15,079
TOTAL EQUITY	13,681	12,913	15,079

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

MOTOR ACCIDENTS AUTHORITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Investment income	1,200	1,500	1,367
Retained taxes, fees and fines	35,258	36,000	36,232
Other revenue	...	4	...
Total Retained Revenue	36,458	37,504	37,599
Less:			
Expenses -			
Operating Expenses -			
Employee related	8,768	7,025	10,033
Other operating expenses	24,591	23,450	28,831
Depreciation and amortisation	91	224	219
Total Expenses	33,450	30,699	39,083
Gain/(loss) on disposal of non current assets	...	(35)	...
SURPLUS/(DEFICIT)	3,008	6,770	(1,484)

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

MOTOR ACCIDENTS AUTHORITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Retained taxes	34,164	36,011	34,625
Interest	1,200	1,500	1,367
Other	79,051	59,259	29,664
Total Receipts	114,415	96,770	65,656
Payments			
Employee Related	8,863	7,808	10,012
Finance costs	...	(10)	10
Other	103,864	85,046	57,801
Total Payments	112,727	92,844	67,823
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,688	3,926	(2,167)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(85)	...	(100)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(85)	...	(100)
NET INCREASE/(DECREASE) IN CASH	1,603	3,926	(2,267)
Opening Cash and Cash Equivalents	18,923	15,040	18,966
CLOSING CASH AND CASH EQUIVALENTS	20,526	18,966	16,699
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	3,008	6,770	(1,484)
Non cash items added back	91	224	219
Change in operating assets and liabilities	(1,411)	(3,068)	(902)
Net cash flow from operating activities	1,688	3,926	(2,167)

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

MOTOR ACCIDENTS AUTHORITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	20,526	18,966	16,699
Receivables	51,404	31,983	23,646
Other	6,622	5,175	3,987
Total Current Assets	78,552	56,124	44,332
Non Current Assets -			
Receivables	65,833	76,244	57,149
Property, plant and equipment - Land and building	...	908	807
Plant and equipment	189	129	111
Total Non Current Assets	66,022	77,281	58,067
Total Assets	144,574	133,405	102,399
LIABILITIES -			
Current Liabilities -			
Payables	512	1,444	505
Provisions	556	624	780
Other	48,129	29,010	19,095
Total Current Liabilities	49,197	31,078	20,380
Non Current Liabilities -			
Provisions	850	1,500	1,771
Other	65,833	76,244	57,149
Total Non Current Liabilities	66,683	77,744	58,920
Total Liabilities	115,880	108,822	79,300
NET ASSETS	28,694	24,583	23,099
EQUITY			
Accumulated funds	28,694	24,583	23,099
TOTAL EQUITY	28,694	24,583	23,099

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
RENTAL BOND BOARD

	2004-05	
	Budget	Revised
	\$000	\$000
	2005-06	
	Budget	
	\$000	
OPERATING STATEMENT		
Retained Revenue -		
Investment income	32,842	34,793
	32,842	34,793
Total Retained Revenue	32,842	34,793
Less:		
Expenses -		
Operating Expenses -		
Other operating expenses	18,898	18,112
Grants and subsidies	11,397	12,315
	30,295	30,427
Total Expenses	30,295	30,427
SURPLUS	2,547	4,366

MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
RENTAL BOND BOARD

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest	31,802	33,538	33,773
Other	16	170	170
Total Receipts	31,818	33,708	33,943
Payments			
Grants and subsidies	11,397	12,315	12,582
Other	18,954	18,400	18,784
Total Payments	30,351	30,715	31,366
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,467	2,993	2,577
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	50	...	...
Advance repayments received	60	56	60
NET CASH FLOWS FROM INVESTING ACTIVITIES	110	56	60
NET INCREASE/(DECREASE) IN CASH	1,577	3,049	2,637
Opening Cash and Cash Equivalents	14,986	18,764	21,813
CLOSING CASH AND CASH EQUIVALENTS	16,563	21,813	24,450
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	2,547	4,366	3,937
Non cash items added back	(1,040)	(1,255)	(1,260)
Change in operating assets and liabilities	(40)	(118)	(100)
Net cash flow from operating activities	1,467	2,993	2,577

**MINISTER FOR JUSTICE AND MINISTER FOR FAIR TRADING
RENTAL BOND BOARD**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	16,563	21,813	24,450
Receivables	235	177	277
Other financial assets	24,388	24,602	25,842
Total Current Assets	41,186	46,592	50,569
Non Current Assets -			
Other financial assets	165	176	136
Total Non Current Assets	165	176	136
Total Assets	41,351	46,768	50,705
LIABILITIES -			
Current Liabilities -			
Other	85	600	600
Total Current Liabilities	85	600	600
Total Liabilities	85	600	600
NET ASSETS	41,266	46,168	50,105
EQUITY			
Accumulated funds	41,266	46,168	50,105
TOTAL EQUITY	41,266	46,168	50,105

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

WORKCOVER AUTHORITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	28,403	28,363	36,742
Investment income	11,016	11,021	11,637
Retained taxes, fees and fines	182,240	202,970	198,037
Other revenue	2,636	11,929	7,769
Total Retained Revenue	224,295	254,283	254,185
Less:			
Expenses -			
Operating Expenses -			
Employee related	84,515	89,103	87,117
Other operating expenses	109,481	100,513	123,960
Maintenance	308	800	449
Depreciation and amortisation	10,770	10,699	10,444
Grants and subsidies*	33,101	44,123	44,713
Total Expenses	238,175	245,238	266,683
SURPLUS/(DEFICIT)	(13,880)	9,045	(12,498)

* Includes the funding of the Workers' Compensation Commission.

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

WORKCOVER AUTHORITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	28,403	26,348	36,742
Retained taxes	182,240	202,970	198,037
Interest	10,766	10,771	11,317
Other	13,630	22,923	18,765
Total Receipts	235,039	263,012	264,861
Payments			
Employee Related	83,305	94,362	87,507
Grants and subsidies	8,868	12,423	10,300
Other	146,321	137,151	252,649
Total Payments	238,494	243,936	350,456
NET CASH FLOWS FROM OPERATING ACTIVITIES	(3,455)	19,076	(85,595)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	56,118	27,421	155,401
Purchases of property, plant and equipment	(16,023)	(17,181)	(13,363)
Purchases of investments	(39,455)	(20,639)	(58,059)
NET CASH FLOWS FROM INVESTING ACTIVITIES	640	(10,399)	83,979
NET INCREASE/(DECREASE) IN CASH	(2,815)	8,677	(1,616)
Opening Cash and Cash Equivalents	30,797	21,677	30,354
CLOSING CASH AND CASH EQUIVALENTS	27,982	30,354	28,738
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(13,880)	9,045	(12,498)
Non cash items added back	10,520	10,449	10,124
Change in operating assets and liabilities	(95)	(418)	(83,221)
Net cash flow from operating activities	(3,455)	19,076	(85,595)

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

WORKCOVER AUTHORITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	27,982	30,354	28,738
Receivables	28,884	29,924	29,940
Other financial assets	19,951	18,861	10,217
Inventories	119	89	89
Other	1,675	1,008	1,008
Total Current Assets	78,611	80,236	69,992
Non Current Assets -			
Receivables	24,231	45,134	45,134
Other financial assets	190,128	215,266	126,888
Property, plant and equipment -			
Land and building	18,938	21,592	22,592
Plant and equipment	46,074	35,407	37,326
Infrastructure systems	(8)	(8)	(8)
Total Non Current Assets	279,363	317,391	231,932
Total Assets	357,974	397,627	301,924
LIABILITIES -			
Current Liabilities -			
Payables	14,765	13,621	13,621
Provisions	13,564	12,004	13,214
Other	28,367	28,472	12,743
Total Current Liabilities	56,696	54,097	39,578
Non Current Liabilities -			
Provisions	246,429	260,798	190,959
Other	16,808	...	32,096
Total Non Current Liabilities	263,237	260,798	223,055
Total Liabilities	319,933	314,895	262,633
NET ASSETS	38,041	82,732	39,291

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

WORKCOVER AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION (cont)			
EQUITY			
Reserves	11,168	51,924	51,924
Accumulated funds	26,873	30,808	(12,633)
TOTAL EQUITY	38,041	82,732	39,291

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

WORKERS' COMPENSATION (DUST DISEASES) BOARD

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	467	422	430
Investment income	31,952	38,200	42,763
Other revenue	44,484	49,410	47,264
Total Retained Revenue	76,903	88,032	90,457
Less:			
Expenses -			
Operating Expenses -			
Employee related	3,401	3,401	3,793
Other operating expenses	67,964	79,028	80,204
Maintenance	65	65	70
Depreciation and amortisation	333	398	415
Grants and subsidies	5,148	5,148	5,148
Total Expenses	76,911	88,040	89,630
Gain/(loss) on disposal of non current assets	8	8	9
SURPLUS	...	...	836

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

WORKERS' COMPENSATION (DUST DISEASES) BOARD

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	490	445	454
Retained taxes	75,568	64,500	65,426
Interest	24,352	35,200	40,263
Other	482	787	947
Total Receipts	100,892	100,932	107,090
Payments			
Employee Related	3,347	3,347	3,751
Grants and subsidies	5,148	5,148	5,148
Other	63,911	60,753	66,207
Total Payments	72,406	69,248	75,106
NET CASH FLOWS FROM OPERATING ACTIVITIES	28,486	31,684	31,984
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	92	92	94
Proceeds from sale of investments	166,053	166,053	164,826
Purchases of property, plant and equipment	(367)	(857)	(560)
Purchases of investments	(191,117)	(193,103)	(180,951)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(25,339)	(27,815)	(16,591)
NET INCREASE/(DECREASE) IN CASH	3,147	3,869	15,393
Opening Cash and Cash Equivalents	9,902	534	4,403
CLOSING CASH AND CASH EQUIVALENTS	13,049	4,403	19,796
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	...	...	836
Non cash items added back	(7,292)	(2,640)	(2,125)
Change in operating assets and liabilities	35,778	34,324	33,273
Net cash flow from operating activities	28,486	31,684	31,984

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

WORKERS' COMPENSATION (DUST DISEASES) BOARD

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	13,049	4,403	19,796
Receivables	8,025	5,700	5,950
Other financial assets	240,478	186,330	161,604
Other	35	21	21
Total Current Assets	261,587	196,454	187,371
Non Current Assets -			
Receivables	785,200	818,344	799,598
Other financial assets	262,516	309,425	352,776
Property, plant and equipment -			
Land and building	3,265	3,269	3,102
Plant and equipment	986	1,163	1,390
Total Non Current Assets	1,051,967	1,132,201	1,156,866
Total Assets	1,313,554	1,328,655	1,344,237
LIABILITIES -			
Current Liabilities -			
Payables	3,764	527	631
Provisions	65,892	70,351	73,972
Total Current Liabilities	69,656	70,878	74,603
Non Current Liabilities -			
Provisions	1,243,205	1,257,084	1,268,452
Total Non Current Liabilities	1,243,205	1,257,084	1,268,452
Total Liabilities	1,312,861	1,327,962	1,343,055
NET ASSETS	693	693	1,182
EQUITY			
Reserves	693	15,429	15,429
Accumulated funds	...	(14,736)	(14,247)
TOTAL EQUITY	693	693	1,182

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE
PAYMENTS CORPORATION**

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Investment income	24,900	40,047	28,980
Retained taxes, fees and fines	33,500	34,000	37,300
Other revenue	15	1	10
Total Retained Revenue	58,415	74,048	66,290
Less:			
Expenses -			
Operating Expenses -			
Employee related	5,551	5,558	6,344
Other operating expenses	3,844	3,473	3,742
Maintenance	90	74	60
Depreciation and amortisation	315	295	365
Other expenses	63,600	96,000	80,500
Total Expenses	73,400	105,400	91,011
Gain/(loss) on disposal of non current assets	10	12	10
DEFICIT	(14,975)	(31,340)	(24,711)

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE
PAYMENTS CORPORATION**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Retained taxes	33,500	34,424	37,800
Interest	200	137	180
Other	305	449	330
Total Receipts	34,005	35,010	38,310
Payments			
Employee Related	5,592	4,806	6,174
Other	44,873	47,822	47,357
Total Payments	50,465	52,628	53,531
NET CASH FLOWS FROM OPERATING ACTIVITIES	(16,460)	(17,618)	(15,221)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	60	43	60
Proceeds from sale of investments	18,071	17,617	16,500
Purchases of property, plant and equipment	(1,667)	(1,667)	(1,000)
NET CASH FLOWS FROM INVESTING ACTIVITIES	16,464	15,993	15,560
NET INCREASE/(DECREASE) IN CASH	4	(1,625)	339
Opening Cash and Cash Equivalents	2,181	3,876	2,251
CLOSING CASH AND CASH EQUIVALENTS	2,185	2,251	2,590
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(14,975)	(31,340)	(24,711)
Non cash items added back	(24,385)	(39,615)	(28,435)
Change in operating assets and liabilities	22,900	53,337	37,925
Net cash flow from operating activities	(16,460)	(17,618)	(15,221)

**SPECIAL MINISTER OF STATE, MINISTER FOR COMMERCE,
MINISTER FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING
AND MINISTER FOR DISABILITY SERVICES**

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE
PAYMENTS CORPORATION**

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	2,185	2,251	2,590
Receivables	2,100	2,640	2,075
Other	150	150	150
Total Current Assets	4,435	5,041	4,815
Non Current Assets -			
Other financial assets	394,478	422,011	434,311
Property, plant and equipment - Plant and equipment	2,705	2,558	3,143
Total Non Current Assets	397,183	424,569	437,454
Total Assets	401,618	429,610	442,269
LIABILITIES -			
Current Liabilities -			
Payables	647	841	361
Provisions	40,980	43,255	47,575
Total Current Liabilities	41,627	44,096	47,936
Non Current Liabilities -			
Provisions	368,850	404,880	439,610
Total Non Current Liabilities	368,850	404,880	439,610
Total Liabilities	410,477	448,976	487,546
NET ASSETS	(8,859)	(19,366)	(45,277)
EQUITY			
Accumulated funds	(8,859)	(19,366)	(45,277)
TOTAL EQUITY	(8,859)	(19,366)	(45,277)

MINISTER FOR TOURISM AND SPORT AND RECREATION AND MINISTER FOR WOMEN

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Department of Tourism, Sport and Recreation			
Total Expenses	141.8	146.4	3.3
Capital Expenditure	10.0	11.5	14.7
Sydney Olympic Park Authority			
Total Expenses	104.3	90.6	-13.1
Capital Expenditure	9.8	26.5	171.2
Centennial Park and Moore Park Trust			
Total Expenses	19.3	18.9	-2.1
Capital Expenditure	10.5	8.2	-22.0
Luna Park Reserve Trust			
Total Expenses	1.2	1.4	11.0
Capital Expenditure .....	...	...	...
State Sports Centre Trust			
Total Expenses	4.1	4.5	11.6
Capital Expenditure	0.1	0.1	...
Total, Minister for Tourism and Sport and Recreation and Minister for Women			
Total Expenses	270.7	261.8	-3.3
Capital Expenditure	30.4	46.3	52.3

DEPARTMENT OF TOURISM, SPORT AND RECREATION

The purpose of the Department of Tourism, Sport and Recreation (TSR) is to contribute economic benefits and improved social wellbeing through tourism, sport and recreation. During 2004-05 TSR continued to gain efficiencies through the establishment of the new Department which includes Tourism New South Wales and NSW Sport and Recreation.

The Venues and Events Unit, which includes the Major Events Board secretariat, was transferred from the Premier's Department in July 2004. This Unit will continue to provide support to the Major Events Board in securing major events for Sydney and New South Wales. TSR has an administrative relationship with the Centennial Park and Moore Park Trust, the Parramatta Park Trust, and several other sport and recreation venue trusts in New South Wales.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Improved Operations

Work continues towards combining the corporate services and governance functions of the former agencies. A single financial information management system was developed for implementation in July 2005 which will contribute to efficiency through online purchasing, electronic payment, and improved financial management reporting.

TSR has focused on consolidating its operating structure, developing a new strategic plan, strengthening links with industry and the community, and identifying major events for New South Wales over the next 20 years.

Key Service Delivery Developments

Brand New South Wales – the largest tourism campaign to promote regional New South Wales was launched targeting the five regional ‘zones’ of North Coast of NSW, South Coast of NSW, NSW High Country, Heart of Country NSW and Outback NSW.

Innovative Tourism Marketing – Sydney and Surrounds were promoted as short breaks for Sydney-siders, New Zealanders were the audience for a campaign promoting Sydney, and events such as The Lion King and the Edinburgh Military Tattoo proved successful in increasing visitors to Sydney.

Tourism Planning – a review was commenced of the whole of Government tourism plan, *Towards 2020*, to produce a new action plan in 2005-06. One of the key masterplan initiatives for 2004-05 was the development of a new *Nature in Tourism Plan* to provide strategic direction for government and industry.

Community Participation in Sport and Recreation – sport and recreation as a means of strengthening communities was furthered with successful initiatives in targeted Arabic, Pacific Islander and Aboriginal communities.

Innovative Solutions in Participation – participation by Indigenous and ethnic groups in sport and recreation was encouraged by introducing traditional games into targeted programs. The department has also developed and delivered physical activity programs in the after-school setting such as the *Be Active After School* program on the Central Coast.

Sport and Recreation Centres – Centres increased their range of programs, and the first year of a three year program to upgrade facilities was commenced.

Industry Development – activities focused on risk management covering sport rage prevention, child protection, safety, and ethics in sport. An online child protection training program was developed as part of a package of initiatives on values, ethics and integrity in sport, supported by an award introduced by the Minister to enable formal recognition of high standards.

Venues and Events – provided support to the Edinburgh Military Tattoo and Easter in Sydney, and also secured the ICC Super Series cricket test match, the Australia v Iraq football international and the Canoe Slalom World Championship for Sydney.

STRATEGIC DIRECTIONS

In 2005-06, TSR will consolidate its New South Wales and Sydney brand positions through innovative promotion of destinations, and will facilitate industry's capacity to deliver sport and recreation as a contributor to strengthening communities. Venues and Events will continue to support the Major Events Board in securing major events, and in developing cross-agency mechanisms to support events.

TSR is coordinating the early planning for the Sydney 2009 World Masters Games. The Government has approved the Games' Organising Committee being established as a limited-life statutory authority. When established, the Committee will maintain a close relationship with TSR for administrative and systems support.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are estimated at \$146.4 million. The focus of work will include:

- ◆ \$47 million to grow and develop tourism in New South Wales;
- ◆ \$2.5 million to support attraction of major events to New South Wales through support to the Major Events Board;
- ◆ \$65.3 million for sport and recreation programs co-ordinated by the Department's Regional Offices and provided at its Centres and Academies;
- ◆ \$17.9 million in payments from the Sport and Recreation Fund for the operation of sporting associations, sports development grants and sporting facility capital grants;

- ◆ \$2 million to Surf Life Saving NSW as the first instalment of a four year \$8 million initiative for the enhancement of club premises and other life saving items;
- ◆ \$1.8 million for the 2009 Sydney World Masters Games; and
- ◆ administrative grants funding towards the operation of the NSW Institute of Sport (\$8.7 million) and the Parramatta Park Trust (\$1.2 million).

Capital Expenditure

A total of \$11.5 million will be spent in 2005-06. The major components will be:

- ◆ \$2 million on fit out costs for the relocation of Sports House;
- ◆ \$3.2 million on works to improve the accommodation, dining hall and kitchen facilities at Jindabyne, Berry, Point Wolstoncroft and Lake Ainsworth Sport and Recreation Centres;
- ◆ \$1.4 million on works to upgrade infrastructure at Jindabyne Sport and Recreation Centre and the Sydney Academy of Sport and Recreation;
- ◆ \$4 million for minor works projects at Sport and Recreation Centres and the Sydney Academy of Sport and Recreation; and
- ◆ \$0.9 million on acquisition of ICT equipment.

SYDNEY OLYMPIC PARK AUTHORITY

The Sydney Olympic Park Authority (SOPA) was established under the *Sydney Olympic Park Authority Act, 2001* to manage the long-term future of Sydney Olympic Park.

SOPA is responsible for the management and orderly economic development and use of Sydney Olympic Park and for the promotion and co-ordination of sporting, educational, recreational, cultural, commercial and tourist activities.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The building of the township of Sydney Olympic Park is expected to attract approximately 40,000 workers and residents over the next 20 years. The establishment of a viable economy will be built in six themes including sport; education; health, leisure and wellbeing; science and technology; culture, the arts and entertainment. The sale and development of land is expected to generate over \$200 million in land sales and \$2 billion in private sector investment in Sydney Olympic Park.

The first phase of new residential and commercial development by the private sector is to be undertaken on four sites over the next 5-7 years. The development will be at a private sector cost of approximately \$470 million and confirms confidence in the unique living and working environment that Sydney Olympic Park offers. The sale and development of the land will also realise a return of some \$70 million to the Government.

SOPA has also prepared a Plan of Management for the 430 hectares of surrounding parklands and commenced capital works for embellishment of this significant open space.

SOPA is responsible for the Budget funding of Government owned sports venues within Sydney Olympic Park, and is the custodian of funds for the maintenance of the Sydney Showground.

The NSW Government progressively recognises ownership of the Telstra Stadium and the Sydney SuperDome until the end of the lease period in 2031 when they revert to the Government.

STRATEGIC DIRECTIONS

SOPA aims to:

- ◆ generate returns on Government's investment in Sydney Olympic Park;
- ◆ deliver a "healthy and liveable" community;
- ◆ grow visitation to Sydney Olympic Park; and
- ◆ achieve best practice sustainable urban development outcomes.

Sydney Olympic Park continues to play a vital role in hosting the State's icon sporting and show events and supports the State's ability to host future major national and international events.

SOPA will establish a sustainable community that demonstrates best practice in social and environmental management. This will include a world class water recycling scheme, innovative examples of energy management, high-quality urban and architectural design and integrated social housing models.

2005-06 BUDGET

Total Expenses

Operating expenses in 2005-06 are estimated at \$90.6 million, with depreciation accounting for \$31.1 million of this amount. Government funding of the operating budget is \$37 million.

Expenses include:

- ◆ maintenance of 430 hectares of Parklands;
- ◆ maintaining the urban precinct including pavements, lighting, public amenities and security;
- ◆ event co-ordination and support;
- ◆ funding Government owned sports venues within Sydney Olympic Park;
- ◆ environmental management and compliance including recycled water and landfills;
- ◆ town planning and development; and
- ◆ commercial services and car park operations.

Capital Expenditure

SOPA's 2005-06 capital expenditure program is \$26.5 million. The major components of the program are \$10 million for the Town Centre Car Park and \$7 million for further development of Millennium Parklands for additional landscaping, picnic facilities, shade structures, cycle ways, educational technology and supporting infrastructure.

CENTENNIAL PARK AND MOORE PARK TRUST

The Centennial Park and Moore Park Trust is responsible for a highly used area of open space in Sydney, known as the Centennial Parklands. The Parklands comprise Centennial Park, Moore Park, Queens Park, Fox Studios Australia, the Hordern Pavilion and Royal Hall of Industries, and the Centennial Parklands Equestrian Centre. The Trust operates in a complex and changing business environment, balancing conflicting demands for recreation use, protection of parklands, financial sustainability, and equity of access.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Total expenses for the Trust have increased during the last five years from \$14.5 million in 2000-01 to around \$19.1 million in 2004-05. This reflects additional costs associated with improvements to the maintenance of the Parklands of \$1.3 million, the introduction of services to address public environmental safety issues and a range of business activities to improve financial viability.

In addition, there have been significant increases in depreciation expense of \$2 million as a result of the large capital program in recent years. During the same period, Trust retained revenues excluding capital grants have grown from \$9.8 million to \$12.9 million.

Capital expenditure increased significantly during the last four years due to the continuation of the ponds restoration project, the completion of the rehabilitation of Moore Park and Centenary of Federation projects, and expenditure commencing in 2002-03 on the seven year Park Improvement Plan.

Major Maintenance

Commencing in 2002-03 \$1 million per annum is being directed to maintenance of building and infrastructure assets.

The allocation of this amount to specific works over the four year life of the program has been targeted to achieve the following benefits:

- ◆ maximising amenity and safety of Trust facilities such as the repair of the running track at ES Marks Athletic Field and stabilisation works at Kensington Culvert;
- ◆ addressing priorities raised through visitor surveys particularly the refurbishment of amenities facilities across the Parklands;
- ◆ addressing compliance issues, for example heritage, environmental, Building Code of Australia and Sydney Water requirements; and
- ◆ restoration of high use/visibility assets via the heritage stone program for fences, gates and statues.

STRATEGIC DIRECTIONS

The Trust's key objective for the next four years is positioning the Parklands as the leader in providing a diverse range of leisure experiences to the people of New South Wales and beyond. The Trust aims to ensure the long-term sustainability through achievement of social, economic, and environmental outcomes for the Parklands.

The following key strategies have been adopted to achieve these objectives:

- ◆ target new markets in addition to traditional markets and develop new products;
- ◆ develop new businesses in the Parklands and build up existing businesses;
- ◆ align strategic planning and asset management with the objectives of the Parklands;
- ◆ improve access and safety to and within the Parklands;
- ◆ secure government and non-government funding;
- ◆ increase recognition for the positioning and direction of the Parklands;
- ◆ adequately resource and support Trust staff in achieving the Vision and Mission of the Parklands; and
- ◆ develop an agile culture that is responsive to change with Trust and Executive leadership.

The Trust implements financial strategies to increase and diversify its revenue base to improve the quality of services and increase contributions towards costs.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are estimated at \$18.9 million. Included in this amount is \$1 million for the asset maintenance program for buildings and infrastructure in the Parklands.

Capital Expenditure

The Trust's capital program for 2005-06, estimated at \$8.2 million, is the fourth year of the planned seven year Park Improvement Plan estimated at \$49.5 million.

Projects planned for 2005-06 are:

- ◆ continuation of the ponds improvement program;
- ◆ new playgrounds;
- ◆ major new services – irrigation, sewerage and electricity;
- ◆ new signage;
- ◆ Sports Centre improvements including Equestrian Grounds;
- ◆ Grand Drive refurbishment; and
- ◆ major new amenities buildings.

LUNA PARK RESERVE TRUST

The role of the Luna Park Reserve Trust is to manage the land and other assets of Luna Park Reserve.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

In February 2001, the Sydney Harbour Foreshore Authority was appointed to manage the affairs of the Luna Park Reserve Trust (LPRT). Historically, the Trust's expenditure has been for administration, legal and consultancy fees. Expenditure is now related to the SHFA's role in managing the ongoing lease held by the operator of Luna Park, Luna Park Sydney Pty Ltd.

The Park reopened to the public in April 2004 and with the reopening, commercial lease terms between LPRT and Luna Park Sydney Pty Ltd apply. Total lease revenue is expected to be \$1.3 million in 2005-06, only slightly up on the budget of \$1.2 million in 2004-05.

2005-06 BUDGET

Total Expenses

The Trust's expenses are expected to increase to \$1.4 million in 2005-06 from the \$1.2 million budgeted in 2004-05. Apart from maintenance contributions to the Heritage Infrastructure Fund and depreciation, the remaining costs are either administrative or compliance related.

STATE SPORTS CENTRE TRUST

The State Sports Centre Trust operates three major venues at Sydney Olympic Park and provides affordable world-class facilities to the sporting community. To assist the Trust to discharge its community service obligations, the Sydney Olympic Park Authority provides an operating subsidy to the Trust.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Trust is increasing expenditure on safety, security, and technology in the Sydney Olympic Park Sports Centre to meet customer expectations.

The Trust is able to cover increased costs in 2005-06 through a focus on securing high-yield commercial events.

STRATEGIC DIRECTIONS

The Trust's objective is to provide the highest possible level of service to sport through its outdoor and indoor facilities and associated services. The Trust is augmenting its major event business with an increasing range of direct and indirect participation programs. The Trust is also concentrating on developing efficient systems and procedures to enable it to operate venues remotely from its Head Office.

2005-06 BUDGET

Total Expenses

Total Trust expenses, estimated at \$4.5 million in 2005-06, will be used to operate and maintain the Centre's sporting facilities and facilitate increased usage wherever possible.

Capital Expenditure

The Trust will spend up to \$50,000 on replacement sporting equipment in 2005-06.

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

59 DEPARTMENT OF TOURISM, SPORT AND RECREATION

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	43,439	46,511	47,851
Other operating expenses	55,128	53,420	52,042
Maintenance	5,082	5,231	6,347
Depreciation and amortisation	9,176	8,189	8,594
Grants and subsidies	28,958	32,074	31,580
Total Expenses	141,783	145,425	146,414
Less:			
Retained Revenue -			
Sales of goods and services	27,376	26,126	27,252
Investment income	375	703	479
Grants and contributions	8,742	8,032	7,688
Other revenue	207	1,202	1,208
Total Retained Revenue	36,700	36,063	36,627
NET COST OF SERVICES	105,083	109,362	109,787

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

59 DEPARTMENT OF TOURISM, SPORT AND RECREATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	41,536	44,034	44,987
Grants and subsidies	28,958	32,074	31,580
Other	67,467	74,570	67,819
Total Payments	137,961	150,678	144,386
Receipts			
Sale of goods and services	27,376	27,423	27,252
Interest	374	602	609
Other	16,139	18,034	16,296
Total Receipts	43,889	46,059	44,157
NET CASH FLOWS FROM OPERATING ACTIVITIES	(94,072)	(104,619)	(100,229)
CASH FLOWS FROM INVESTING ACTIVITIES			
Advance repayments received	...	237	285
Purchases of property, plant and equipment	(9,988)	(11,285)	(11,460)
Advances made	(8)	(476)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(9,996)	(11,524)	(11,175)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	92,521	96,514	98,687
Capital appropriation	9,988	11,285	11,460
Cash reimbursements from the Consolidated Fund Entity	2,121	2,185	...
Cash transfers to Consolidated Fund	...	(987)	...
NET CASH FLOWS FROM GOVERNMENT	104,630	108,997	110,147
NET INCREASE/(DECREASE) IN CASH	562	(7,146)	(1,257)
Opening Cash and Cash Equivalents	9,231	16,804	9,658
CLOSING CASH AND CASH EQUIVALENTS	9,793	9,658	8,401

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

59 DEPARTMENT OF TOURISM, SPORT AND RECREATION

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(105,083)	(109,362)	(109,787)
Non cash items added back	11,445	10,663	11,100
Change in operating assets and liabilities	(434)	(5,920)	(1,542)
Net cash flow from operating activities	(94,072)	(104,619)	(100,229)

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

59 DEPARTMENT OF TOURISM, SPORT AND RECREATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	9,793	9,658	8,401
Receivables	5,786	5,156	4,886
Other financial assets	550	309	309
Other	550	550	550
Total Current Assets	16,679	15,673	14,146
Non Current Assets -			
Other financial assets	2,586	3,206	2,921
Property, plant and equipment -			
Land and building	245,500	250,301	254,686
Plant and equipment	22,546	8,795	6,849
Intangibles	...	...	427
Total Non Current Assets	270,632	262,302	264,883
Total Assets	287,311	277,975	279,029
LIABILITIES -			
Current Liabilities -			
Payables	4,037	3,711	3,367
Provisions	8,512	5,038	3,693
Other	2,330	2,500	2,500
Total Current Liabilities	14,879	11,249	9,560
Non Current Liabilities -			
Provisions	18	170	177
Other	560	180	50
Total Non Current Liabilities	578	350	227
Total Liabilities	15,457	11,599	9,787
NET ASSETS	271,854	266,376	269,242
EQUITY			
Reserves	44,836	30,930	30,930
Accumulated funds	227,018	235,446	238,312
TOTAL EQUITY	271,854	266,376	269,242

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

59 DEPARTMENT OF TOURISM, SPORT AND RECREATION

59.1 Development of the Tourism Industry

59.1.1 Growing a Sustainable Tourism Economy

Program Objective(s): To grow the New South Wales tourism economy for the benefit of the people of New South Wales.

Program Description: Marketing New South Wales destinations and working with and providing advice to industry, government agencies and other key stakeholders about the development of sustainable destinations.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Non-Tourism NSW income					
In-kind	\$m	2.8	2.5	1.5	1.5
Cash	\$m	7.8	8.7	6.5	6.5
Value of publicity generated through media and visiting journalist program activities					
International	\$m	145	64	50	50
Domestic	\$m	8.2	14.5	9.5	9.5
Conference bids won for Sydney (SCVB)					
Events	no.	47	45	35	39
Delegates	thous	69	49	43	47
Delegate days (rooms)	thous	345	213	183	194
Stakeholders surveyed who consider they have a partnership relationship with Tourism NSW					
	%	65	n.a.	n.a.	65
Stakeholders surveyed who are satisfied with Tourism NSW					
	%	78	n.a.	n.a.	78
<u>Outputs:</u>					
Visiting journalists hosted					
International	no.	169	160	160	160
Domestic	no.	35	86	50	50
Consumer website (visitnsw)					
User sessions	thous	1,400	1,800	1,800	2,000
Regional events marketed	no.	17	24	21	21
Sydney events marketed	no.	41	44	30	30
Key Government agencies implementing strategies which are consistent with tourism Masterplan recommendations					
	no.	36	36	20	20
Regional tourism plans completed	no.	3	5	3	1

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

59 DEPARTMENT OF TOURISM, SPORT AND RECREATION

59.1 Development of the Tourism Industry

59.1.1 Growing a Sustainable Tourism Economy (cont)

Events acquired for Sydney and New South Wales
which impact positively on the
State's economy and/or enhance
Sydney's international profile as a
global city

	no.	n.a.	n.a.	5	6
<u>Average Staffing:</u>	EFT	172	180	176	174

—2004-05—	2005-06
Budget	Budget
\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	14,749	15,236	15,867
Other operating expenses	33,852	33,160	33,427
Maintenance	...	13	13
Depreciation and amortisation	1,006	1,006	956
Total Expenses	49,607	49,415	50,263

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	75	75	75
Travel Centre commissions	750	600	600
Minor sales of goods and services	...	29	29
Investment income	80	63	63
Grants and contributions	7,938	7,129	6,785
Other revenue	100	552	552
Total Retained Revenue	8,943	8,448	8,104

NET COST OF SERVICES

40,664	40,967	42,159
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CAPITAL EXPENDITURE

1,328
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**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

59 DEPARTMENT OF TOURISM, SPORT AND RECREATION

59.2 Sport and Recreation in the Community

59.2.1 Sport and Recreation Development

Program Objective(s): To create opportunities and facilitate active involvement so that people benefit from participating in sport, recreation and physical activity.

Program Description: A diverse range of initiatives are undertaken that build community and industry capacity so that people in New South Wales can regularly engage in and benefit from safe and enjoyable sport, recreation and physical activity. Client driven services are developed in response to community, industry and government needs.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Customers satisfied with services	%	87	80	81	81
NSW population 15 years and over participating in organised sport and physical activities	%	40	41	41	41
NSW population aged 5-14 years participating in organised sport and physical activities	%	62	62	63	63
Total NSW population participating in sport and physical activity	%	76	81	82	83
 <u>Outputs:</u>					
Outdoor education program (participant days)	thous	270	275	280	285
Swimming programs (participants)	thous	27	25	25	25
Sport and Recreation Centres and Academies (participant days)	thous	450	455	460	465
Local level sports facilities (development) supported	no.	409	411	310	400
Regional sports facilities (development) supported	no.	32	15	12	15
High performance sports squads	no.	26	26	26	27
Scholarships to high performance athletes	no.	750	674	680	695
 <u>Average Staffing:</u>	 EFT	 353	 351	 355	 355

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

59 DEPARTMENT OF TOURISM, SPORT AND RECREATION

59.2 Sport and Recreation in the Community

59.2.1 Sport and Recreation Development (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	28,690	31,275	31,984
Other operating expenses	21,276	20,260	18,615
Maintenance	5,082	5,218	6,334
Depreciation and amortisation	8,170	7,183	7,638
Grants and subsidies			
Parramatta Park Trust	1,122	1,122	1,167
World Masters Games	...	...	1,768
Sporting associations	4,700	6,200	6,700
Sports development assistance	3,888	4,358	4,036
Assistance for special community groups	175	175	175
International Sporting Events Council	510	510	510
NSW Institute of Sport	12,162	13,542	8,737
Local Government sporting facilities - capital grants	5,651	6,167	8,487
Subsidies to organisations - public trading enterprises	750	...	...
Total Expenses	92,176	96,010	96,151
Less:			
Retained Revenue -			
Sales of goods and services			
Rents and leases	358	436	615
Sport and recreation centres	23,319	22,048	22,893
Board and lodging	331	362	375
Minor sales of goods and services	2,543	2,576	2,665
Investment income	295	640	416
Grants and contributions	804	903	903
Other revenue	107	650	656
Total Retained Revenue	27,757	27,615	28,523
NET COST OF SERVICES	64,419	68,395	67,628
<hr/>			
CAPITAL EXPENDITURE	8,660	11,285	11,460

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

60 SYDNEY OLYMPIC PARK AUTHORITY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	14,087	14,772	15,284
Other operating expenses	31,254	33,642	30,626
Maintenance	10,036	10,071	10,187
Depreciation and amortisation	43,550	37,443	31,073
Grants and subsidies	5,351	3,640	2,990
Borrowing costs	...	...	474
Total Expenses	104,278	99,568	90,634
Less:			
Retained Revenue -			
Sales of goods and services	17,956	17,638	17,758
Investment income	5,186	3,245	2,673
Retained taxes, fees and fines	300	300	300
Grants and contributions	455	500	957
Other revenue	1,074	18,114	10,420
Total Retained Revenue	24,971	39,797	32,108
Gain/(loss) on disposal of non current assets	...	3,725	2,867
NET COST OF SERVICES	79,307	56,046	55,659

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

60 SYDNEY OLYMPIC PARK AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	13,556	14,350	14,425
Grants and subsidies	5,351	3,640	2,990
Finance costs	...	...	474
Other	45,193	57,739	51,333
Total Payments	64,100	75,729	69,222
Receipts			
Sale of goods and services	17,353	17,517	17,883
Retained taxes	1,956	...	...
Interest	3,894	3,309	2,776
Other	7,835	18,191	15,651
Total Receipts	31,038	39,017	36,310
NET CASH FLOWS FROM OPERATING ACTIVITIES	(33,062)	(36,712)	(32,912)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	17,517	19,040	19,020
Purchases of property, plant and equipment	(9,778)	(16,464)	(25,926)
Advances made	...	(1,941)	(1,897)
NET CASH FLOWS FROM INVESTING ACTIVITIES	7,739	635	(8,803)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	...	...	10,000
Repayment of borrowings and advances	...	...	(935)
NET CASH FLOWS FROM FINANCING ACTIVITIES	...	...	9,065

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

60 SYDNEY OLYMPIC PARK AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT (cont)			
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	38,205	38,326	37,027
Capital appropriation	9,778	9,778	12,611
Asset sale proceeds transferred to the Consolidated Fund Entity	(19,040)	(19,040)	(19,020)
Cash reimbursements from the Consolidated Fund Entity	742	800	...
NET CASH FLOWS FROM GOVERNMENT	29,685	29,864	30,618
NET INCREASE/(DECREASE) IN CASH	4,362	(6,213)	(2,032)
Opening Cash and Cash Equivalents	24,764	28,305	22,092
CLOSING CASH AND CASH EQUIVALENTS	29,126	22,092	20,060
CASH FLOW RECONCILIATION			
Net cost of services	(79,307)	(56,046)	(55,659)
Non cash items added back	44,418	27,620	25,709
Change in operating assets and liabilities	1,827	(8,286)	(2,962)
Net cash flow from operating activities	(33,062)	(36,712)	(32,912)

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

60 SYDNEY OLYMPIC PARK AUTHORITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	29,126	22,092	20,060
Receivables	21,583	24,044	24,712
Inventories	26	100	100
Total Current Assets	50,735	46,236	44,872
Non Current Assets -			
Receivables	33,900	35,049	18,000
Inventories	16,120	15,079	15,579
Investment properties	...	...	423,985
Property, plant and equipment -			
Land and building	1,094,761	1,085,592	758,921
Plant and equipment	6,364	89,105	38,917
Infrastructure systems	487,155	402,018	349,825
Intangibles	...	...	12
Other	270,746	497,573	505,599
Total Non Current Assets	1,909,046	2,124,416	2,110,838
Total Assets	1,959,781	2,170,652	2,155,710
LIABILITIES -			
Current Liabilities -			
Payables	8,099	5,998	6,448
Interest bearing	...	...	3,246
Provisions	3,396	1,131	1,175
Other	355	2,068	1,843
Total Current Liabilities	11,850	9,197	12,712
Non Current Liabilities -			
Interest bearing	...	...	5,819
Provisions	8,173	177	177
Total Non Current Liabilities	8,173	177	5,996
Total Liabilities	20,023	9,374	18,708
NET ASSETS	1,939,758	2,161,278	2,137,002

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN
60 SYDNEY OLYMPIC PARK AUTHORITY**

	—2004-05—	
	Budget	Revised
	\$000	\$000

		2005-06 Budget \$000

STATEMENT OF FINANCIAL POSITION (cont)

EQUITY

Reserves	...	248,274	243,371
Accumulated funds	1,939,758	1,913,004	1,893,631
TOTAL EQUITY	1,939,758	2,161,278	2,137,002

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

60 SYDNEY OLYMPIC PARK AUTHORITY

60.1 Sydney Olympic Park Authority

60.1.1 Sydney Olympic Park Authority

Program Objective(s): The Sydney Olympic Park Authority aims to generate returns on Government's investment in Sydney Olympic Park; deliver a "healthy and liveable" community; and achieve best practice sustainable urban development outcomes.

Program Description: Promote, develop, manage and maintain Sydney Olympic Park for the benefit of the New South Wales community.

<u>Activities</u> :	Average Staffing (EFT)	
	2004-05	2005-06
Property	4	4
Marketing and Communications	20	19
Major Facilities Management and Capital Works	8	8
Corporate and Commercial Services	39	41
Place Management	55	55
Business Development	6	5
Sustainability	11	11
	143	143

2004-05		2005-06
Budget \$000	Revised \$000	Budget \$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	14,087	14,772	15,284
Other operating expenses	31,254	33,642	30,626
Maintenance	10,036	10,071	10,187
Depreciation and amortisation	43,550	37,443	31,073
Grants and subsidies			
State Sports Centre	800	800	800
Sydney Aquatic and Athletic Centres	2,061	...	...
Sydney Aquatic and Athletic Centres - operating subsidy	2,490	2,840	2,190
Borrowing costs			
Interest on public sector borrowings and advances	...	...	474
Total Expenses	104,278	99,568	90,634

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

60 SYDNEY OLYMPIC PARK AUTHORITY

60.1 Sydney Olympic Park Authority

60.1.1 Sydney Olympic Park Authority (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	7,926	7,628	8,115
Carparking	7,885	8,000	8,000
Minor sales of goods and services	2,145	2,010	1,643
Investment income	5,186	3,245	2,673
Retained taxes, fees and fines	300	300	300
Grants and contributions	455	500	957
Other revenue	1,074	18,114	10,420
Total Retained Revenue	24,971	39,797	32,108
Gain/(loss) on disposal of non current assets	...	3,725	2,867
NET COST OF SERVICES	79,307	56,046	55,659

CAPITAL EXPENDITURE	9,778	14,627	26,518
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**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

61 CENTENNIAL PARK AND MOORE PARK TRUST

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	4,880	4,732	4,709
Other operating expenses	6,035	6,287	5,814
Maintenance	3,858	3,569	3,659
Depreciation and amortisation	4,494	4,494	4,680
Total Expenses	19,267	19,082	18,862
Less:			
Retained Revenue -			
Sales of goods and services	11,551	11,914	12,048
Investment income	249	497	329
Retained taxes, fees and fines	200	250	207
Grants and contributions	4,047	3,628	4,747
Other revenue	7	217	7
Total Retained Revenue	16,054	16,506	17,338
NET COST OF SERVICES	3,213	2,576	1,524

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

61 CENTENNIAL PARK AND MOORE PARK TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	4,942	4,801	4,438
Other	13,278	15,929	12,765
Total Payments	18,220	20,730	17,203
Receipts			
Sale of goods and services	11,551	11,658	12,048
Interest	83	290	135
Other	3,943	3,784	7,597
Total Receipts	15,577	15,732	19,780
NET CASH FLOWS FROM OPERATING ACTIVITIES	(2,643)	(4,998)	2,577
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(10,505)	(9,690)	(8,182)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(10,505)	(9,690)	(8,182)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	2,274	2,314	2,328
Capital appropriation	7,915	7,915	4,516
Cash reimbursements from the Consolidated Fund Entity	274	271	...
NET CASH FLOWS FROM GOVERNMENT	10,463	10,500	6,844
NET INCREASE/(DECREASE) IN CASH	(2,685)	(4,188)	1,239
Opening Cash and Cash Equivalents	3,809	7,195	3,049
Reclassification of Cash Equivalents	...	(42)	(22)
CLOSING CASH AND CASH EQUIVALENTS	1,124	3,049	4,310
CASH FLOW RECONCILIATION			
Net cost of services	(3,213)	(2,576)	(1,524)
Non cash items added back	1,136	1,091	4,681
Change in operating assets and liabilities	(566)	(3,513)	(580)
Net cash flow from operating activities	(2,643)	(4,998)	2,577

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

61 CENTENNIAL PARK AND MOORE PARK TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,124	3,049	4,310
Receivables	1,468	1,479	1,479
Other financial assets	4,320	4,291	4,463
Inventories	...	120	120
Other	11	15	15
Total Current Assets	6,923	8,954	10,387
Non Current Assets -			
Property, plant and equipment -			
Land and building	422,644	420,802	420,484
Plant and equipment	956	1,885	1,800
Infrastructure systems	183,264	184,837	188,630
Intangibles	...	...	112
Other	154	119	109
Total Non Current Assets	607,018	607,643	611,135
Total Assets	613,941	616,597	621,522
LIABILITIES -			
Current Liabilities -			
Payables	3,089	3,499	3,499
Provisions	335	335	335
Other	...	590	590
Total Current Liabilities	3,424	4,424	4,424
Non Current Liabilities -			
Provisions	35	35	35
Other	7,738	7,935	7,345
Total Non Current Liabilities	7,773	7,970	7,380
Total Liabilities	11,197	12,394	11,804
NET ASSETS	602,744	604,203	609,718

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

61 CENTENNIAL PARK AND MOORE PARK TRUST

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION (cont)			
EQUITY			
Reserves	70,578	71,412	71,412
Accumulated funds	532,166	532,791	538,306
TOTAL EQUITY	602,744	604,203	609,718

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

61 CENTENNIAL PARK AND MOORE PARK TRUST

61.1 Centennial Park and Moore Park Trust

61.1.1 Centennial Park and Moore Park Trust

Program Objective(s): Sustainable management of parkland and leisure facilities on behalf of the community.

Program Description: The program covers the protection and enhancement of the Centennial Parklands; the provision of equitable high quality recreational and cultural opportunities for the enjoyment of Sydneysiders and visitors alike; and the promotion of the recreational, historical, scientific, educational, cultural and environmental values of Trust lands.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :	Administration and maintenance	65	67

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	4,880	4,732	4,709
Other operating expenses	6,035	6,287	5,814
Maintenance	3,858	3,569	3,659
Depreciation and amortisation	4,494	4,494	4,680

Total Expenses	19,267	19,082	18,862
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Less:

Retained Revenue -

Sales of goods and services			
Rents and leases	7,784	8,399	8,482
Use of recreation facilities	3,765	3,515	3,566
Minor sales of goods and services	2	...	...
Investment income	249	497	329
Retained taxes, fees and fines	200	250	207

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

61 CENTENNIAL PARK AND MOORE PARK TRUST

61.1 Centennial Park and Moore Park Trust

61.1.1 Centennial Park and Moore Park Trust (cont)

OPERATING STATEMENT (cont)

Grants and contributions	4,047	3,628	4,747
Other revenue	7	217	7
Total Retained Revenue	16,054	16,506	17,338
NET COST OF SERVICES	3,213	2,576	1,524
CAPITAL EXPENDITURE	10,490	10,490	8,182

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

LUNA PARK RESERVE TRUST

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	1,195	1,195	1,266
Investment income	13	45	28
Total Retained Revenue	1,208	1,240	1,294
Less:			
Expenses -			
Operating Expenses -			
Employee related	10	...	10
Other operating expenses	80	228	149
Maintenance	695	695	753
Depreciation and amortisation	444	452	452
Total Expenses	1,229	1,375	1,364
DEFICIT	(21)	(135)	(70)

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

LUNA PARK RESERVE TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	1,195	1,195	1,266
Interest	13	45	28
Other	...	66	...
Total Receipts	1,208	1,306	1,294
Payments			
Employee Related	10	...	10
Other	775	986	903
Total Payments	785	986	913
NET CASH FLOWS FROM OPERATING ACTIVITIES	423	320	381
NET INCREASE/(DECREASE) IN CASH	423	320	381
Opening Cash and Cash Equivalents	1,726	964	1,284
CLOSING CASH AND CASH EQUIVALENTS	2,149	1,284	1,665
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(21)	(135)	(70)
Non cash items added back	444	452	452
Change in operating assets and liabilities	...	3	(1)
Net cash flow from operating activities	423	320	381

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

LUNA PARK RESERVE TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	2,149	1,284	1,665
Receivables	11	322	323
Total Current Assets	2,160	1,606	1,988
Non Current Assets -			
Property, plant and equipment -			
Land and building	16,932	17,161	16,940
Plant and equipment	24	14	12
Infrastructure systems	8,693	8,462	8,233
Total Non Current Assets	25,649	25,637	25,185
Total Assets	27,809	27,243	27,173
LIABILITIES -			
Current Liabilities -			
Payables	13	35	35
Total Current Liabilities	13	35	35
Total Liabilities	13	35	35
NET ASSETS	27,796	27,208	27,138
EQUITY			
Reserves	14,235	14,235	14,235
Accumulated funds	13,561	12,973	12,903
TOTAL EQUITY	27,796	27,208	27,138

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

STATE SPORTS CENTRE TRUST

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	2,487	2,979	3,082
Investment income	47	47	48
Grants and contributions	1,090	1,090	1,090
Other revenue	38	38	39
Total Retained Revenue	3,662	4,154	4,259
Less:			
Expenses -			
Operating Expenses -			
Employee related	2,007	2,049	2,126
Other operating expenses	1,176	1,668	1,670
Maintenance	360	370	380
Depreciation and amortisation	520	540	359
Total Expenses	4,063	4,627	4,535
DEFICIT	(401)	(473)	(276)

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

STATE SPORTS CENTRE TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	2,490	2,982	3,076
Interest	47	47	48
Other	1,399	1,399	1,409
Total Receipts	3,936	4,428	4,533
Payments			
Employee Related	1,947	1,989	2,061
Other	1,712	2,214	2,319
Total Payments	3,659	4,203	4,380
NET CASH FLOWS FROM OPERATING ACTIVITIES	277	225	153
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(126)	(576)	(50)
Purchases of investments	(1)	(1)	(1)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(127)	(577)	(51)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	(6)	(6)	...
NET CASH FLOWS FROM FINANCING ACTIVITIES	(6)	(6)	...
NET INCREASE/(DECREASE) IN CASH	144	(358)	102
Opening Cash and Cash Equivalents	460	926	568
CLOSING CASH AND CASH EQUIVALENTS	604	568	670
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(401)	(473)	(276)
Non cash items added back	509	529	349
Change in operating assets and liabilities	169	169	80
Net cash flow from operating activities	277	225	153

**MINISTER FOR TOURISM AND SPORT AND RECREATION AND
MINISTER FOR WOMEN**

STATE SPORTS CENTRE TRUST

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	604	568	670
Receivables	269	218	227
Other financial assets	304	424	425
Inventories	25	19	20
Other	21	51	52
Total Current Assets	1,223	1,280	1,394
Non Current Assets -			
Property, plant and equipment -			
Land and building	154	145	111
Plant and equipment	610	1,203	928
Other	249	347	250
Total Non Current Assets	1,013	1,695	1,289
Total Assets	2,236	2,975	2,683
LIABILITIES -			
Current Liabilities -			
Payables	469	470	485
Provisions	139	119	123
Other	69	171	173
Total Current Liabilities	677	760	781
Non Current Liabilities -			
Interest bearing	48	48	48
Provisions	303	286	293
Total Non Current Liabilities	351	334	341
Total Liabilities	1,028	1,094	1,122
NET ASSETS	1,208	1,881	1,561
EQUITY			
Accumulated funds	1,208	1,881	1,561
TOTAL EQUITY	1,208	1,881	1,561

MINISTER FOR TRANSPORT

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Ministry of Transport			
Total Expenses	2,656.4	2,993.7	12.7
Capital Expenditure	16.2	11.2	-30.8
Independent Transport Safety and Reliability Regulator			
Total Expenses	17.1	17.4	1.8
Capital Expenditure .....	...	0.7	n.a.
Total, Minister for Transport			
Total Expenses	2,673.5	3,011.1	12.6
Capital Expenditure	16.2	11.9	-26.5

TRANSPORT

The transport portfolio includes the Ministry of Transport, the Independent Transport Safety and Reliability Regulator (ITSRR) and the State owned transport service providers – Rail Corporation New South Wales (RailCorp), State Rail Authority (SRA), Transport Infrastructure Development Corporation (TIDC), Rail Infrastructure Corporation (RIC), Sydney Ferries and the State Transit Authority (STA).

All agencies are focussed on improving the safety, reliability, comfort and convenience of the public transport system within New South Wales. The portfolio is also developing new strategies to improve communications with the travelling public.

The Ministry of Transport and ITSRR are funded directly by Budget appropriations. Transport service providers are funded from their own revenues, by grants and service payments made by the Ministry of Transport and from borrowings.

MINISTRY OF TRANSPORT

The Ministry of Transport provides independent policy advice to the Minister for Transport and contracts and funds public transport services from government and non-government service providers. The Ministry also co-ordinates strategic, financial and budgetary issues for the transport portfolio. Major areas of responsibility include strategic advice on rail, bus and ferry services, including management and reform of the school student and community transport schemes and regulation of taxis and hire cars.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Budget funded expenditure on transport has grown over the past three years. Forecast total expenses for 2004-05 of \$2.8 billion represent a net increase of nearly \$550 million (or 24 percent) over the level in 2001-02.

Increased funding for CityRail and CountryLink services is the major reason for the increase. The operating subsidy for passenger rail, excluding concessions, grew from \$565 million in 2001-02 to a forecast \$1 billion in 2004-05. This reflects major spending initiatives to improve performance and safety, including increased maintenance, improved security as well as general cost increases. Fare revenues, which are regulated by the Independent Pricing and Regulatory Tribunal (IPART), only grew modestly over this period. Expenditure growth was therefore largely financed by the Government.

During 2003-04, the Ministry oversaw the *Review of Bus Services in New South Wales* by the Honourable Barrie Unsworth and the *Ministerial inquiry into sustainable transport in New South Wales* by Professor Tom Parry. The Ministry is responsible for implementing the recommendations accepted by the Government.

The major outcomes to date are:

- ◆ the delivery of a new bus contract model for both private and Government owned bus services in the metropolitan area. This will result in new, larger contract regions that enhance efficient and financially sustainable bus operations. The new regions will support strategic transport corridors that provide fast, frequent and direct services between key centres across Sydney, supported by an expanded bus priority program;
- ◆ reform of bus fares (following a determination by IPART) equalising fares across the whole metropolitan area, including major fare reductions in Western Sydney;

- ◆ corporatisation of Sydney Ferries (from 1 July 2004), as a business separate from State Transit Authority, which will achieve service and operational improvements in ferry services;
- ◆ extension of the Pensioner Excursion Ticket across the whole of Sydney;
- ◆ reform of the School Student Transport Scheme through the progressive introduction of electronic ticketing. This will allow Government payments to operators to be based on actual students carried rather than estimates; and
- ◆ appointment of Regional Transport Co-ordinators charged with improving the utilisation and effectiveness of existing transport resources in regional communities.

The Ministry has also been actively working with the service delivery agencies to improve the financial and operational performance of rail services.

The recent major reform initiatives have been:

- ◆ the leasing of the State's interstate passenger and freight lines, including the Hunter Valley corridor, to the Australian Rail Track Corporation (ARTC), effective from 4 September 2004. The ARTC also manages, on behalf of the Rail Infrastructure Corporation, the balance of the country regional network. The ARTC and the Commonwealth Government have given major commitments to New South Wales to upgrade the leased rail network as part of the arrangements;
- ◆ the creation of an integrated passenger railway entity, Rail Corporation New South Wales, from 1 January 2004, combining the passenger rail services of the State Rail Authority with the metropolitan track infrastructure owned by Rail Infrastructure Corporation; and
- ◆ the establishment of the Independent Transport Safety and Reliability Regulator (ITSRR) from 1 January 2004, as an independent transport safety regulator, separate from both the Ministry of Transport and transport operators.

The structural reforms in rail have in turn been supported by operational programs to improve rail services. Programs that are now underway include:

- ◆ a rail improvement plan developed from the 127 recommendations of the Special Commission of Inquiry into the Waterfall Rail Accident. Around \$250 million will be spent over three years on the first stage of the plan, including \$43 million on vigilance control systems;

- ◆ development of the Rail Clearways Program, which will untangle the CityRail network from 14 interconnected lines into five rail clearways, capable of independent operation. This will involve more than \$1 billion of major works across the network designed to increase network capacity and operating flexibility;
- ◆ a major program to acquire new rollingstock. This includes the fast tracking, through a Public Private Partnership, of the replacement of 498 non air-conditioned carriages by 2010 and, separately, the purchase of 122 new Outer Suburban carriages and 14 Hunter Valley carriages to address anticipated growth; and
- ◆ a new timetable to be introduced in the second half of 2005, which better matches the capacity of the system and will improve reliability particularly during peak periods.

STRATEGIC DIRECTIONS AND REFORM INITIATIVES

The key service improvement strategies include:

- ◆ safer, more reliable and cleaner rail services through major operational improvement initiatives outlined above, including the implementation of key recommendations of the Waterfall Inquiry, delivery of the Rail Clearways Program and the acquisition of over 600 new rail carriages. New South Wales is also funding the Transport and Logistics Centre to work with key stakeholders in supporting career paths for rail workers and ensuring skills are maintained in the industry;
- ◆ more frequent and direct bus services on “strategic corridors” linking key centres across Sydney, supported by an expanded bus priority program, along with improved regional contract arrangements and service reforms developed through community consultation. New contracts are expected to be finalised by the end of 2004-05; and
- ◆ development of a contact-less smart card integrated ticketing system for all public transport operators in the Greater Sydney region. This will eliminate the need to have separate tickets for train, bus and ferry travel and improve the convenience and attraction of using public transport.

2005-06 BUDGET

Total Expenses

Total expenses in 2005-06 are estimated at almost \$3 billion, an increase of \$337.3 million, or 12.7 percent on the 2004-05 Budget.

Safe, Reliable and Clean Rail Services

In 2005-06 Budget support for rail services, including funding for concessions, is \$2,024 million, an increase of \$257 million or 14.5 percent on the 2004-05 Budget. Increased funding will support operating expenditures, including maintenance of rollingstock and continued investment in capital works across the rail system.

In 2005-06 the Ministry will provide:

- ◆ \$1.3 billion in recurrent grants to RailCorp to fund CityRail and CountryLink rail services, including \$15 million for initiatives in response to the Special Commission of Inquiry into the Waterfall rail accident;
- ◆ capital grants to RailCorp of \$362.7 million; and
- ◆ \$138.8 million in grants to the Transport Infrastructure Development Corporation for the Epping to Chatswood Rail Line.

New South Wales will also provide \$2 million in 2005-06 (taking the total contribution to \$4 million), to jointly fund, with the Commonwealth, the Transport and Logistics Centre.

RailCorp's capital expenditure program in 2005-06 is \$587 million, an increase of \$33 million on last year. The program is funded by \$362.7 million in grants, \$186.6 million in borrowings and \$37.7 million from the sale of surplus RailCorp assets and other available funds. The program continues the focus on safety initiatives and improved reliability, as well as enhancements to customer amenity, including improved access, security and passenger information.

Rail Clearways

The Rail Clearways Program, announced in last year's Budget, will untangle the existing 14 lines into five independent sectors to deliver more reliable services, to remove bottlenecks and minimise delays on the metropolitan network. More than \$1 billion, funded by RailCorp borrowings, will be spent on the plan.

In 2005-06 \$97.5 million will be available for works that include:

- ◆ the Bondi Junction turnback, an extra platform at Berowra and duplication of the Cronulla line;
- ◆ turnbacks at Homebush, Lidcombe and Revesby and an Easy Access upgrade at Revesby; and
- ◆ Macdonaldtown stabling facilities.

Rollingstock

The fast tracking of replacement of all non-air-conditioned carriages under a Public Private Partnership arrangement is in progress. The project is on schedule to replace 498 carriages by 2010.

Other key rollingstock projects for 2005-06 include:

- ◆ \$58.6 million for the ongoing construction of 41 Outer Suburban cars and \$21 million to complete 14 Hunter Valley rail cars;
- ◆ commencing a second tranche of 81 carriages, at a total cost of \$267.9 million, under the contract for Outer Suburban cars to meet forecast growth on the system; and
- ◆ \$9 million for continued refurbishment of the XPT fleet, \$14.3 million for improved vigilance control, \$2.6 million for enhanced on board train communications and \$5 million for investigation of replacement of the train radio network following from the Government's commitments after Waterfall.

Rail Infrastructure

In 2005-06 the program includes:

- ◆ continuation of the current Easy Access station upgrades at Gymea, Gordon, Thirroul, Kingsgrove, Blaxland, Helensburgh, Bulli, Lakemba, Mortdale and Granville;
- ◆ commencement, including planning and design, of new Easy Access upgrades at Auburn, Belmore, Bomaderry, Bowral, Carlton, Eastwood, Kingswood, Meadowbank, Merrylands, North Wollongong, Penshurst, Seven Hills, Turrumurra and Werrington. A total of \$22.9 million is available in 2005-06 for Easy Access works;

- ◆ \$74 million for infrastructure upgrades including works on the electrical network and the signalbox arrangements;
- ◆ \$7 million for development of a Station Passenger Information (SPI) system to improve network communications to passengers;
- ◆ \$15.5 million for resignalling on the Illawarra line between Oatley and Cronulla;
- ◆ \$13.4 million for investigation into upgrades for North Sydney and Town Hall stations;
- ◆ \$10.5 million to complete the Rhodes station upgrade; and
- ◆ \$0.6 million for investigations for a new station at North Warnervale.

The lease of the interstate passenger and freight lines by New South Wales to the ARTC has been completed and implemented as planned. In 2005-06 \$167 million is available to Rail Infrastructure Corporation (RIC) to meet its ongoing business activities. This includes \$110 million for maintenance of the country regional network, which is managed by the ARTC on behalf of RIC.

Epping to Chatswood Rail Line

The Transport Infrastructure Development Corporation (TIDC), a State owned corporation established on 1 January 2004, is responsible for delivering the Epping to Chatswood Rail line and other major transport infrastructure projects such as Rail Clearways.

Some \$434 million will be available in 2005-06 for continuation of works on the line and works on the Chatswood and Parramatta transport interchanges. The \$2 billion project is due for completion in 2008 and will provide a major transport improvement for Sydney.

Safe, Reliable and Clean Bus Services

The Ministry funds bus services operated by the State Transit Authority and a number of private operators.

The key reform is a new contract regime that applies to all operators, both private and Government owned. Contracts are based around 15 new regions with a single operator to lead each region. This replaces current individual contracts with around 40 operators.

Bus Priority

New metropolitan bus contracts will provide for more frequent and direct bus services on “strategic corridors” linking key centres across Sydney. In 2005-06 \$155 million has been allocated for bus priority measures. This is made up of \$25 million for strategic bus corridors (including an additional \$10 million in 2005-06) and \$130 million for the North West Transitway.

The additional \$10 million in 2005-06 is part of a new \$90 million, three year program, to be delivered by the Roads and Traffic Authority. The program will give priority to buses at key congestion points, to deliver faster and more reliable services that can attract greater patronage and reduce the use of private cars.

State Transit Bus Services

In 2005-06 recurrent funding payments for State Transit Authority bus services, including reimbursement for free and concessional travel provided to school students, pensioners and others, are estimated at \$257 million. This is a \$19.4 million increase over funding provided in 2004-05.

The State Transit Authority’s \$83.7 million capital works program aims to improve the bus fleet to a level required to meet customer expectations and Government regulation. Provision has been made to upgrade infrastructure to meet regulatory requirements, safety standards and growth targets and to provide service equipment and facilities needed to support a changing fleet configuration.

Key projects for 2005-06 include:

- ◆ \$60.1 million for 79 high capacity buses and 45 standard buses for the Sydney and Newcastle networks;
- ◆ \$13.3 million for workshop modifications and upgrade to Depot facilities; and
- ◆ \$2 million for Leichhardt Depot redevelopment.

School Student Transport Scheme

The School Student Transport Scheme (SSTS) provides free travel to and from school for eligible students on government and private bus, rail, and ferry services, long distance coaches and in private vehicles where no public transport services exist.

Budget estimates below are based on this funding model, although a portion of this funding will be reclassified under new metropolitan contracts, which are expected to be in place by the end of 2004-05.

School Student Transport Scheme payments in 2005-06 are estimated at \$498 million. The six-year costs and trends under this Scheme are as follows:

School Student Transport Scheme Costs

		2000-01	2001-02	2002-03	2003-04	2004-05 Revised	2005-06 Projection
Beneficiaries ^(a)	'000	671.8	674.8	649.8	660.1	660.5	661.2
Total costs ^(b)	\$m	385.7	406.1	431.5	451.3	479.6	498.0
Total cost per beneficiary	\$	574.1	601.8	663.9	683.7	726.1	753.2

(a) Improved analysis of eligibility data has resulted in lower beneficiary numbers from 2002-03.

(b) Inclusive of payments to RailCorp and STA.

The above table is based on the existing method of calculating SSTS payments. The Ministry of Transport is currently developing a new methodology for metropolitan bus operators which will result in the above numbers varying from 2005-06.

Safe Reliable and Clean Ferry Services

Sydney Ferries Corporation, formerly a business unit of the State Transit Authority, was established on 1 July 2004. The Corporation will be focused on improving services to customers, both commuters and tourists and providing better value for money in business operations.

Recurrent funding payments to Sydney Ferries, including the School Student Transport Scheme and concessions, are estimated at \$32.7 million in 2005-06.

Sydney Ferries' \$5.8 million capital works program includes:

- ◆ installation of a vessel management system on all vessels, a security upgrade on vessels, wharves and sites owned or leased by Sydney Ferries and upgrades to passenger facilities; and
- ◆ refurbishment of the wharves at Balmain Shipyard and upgrade of the liquid handling systems at the yard to comply with environmental standards.

Integrated Ticketing Project

Development of the "Tcard", a contact-less smart card integrated ticketing system for all public transport operators in the Greater Sydney region, is progressing. Capital expenditure in 2005-06 is projected at \$65.3 million.

The project involves a trial of the system in 2005-06, with system introduction commencing mid 2006.

A field trial of the technology was undertaken in 2004, with 7,000 school students and three private bus operators. In January 2005 Tcard was introduced for over 270,000 school students entitled to travel under the School Student Transport Scheme on private bus services in the greater Sydney metropolitan area. The Tcard system is expected to provide a more accurate reflection of the cost of the Scheme and enable the Government to more appropriately distribute funding. Under new metropolitan bus contracts, payments for school travel will be made on the basis of actual student usage.

Community Groups and Private Operators

The Government will continue its commitment to a wide range of concessions and subsidies to various groups so that public transport can continue to assist those groups in accessing services, education and employment.

Payments to private transport operators and community groups, including funding for concessions, are estimated at \$556 million in 2005-06.

In 2004-05 Regional Transport Coordinators within the Ministry of Transport funded over 100 trials of new transport services and other initiatives. These new services are providing reliable access to essential services and recreational activities, in some cases for the first time. In 2005-06 Regional Transport Coordinators will continue trials of new transport services in regional communities.

Transport Infrastructure Improvement

The Transport Infrastructure Improvement Program, funded from the Parking Space Levy, will continue during 2005-06. The Program provides for the construction of interchanges and commuter car parks to improve access to and encourage the use of public transport.

Projects scheduled for 2005-06 include:

- ◆ \$15 million for the Parramatta Transport Interchange; and
- ◆ \$25.9 million for bus stations on the North West Transitway, linking Mungerie Park, Blacktown and Parramatta.

Capital Expenditure

The Ministry of Transport's capital program of \$11.2 million for 2005-06 includes \$11 million as a contribution toward the cost of improving rail freight infrastructure in the metropolitan region.

INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

The principal objective of the Independent Transport Safety and Reliability Regulator (ITSRR) is to facilitate the safe and reliable operation of transport services in New South Wales. ITSRR's core business activities are:

- ◆ strategic coordination across rail, bus and ferry transport modes to promote consistency in transport safety regulation;
- ◆ administration of the *Rail Safety Act 2002*, which involves accrediting rail operators and undertaking compliance audits and investigations; and
- ◆ monitoring the safety and reliability performance of rail, bus and ferry sectors and undertaking related research projects.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

ITSRR is the primary regulator for the rail industry in New South Wales and monitors and advises Government on issues related to the safety and reliability of publicly funded transport services. ITSRR also undertakes a co-ordination role for safety of rail, bus and ferry transport.

Expenditure of \$17.4 million in 2005-06, ITSRR's second full year of operation, provides services for accreditation, audit and compliance of rail operators, monitoring and reporting on safety of rail, bus and ferry and promoting consistency of safety regulation across the transport sectors. ITSRR will also have a major role in monitoring and reporting to Government on the implementation of the final recommendations of the Waterfall Special Commission of Inquiry.

Following the outcome of the Waterfall Inquiry, conduct of independent investigations to determine the cause of a major transport accident or incident will be undertaken by the Chief Investigator of the Office of Transport Safety Investigation which will be independent from ITSRR. Full separation of the Chief Investigator's functions from ITSRR will take place from 1 July 2005. In 2005-06 \$1.9 million will be available for the Chief Investigator and the Office of Transport Safety Investigation. Compliance investigations will be retained within ITSRR.

STRATEGIC DIRECTIONS

Key priorities for the Regulator working in partnership with stakeholders in 2005-06 are:

- ◆ ensuring operators have effective safety management systems;
- ◆ facilitating a continuously improving safety culture for operators;
- ◆ alerting industry to potential safety issues;
- ◆ informing Government and the community on service reliability; and
- ◆ ensuring consistent application of safety activity and reporting across transport modes.

ITSRR will provide assistance to industry to implement safety management systems and to promote a safety culture. ITSRR will also conduct safety investigations, provide safety regulation in line with legislative standards, conduct education programs and monitor and report on service reliability.

2005-06 BUDGET

Total Expenses

Total expenses for the Regulator are estimated at \$17.4 million in 2005-06.

Funding includes \$14.1 million for safety regulation, \$1.9 million for investigations into accidents and incidents involving transport services and \$1.4 million to advise the Government and the community on service reliability and the extent to which transport operators are meeting their service obligations.

MINISTER FOR TRANSPORT
62 MINISTRY OF TRANSPORT

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	28,470	43,051	30,527
Other operating expenses	19,020	13,903	9,703
Maintenance	292	292	301
Depreciation and amortisation	1,700	1,700	3,375
Grants and subsidies	2,588,714	2,752,922	2,932,066
Other expenses	18,207	19,773	17,725
Total Expenses	2,656,403	2,831,641	2,993,697
Less:			
Retained Revenue -			
Sales of goods and services	6,662	7,757	6,895
Investment income	1,200	2,400	1,242
Retained taxes, fees and fines	1,771	1,771	1,833
Grants and contributions	28,844	32,327	28,704
Other revenue	4,513	4,513	4,513
Total Retained Revenue	42,990	48,768	43,187
NET COST OF SERVICES	2,613,413	2,782,873	2,950,510

MINISTER FOR TRANSPORT
62 MINISTRY OF TRANSPORT

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	26,203	41,284	28,479
Grants and subsidies	2,570,664	2,732,118	2,921,096
Other	63,966	94,736	70,020
Total Payments	2,660,833	2,868,138	3,019,595
Receipts			
Sale of goods and services	6,662	7,557	6,895
Interest	1,200	2,100	1,242
Other	73,239	86,547	73,569
Total Receipts	81,101	96,204	81,706
NET CASH FLOWS FROM OPERATING ACTIVITIES	(2,579,732)	(2,771,934)	(2,937,889)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(16,232)	(49,002)*	(11,244)
Other	...	(13,100)*	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(16,232)	(62,102)	(11,244)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	...	44,421*	...
NET CASH FLOWS FROM FINANCING ACTIVITIES	...	44,421	...
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	2,592,265	2,762,668	2,930,414
Capital appropriation	16,232	16,828	11,244
Cash reimbursements from the Consolidated Fund Entity	933	1,100	...
NET CASH FLOWS FROM GOVERNMENT	2,609,430	2,780,596	2,941,658
NET INCREASE/(DECREASE) IN CASH	13,466	(9,019)	(7,475)
Opening Cash and Cash Equivalents	64,118	60,043	51,024
CLOSING CASH AND CASH EQUIVALENTS	77,584	51,024	43,549

* Variance primarily reflects transactions associated with the Integrated Ticketing Project.

MINISTER FOR TRANSPORT
62 MINISTRY OF TRANSPORT

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000

CASH FLOW STATEMENT (cont)

CASH FLOW RECONCILIATION

Net cost of services	(2,613,413)	(2,782,873)	(2,950,510)
Non cash items added back	17,754	20,008	11,830
Change in operating assets and liabilities	15,927	(9,069)	791
Net cash flow from operating activities	(2,579,732)	(2,771,934)	(2,937,889)

MINISTER FOR TRANSPORT
62 MINISTRY OF TRANSPORT

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	77,584	51,024	43,549
Receivables	14,187	12,535	11,623
Other	6,445	6,987	6,782
Total Current Assets	98,216	70,546	61,954
Non Current Assets -			
Receivables	373	234	1,114
Property, plant and equipment -			
Land and building	925	967	307
Plant and equipment	23,250	10,399	1,285
Infrastructure systems	37,318	36,780	41,293
Intangibles	...	...	6,673
Other	4,805	...	...
Total Non Current Assets	66,671	48,380	50,672
Total Assets	164,887	118,926	112,626
LIABILITIES -			
Current Liabilities -			
Payables	40,101	36,728	37,232
Provisions	2,597	2,048	2,098
Total Current Liabilities	42,698	38,776	39,330
Non Current Liabilities -			
Interest bearing	13,000	...*	...
Provisions	472	468	468
Other	30,176	...*	...
Total Non Current Liabilities	43,648	468	468
Total Liabilities	86,346	39,244	39,798
NET ASSETS	78,541	79,682	72,828

* Variance primarily reflects transactions associated with the Integrated Ticketing Project.

MINISTER FOR TRANSPORT
62 MINISTRY OF TRANSPORT

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
<hr/>			
STATEMENT OF FINANCIAL POSITION (cont)			
EQUITY			
Accumulated funds	78,541	79,682	72,828
TOTAL EQUITY	78,541	79,682	72,828

MINISTER FOR TRANSPORT
62 MINISTRY OF TRANSPORT

62.1 Transport Policy and Strategy

62.1.1 Transport Policy and Strategy

Program Objective(s): To provide independent, considered policy advice and financial and strategic co-ordination for the Transport Portfolio to improve transport service outcomes for the people of New South Wales.

Program Description: Deliver to the Minister and Government sound, impartial and independent advice on policy and related issues. Manage portfolio legislation and support the Minister in his statutory, parliamentary, cabinet and other roles. Co-ordinate the activities of portfolio agencies. Maintain strong working relationships with external and other government agencies.

		Average Staffing (EFT)	
		2004-05	2005-06
<u>Activities</u> :	Policy and strategy staff	63	55

		2004-05		2005-06
		Budget \$000	Revised \$000	Budget \$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	7,962	11,626	5,699
Other operating expenses	1,990	2,973	1,080
Maintenance	123	50	54
Depreciation and amortisation	442	442	234
Other expenses			
Legal and other costs	438	1,052	140
Total Expenses	10,955	16,143	7,207

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	450	496	310
Investment income	1,200	...	...
Retained taxes, fees and fines	1,771	...	...
Grants and contributions	824	568	558
Other revenue	4,513	4,513	4,513
Total Retained Revenue	8,758	5,577	5,381
NET COST OF SERVICES	2,197	10,566	1,826

MINISTER FOR TRANSPORT
62 MINISTRY OF TRANSPORT

62.2 Contracting and Regulating Transport Services

62.2.1 Contracting and Regulating Transport Services

Program Objective(s): To contract and regulate transport providers to provide high quality passenger and freight transport services to the community.

Program Description: Develop and improve regulated standards and monitoring/auditing of transport service providers. Provide efficient and effective regulation services for transport service providers. Undertake strategic co-ordination of the Transport Budget allocation. Contract and fund services from providers (e.g. Rail Corporation, State Transit Authority, private transport operators, Rail Infrastructure Corporation and freight providers) which would not otherwise be available at the current fare and/or service levels. Fund improvements to public transport. Provide direct funding to identified community groups and certain individuals to meet their particular transport service needs.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Outputs:</u>					
CityRail services					
Total trips	mill	273.4	273.3	267.3	267.3
Average subsidy per trip	\$	2.39	2.45	3.43	3.79
Total concession trips	mill	80.7	80.4	77.7	78.6
Average subsidy per concession trip	\$	4.50	4.66	5.60	5.96
CountryLink services					
Total trips	mill	2.1	1.8	1.6	1.6
Average subsidy per trip	\$	32.03	40.24	56.45	58.39
Total concession trips	mill	1.1	1.1	0.9	0.8
Average subsidy per concession trip	\$	70.95	80.44	96.71	93.50
State Transit (Sydney Buses and Newcastle Services)					
Total trips	mill	199.0	200.0	200.3	200.7
Average subsidy per trip	\$	0.38	0.34	0.46	0.58
Total concession trips	mill	106.0	105.0	102.6	101.2
Average subsidy per concession trip	\$	1.65	1.73	1.88	1.97
Sydney Ferry Services					
Total trips	mill	13.3	13.4	13.5	13.7
Average subsidy per trip	\$	1.50	1.43	2.51	1.66
Total concession trips	mill	3.6	3.8	3.8	3.9
Average subsidy per concession trip	\$	4.13	3.88	5.03	4.18
School Student Transport Scheme					
Total beneficiaries	thous	649.8	660.1	660.5	661.2
Cost per beneficiary	\$	663.9	683.7	726.1	753.2
<u>Average Staffing:</u>	EFT	...	180	195	185

Note: Historical data shown for outcomes and outputs may vary from previously published figures where more accurate information has become available.

MINISTER FOR TRANSPORT
62 MINISTRY OF TRANSPORT

62.2 Contracting and Regulating Transport Services

62.2.1 Contracting and Regulating Transport Services (cont)

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	20,508	31,425	24,828
Other operating expenses	17,030	10,930	8,623
Maintenance	169	242	247
Depreciation and amortisation	1,258	1,258	3,141
Grants and subsidies			
RailCorp - CityRail and Countrylink Services	843,508	1,008,297	1,113,392
RailCorp – school student and other concessions	226,935	206,146	200,112
RailCorp - capital grant ¹	422,147	422,147	362,717
Transport Infrastructure Development Corporation - Epping-Chatswood Rail Link capital grant	107,117	107,117	138,752
Rail Infrastructure Corporation (RIC) - country network operations	123,000	123,000	167,000
SRA/RIC - transitional and redundancy funding	42,200	42,200	39,900
Rail Freight Services	1,845	1,746	1,746
STA – Services	87,463	91,563	116,566
STA – concessions	150,113	145,875	140,483
STA - redundancies	...	5,000	...
Sydney Ferries - services	33,812	33,812	22,782
Sydney Ferries - concessions	9,566	9,566	9,913
Sydney Ferries - redundancies	...	1,200	...
Sydney Ferries - capital grant	4,830	4,830	4,830
Private transport operators	434,061	441,938	514,158
Community groups and certain individuals	40,530	44,143	41,814
Newcastle Port Corporation - lease administration fee	150	150	150
Local Government - capital grants	1,476	1,476	1,476
RTA - transitway capital grant	20,000	20,000	21,300
Public transport infrastructure	12,433	12,433	15,965
Non cash capital grants - interchanges and parking	18,050	20,804	10,970
Contribution to the National Transport Commission	771	771	771
Integrated Ticketing - contribution to private Transport operators	8,707	8,707	7,269

MINISTER FOR TRANSPORT
62 MINISTRY OF TRANSPORT

62.2 Contracting and Regulating Transport Services

62.2.1 Contracting and Regulating Transport Services (cont)

OPERATING STATEMENT (cont)

Other expenses			
Integrated Transport Information Service	7,524	7,524	7,524
Refunds and remissions of Crown revenue	100	100	100
Taxi Advisory Council	1,699	843	1,699
Legal and other costs	340	2,148	638
Other	8,106	8,106	7,624
Total Expenses	2,645,448	2,815,498	2,986,490
Less:			
Retained Revenue -			
Sales of goods and services			
Minor sales of goods and services	6,212	7,261	6,585
Investment income	...	2,400	1,242
Retained taxes, fees and fines	...	1,771	1,833
Grants and contributions	28,020	31,759	28,146
Total Retained Revenue	34,232	43,191	37,806
NET COST OF SERVICES	2,611,216	2,772,307	2,948,684
CAPITAL EXPENDITURE	16,232	49,002	11,244

MINISTER FOR TRANSPORT**63 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	13,404	13,457	12,755
Other operating expenses	1,960	2,080	2,744
Maintenance	166	12	21
Depreciation and amortisation	100	250	363
Other expenses	1,500	1,500	1,500
Total Expenses	17,130	17,299	17,383
Less:			
Retained Revenue -			
Sales of goods and services	...	20	...
Investment income	...	74	62
Total Retained Revenue	...	94	62
NET COST OF SERVICES	17,130	17,205	17,321

MINISTER FOR TRANSPORT

63 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	12,342	12,583	11,882
Other	3,626	5,295	5,175
Total Payments	15,968	17,878	17,057
Receipts			
Sale of goods and services	...	20	...
Interest	...	74	62
Other	...	1,001	1,000
Total Receipts	...	1,095	1,062
NET CASH FLOWS FROM OPERATING ACTIVITIES	(15,968)	(16,783)	(15,995)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	...	(51)	(650)
NET CASH FLOWS FROM INVESTING ACTIVITIES	...	(51)	(650)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	15,673	15,725	16,141
Capital appropriation	...	51	600
Cash reimbursements from the Consolidated Fund Entity	395	395	...
NET CASH FLOWS FROM GOVERNMENT	16,068	16,171	16,741
NET INCREASE/(DECREASE) IN CASH	100	(663)	96
Opening Cash and Cash Equivalents	2,033	2,147	1,484
CLOSING CASH AND CASH EQUIVALENTS	2,133	1,484	1,580
CASH FLOW RECONCILIATION			
Net cost of services	(17,130)	(17,205)	(17,321)
Non cash items added back	1,162	1,124	1,236
Change in operating assets and liabilities	...	(702)	90
Net cash flow from operating activities	(15,968)	(16,783)	(15,995)

MINISTER FOR TRANSPORT**63 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	2,133	1,484	1,580
Receivables	126	289	139
Other	...	227	137
Total Current Assets	2,259	2,000	1,856
Non Current Assets -			
Property, plant and equipment -			
Land and building	1,000	774	574
Plant and equipment	12	64	551
Total Non Current Assets	1,012	838	1,125
Total Assets	3,271	2,838	2,981
LIABILITIES -			
Current Liabilities -			
Payables	600	1,017	867
Provisions	500	425	425
Total Current Liabilities	1,100	1,442	1,292
Non Current Liabilities -			
Provisions	...	373	373
Total Non Current Liabilities	...	373	373
Total Liabilities	1,100	1,815	1,665
NET ASSETS	2,171	1,023	1,316
EQUITY			
Accumulated funds	2,171	1,023	1,316
TOTAL EQUITY	2,171	1,023	1,316

MINISTER FOR TRANSPORT

63 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

63.1 Independent Transport Safety and Reliability Regulator

63.1.1 Effective Regulation

Program Objective(s): To provide strategic co-ordination of safety regulation across transport modes. To administer the Rail Safety Act 2002, including accreditation of rail operators and undertaking compliance audits and investigations.

Program Description: Provisions of safety policy and safety management system standards across transport modes and the guidelines and regulations that support these. Accredited rail operators and monitor compliance with the Rail Safety Act 2002, with a focus on promoting improvements in safety management systems and safety culture. Provision of research and data analysis to identify potential safety issues.

<u>Average Staffing (EFT)</u> :	2004-05	2005-06
	63	65

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	10,300	11,174	10,581
Other operating expenses	1,502	1,691	1,972
Maintenance	110	8	17
Depreciation and amortisation	73	207	301
Other expenses			
Legal and other costs	1,350	1,244	1,244
Total Expenses	13,335	14,324	14,115

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	...	20	...
Investment income	...	61	52
Total Retained Revenue	...	81	52

NET COST OF SERVICES	13,335	14,243	14,063
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CAPITAL EXPENDITURE	...	51	650
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MINISTER FOR TRANSPORT

63 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

63.1 Independent Transport Safety and Reliability Regulator

63.1.2 Investigation

Program Objective(s): To conduct independent and rigorous investigations into accidents and incidents involving transport services.

Program Description: Conduct investigations into rail, bus and ferry accidents and incidents and initiate investigations of systemic safety failures. Manage the Confidential Safety Information and Reporting Scheme. Notify industry of safety issues. Monitor national and overseas transport safety investigations.

Average Staffing (EFT):

2004-05	2005-06
10	11

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,537	1,205	1,112
Other operating expenses	270	208	578
Maintenance	28	2	2
Depreciation and amortisation	13	22	32
Other expenses			
Legal and other costs	150	131	131
Total Expenses	1,998	1,568	1,855
Less:			
Retained Revenue -			
Investment income	...	7	5
Total Retained Revenue	...	7	5
NET COST OF SERVICES	1,998	1,561	1,850

MINISTER FOR TRANSPORT

63 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

63.1 Independent Transport Safety and Reliability Regulator

63.1.3 Service Reliability

Program Objective(s): To advise the Government and the community on the extent to which transport operators are meeting their service obligations. To identify lead indicators of potential safety risks.

Program Description: Advise the Minister, Government and the community on the extent to which publicly funded transport services are meeting the standards set by Government under their contracts with service providers. Advise the Minister of performance against national and international standards.

<u>Average Staffing (EFT)</u> :	2004-05	2005-06
	11	10

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	1,567	1,078	1,062
Other operating expenses	188	181	194
Maintenance	28	2	2
Depreciation and amortisation	14	21	30
Other expenses			
Legal and other costs	...	125	125
Total Expenses	1,797	1,407	1,413
Less:			
Retained Revenue -			
Investment income	...	6	5
Total Retained Revenue	...	6	5
NET COST OF SERVICES	1,797	1,401	1,408

TREASURER, MINISTER FOR STATE DEVELOPMENT AND MINISTER FOR ABORIGINAL AFFAIRS

OVERVIEW

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Treasury			
Total Expenses	453.4	450.5	-0.6
Capital Expenditure	18.3	11.7	-36.0
Crown Finance Entity			
Total Expenses	5,523.4	5,404.0	-2.2
Capital Expenditure	174.1	175.2	0.6
Crown Leaseholds Entity			
Total Expenses	5.7	41.7	632.4
Capital Expenditure .....	...	...	...
Department of State and Regional Development			
Total Expenses	112.3	97.7	-13.1
Capital Expenditure	0.1	0.1	...
Department of Aboriginal Affairs			
Total Expenses	49.1	56.3	14.7
Capital Expenditure .....	...	...	...
NSW Self Insurance Corporation			
Total Expenses	1,252.7	1,346.3	7.5
Capital Expenditure .....	...	...	...
Liability Management Ministerial Corporation			
Total Expenses	1.0	5.7	480.4
Capital Expenditure .....	...	...	...
Electricity Tariff Equalisation Ministerial Corporation			
Total Expenses	0.2	0.5	103.7
Capital Expenditure .....	...	...	...
Crown Property Portfolio			
Total Expenses	162.2	149.2	-8.0
Capital Expenditure	12.4	35.1	182.3

<i>Agency</i>	<i>Budget 2004-05 \$m</i>	<i>Budget 2005-06 \$m</i>	<i>Variation %</i>
Advance to the Treasurer			
Total Expenses.....	240.0	175.0	-27.1
Capital Expenditure.....	110.0	95.0	-13.6
Total, Treasurer, Minister for State Development and Minister for Aboriginal Affairs			
Total Expenses	7,800.0	7,726.9	-0.9
Capital Expenditure	314.9	317.1	0.7

TREASURY

Treasury consists of the **Office of Financial Management (OFM)** and the **Office of State Revenue (OSR)**.

OFM provides economic and financial advice to the Government on the management of the State's finances.

OSR administers and collects taxes, implements legislation relating to State revenue, makes the payment of various grants, subsidies and rebates, collects outstanding State debts and administers fines on behalf of local government and some other Departments.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

A number of strategies underpin Treasury's planned result areas. The strategies continue to contribute to key results including the maintenance of the State's AAA rating, growth in the State's net worth and maintenance of a strong revenue base.

Office of Financial Management

OFM seeks to promote State resource management to achieve a stronger State economy and better public services. The services it delivers are aimed at achieving a more competitive and sustainable business environment, better resource allocation and strengthened finances. Achievements in these areas during 2004-05 are as follows:

A More Competitive and Sustainable Business Environment

- ◆ participated in the national working group review of State Government business stamp duties as required by the Intergovernmental Agreement;

- ◆ jointly amended the National Electricity law to provide more effective governance of the National Electricity Market, separating policy and regulatory functions into the Australian Energy Market Commission and the Australian Energy Regulator;
- ◆ implemented competition policy and contributed to the Productivity Commission review of achievements and future action; and
- ◆ participated in the development of strategies to address:
 - electricity supply and demand balance, and
 - water supply and demand balance.

Better Resource Allocation and Management

- ◆ integrated Results and Services Plans (RSPs) and Total Asset Management (TAM) Plans into the budget process;
- ◆ reviewed agency TAM plans for consistency with RSPs, and worked with the Department of Infrastructure, Planning and Natural Resources to ensure capital funding is consistent with whole-of-government planning;
- ◆ continued implementation of procurement reform, including agency accreditation and the development and application of the Gateway review process for high risk and/or high cost capital projects;
- ◆ contributed to the development of a framework for natural resources policy including restructured agency arrangements and integrated strategic planning;
- ◆ participated in transport sector reform including the introduction of a more equitable fare regime for Sydney Buses;
- ◆ oversaw Public Private Partnership arrangements including the Newcastle Mater Hospital, Long Bay Prison Forensic Hospital, and Chatswood Transport Interchange; and
- ◆ assisted agencies with the sales of QStores, the Government Printing Service, and State Mail, and various other complex commercial transactions.

Strengthened State Finances

- ◆ implemented taxation reform covering land tax, vendor duty, stamp duty and premium property tax;
- ◆ updated the fiscal strategy;
- ◆ participated in the Commonwealth Grants Commission review of the methodology used for allocating State grants;
- ◆ co-ordinated the New South Wales response to the Productivity Commission's review of the economic and fiscal impacts of ageing; and
- ◆ conducted a tender to move the management of the Treasury Managed Fund (TMF) to a contestable model utilising a greater number of providers, and assumed responsibility for co-ordinating certain TMF functions under the revised model.

Office of State Revenue

The First Home Owner Grants Scheme (FHOGS) significantly influences OSR's expenditure trends. FHOGS payments are estimated at \$260 million in 2004-05.

The transfer of the State Debt Recovery Office (SDRO) in April 2002 and more recently the Infringement Processing Bureau (IPB) in October 2003 has added \$43.3 million to OSR's general expenditure in 2004-05. April 2004 saw the successful relocation of the Fine Enforcement Branch (FEB) from Sydney to Lithgow with an investment of \$6 million.

OSR has concentrated its efforts on implementing the changes to taxation introduced during the April 2004 mini-Budget and on implementing business process improvements in both infringement processing and fine enforcement branches of the SDRO.

Major capital purchases estimated to be \$18.5 million for 2004-05 relate mainly to the maintenance and improvement of tax and fines systems to improve efficiency and enable better service to clients through electronic service delivery and the integration of the fines systems into OSR.

Priorities of OSR during 2004-05 have been to ensure that:

All Due Revenue is Collected

The implementation of electronic service delivery continues to be a priority for OSR. Significant effort has been put into the successful implementation of the April 2004 mini-Budget. Due to changes to land tax and duties legislation, the number of OSR clients has greatly increased. Major changes to procedures and systems and the recruitment and training of additional staff have taken place to meet the increased work. Efforts have also focussed on expanding revenue compliance with an additional \$2.2 million funding provided in 2004-05.

Infringement Processing and Fine Enforcement is Effective

Since transferring to OSR, the IPB has successfully cleared the backlog of unprocessed fines. 99.5 percent of all infringements are now finalised. The flow-on effect to the FEB has required an additional investment of \$4.8 million.

A significant project was undertaken to consider business process improvements in both infringement processing and fine enforcement branches of SDRO. The recommendations of this project are now being implemented.

Eligible Applicants Receive Payments Due

OSR administers the FHOGS, Unclaimed Moneys, the Gaming GST Rebate Scheme and the Petroleum Subsidy Scheme. Changes to the First Home Plus scheme announced in the April 2004 mini-Budget provided substantial concessions in stamp duty to first home buyers. This has led to a large increase in the number of applicants for benefits.

STRATEGIC DIRECTIONS

Office of Financial Management

A number of initiatives to develop a stronger NSW economy and better public services are planned for the coming year. These strategies signal priorities and underpin the planned results outlined in OFM's RSP.

A More Competitive and Sustainable Business Environment

The Microeconomic Reform Strategy aims to create an efficient policy and regulatory environment and a sustainable revenue regime. This will lead to a stronger economy. Key initiatives include:

- ◆ ongoing review of the energy sector focussing on initiatives coming from the Energy Directions White Paper;

- ◆ continuing energy market reform comprising generation and retail, gas, governance and legislative initiatives;
- ◆ monitoring action to address Sydney's water supply and demand balance; and
- ◆ reviewing the effectiveness of the tax system in supporting strategic policy objectives.

Better Resource Allocation and Management

The Microeconomic Reform Strategy also contributes to better resource allocation. This is achieved by periodically reviewing the service delivery and funding for key sectors. The aim is to improve the productivity of general government sector agencies. Priorities include:

- ◆ reviewing the effectiveness of land management and environmental agency reforms; and
- ◆ contributing to implementation of strategic planning, governance and accountability reforms in the transport, health, and community services sectors.

The Financial Management Framework continues to be the main strategy for better resource allocation and management. It links budgeting and planning and helps agencies deliver value for money programs and services. The priorities are:

- ◆ further refining the State budget process by:
 - reviewing the effectiveness of RSP and TAM integration,
 - requiring information technology and communications related assets to meet TAM guidelines and the Gateway procurement requirement, and
 - streamlining performance reporting;
- ◆ reviewing the consistency of the capital funding allocation process with whole-of-government planning;
- ◆ introducing reforms to improve property management within agencies;
- ◆ assisting the Department of Local Government with the introduction of Public Private Partnerships reviews for local government projects;
- ◆ implementing a revised appropriation system, a key element in reforming NSW financial legislation; and
- ◆ guiding the implementation of international accounting standards within the NSW public sector.

Strengthened State Finances

The State Fiscal Strategy sets medium and long term targets for major Budget aggregates. It ensures appropriate fiscal outcomes for New South Wales. A key focus will be ongoing review of the impacts of ageing and other fiscal pressures.

The State Balance Sheet Management Strategy aims to strengthen State finances by managing financial assets and liabilities to achieve an optimal balance sheet structure. In the coming year this will involve implementing contestable arrangements for the management of government self insurance under the Treasury Managed Fund.

The Commercial Policy Framework applies private type disciplines to government businesses to safeguard the value of the businesses and the returns they make to the Budget and taxpayer. Key action will involve implementing government decisions on the reform of Forests NSW.

Office of State Revenue

As the Government's primary revenue collection agency, OSR is implementing a number of measures to ensure that revenue collection is maximised. This includes strategies to ensure people pay their taxes as well as to enhance infringement and fine processing management to provide better services to clients.

OSR has in place a long-term strategic framework entitled Vision 2009. This framework aims to position OSR as "The Agile Organisation". Vision 2009 has five key focus areas which articulate OSR's strategies:

Enhance our revenue performance

- ◆ optimising revenue and debt compliance;
- ◆ improving legislation to enhance compliance; and
- ◆ ensuring the New South Wales community understand their revenue rights and obligations.

Drive service and efficiency through technology

- ◆ identifying and enhancing the most effective service delivery channels;
- ◆ integrating stakeholder processes to increase efficiency for all parties; and
- ◆ responding to business needs with agile and disciplined information technology.

Forge powerful stakeholder relationships

- ◆ fostering cooperative development with stakeholders at all levels;
- ◆ building effective alliances with commercial clients; and
- ◆ continually increasing client satisfaction.

Build an organisation of “value-able” people

- ◆ encouraging visionary, disciplined leadership;
- ◆ ensuring staff embrace OSR’s values of responsiveness, integrity, teamwork and achievement; and
- ◆ continuing to develop OSR’s core capabilities.

Ensure OSR’s continual renewal

- ◆ continually increasing OSR’s efficiency and capacity;
- ◆ reinvesting efficiency gains for future benefits; and
- ◆ creating readiness for new business opportunities.

2005-06 BUDGET

Total Expenses

The estimated expenses for Treasury are \$450.5 million including First Home Owner Grant payments estimated to be \$262 million. Excluding First Home Owner Grants, Treasury expenses are \$188.5 million and will be used for the following:

- ◆ \$39.8 million to promote state resource management to achieve a stronger NSW economy and better public services by pursuing:
 - a more competitive and sustainable business environment;
 - better resource allocation and management; and
 - strengthened State finances.
- ◆ \$98.1 million to ensure effective and equitable collection of revenue from taxes, duties and other sources due to the State of New South Wales;

- ◆ \$45 million to ensure the effective and timely processing of infringements and fine enforcement activities for the benefit of the people of New South Wales; and
- ◆ \$5.6 million to ensure eligible applicants receive payments due under Commonwealth and State Government schemes.

Capital Expenditure

Office of Financial Management

OFM's allocation of \$0.4 million will be used to upgrade existing equipment under the asset replacement program and for general enhancements to the existing financial collection and information systems.

Office of State Revenue

OSR's capital allocation is \$11.4 million. The key programs planned for 2005-06 include:

- ◆ \$2.6 million for continuation of the two year integration project. OSR's aim is to better integrate the OSR, SDRO and IPB computer systems, call centres and telecommunications which will improve overall OSR business processes;
- ◆ \$3 million for the business continuity project which is a three year project and will ensure OSR has a safe and secure environment and systems in the event of a disaster; and
- ◆ \$3.8 million for the maintenance of OSR's information technology infrastructure system to enable provision for increased activity, to build further efficiencies through increasing staff productivity and to ensure OSR has a flexible, reliable system that will enhance the life of this asset.

CROWN FINANCE ENTITY

The Crown Finance Entity is responsible for service-wide assets and liabilities, and their related transactions for which individual agencies are not directly accountable. The major components relate to the Crown funding plan contributions for the defined benefit superannuation schemes, long service leave payments on behalf of general government budget dependent agencies, interest payments on government debt to New South Wales Treasury Corporation and the Commonwealth, and the payment of interest on bank balances held by general government agencies in the Treasury Banking System.

In addition, the State is required by the Commonwealth to contribute to the administration of the GST. Other payments include HIH policyholder claims, State Bank post sale management costs, refunds and remissions of Crown revenue, natural disasters assistance, contributions to the Treasury Managed Fund, debt and investment management costs, and payments for community service obligations to Australian Inland Energy Water Infrastructure and the Hunter Water Corporation.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

In 2005-06, the budget for employer contributions to the accumulated superannuation schemes (\$871 million in 2004-05) has been transferred from the Crown Finance Entity to individual budget dependent agencies. The purpose of this change is to improve accountability and administrative efficiency.

The introduction of international accounting standards will have a material impact on the provisions shown in the Crown Finance Entity balance sheet. This is explained in the detailed commentary on asset and liability management in Chapter 4 of Budget Paper No. 2.

2005-06 BUDGET

Total Expenses

Estimated total expenses in 2005-06 are \$5.4 billion, with the major components being:

- ◆ \$2.3 billion incurred on behalf of general government budget dependent agencies for employer superannuation expenses and associated payroll tax. This expense compares to a budget of \$2.7 billion and forecast expense of \$1.1 billion in 2004-05. The decrease in forecast expense for 2004-05 was largely due to a revision of actuarial forecasts because of higher actual investment returns. The 2005-06 Budget reverts to normal actuarial assumptions, including investment returns;
- ◆ \$1 billion as a grant to the Liability Management Ministerial Corporation. These funds are invested and can only be used to meet superannuation liabilities;
- ◆ \$795.1 million for interest expenses on existing debt held with New South Wales Treasury Corporation, the Commonwealth and other organisations. This is a 10.5 percent increase on forecast 2004-05 expenses. The main reason for this increase is a slightly higher level of debt coupled with higher than expected interest rates;

- ◆ \$393.8 million for long service leave expenses of general government budget dependent agencies;
- ◆ \$275 million as a grant to the Transport Accident and Governmental Workers' Compensation Funds, part of the NSW Self Insurance Corporation, to eliminate a build up of agency balances;
- ◆ \$198.5 million as reimbursement to the Australian Taxation Office for GST administration and related payments;
- ◆ \$149.9 million in capital grants to agencies including \$22 million to the Health Department from the Health Super Growth Fund;
- ◆ \$100 million for redundancy payments for various government agencies which are restructuring for improved efficiency;
- ◆ \$41 million to subsidise petroleum products for on-road use near the Queensland border and \$6 million to subsidise the sale of low alcohol beer in New South Wales;
- ◆ \$37.7 million depreciation on motor vehicles;
- ◆ \$19.8 million to offset GST payments for clubs;
- ◆ \$13.8 million interest on motor vehicle finance leases;
- ◆ \$15 million to be invested in projects with the aim of increasing the flow of water in the Snowy River; and
- ◆ \$15 million as a provision for natural disaster grants.

Total Revenue

All revenue received is passed on to the Consolidated Fund, none is retained by the Crown Finance Entity. Estimated total revenue in 2005-06 is \$604.6 million, with the major components being:

- ◆ \$246.8 million as a grant from the NSW Self Insurance Corporation as a partial return of previous grant funding received from the Crown Finance Entity. This is due to the improved Treasury Managed Fund claims position;
- ◆ \$102.3 million as a return on the State's equity investments with \$61.4 million in dividends and \$40.9 million as an increase in the value of the investments;
- ◆ \$81.9 million as interest on Crown advances to public sector agencies;
- ◆ \$60 million in recoveries from the liquidation of HIH;

- ◆ \$52.7 million income from leasing motor vehicles to government agencies;
- ◆ \$32.1 million in contributions for superannuation and long service leave; and
- ◆ \$22.7 million as interest on funds invested on behalf of the Health Super Growth Fund.

Capital Expenditure

For 2005-06 capital expenditure of \$175.2 million has been allocated to implement two programs:

- ◆ \$95.2 million for the purchase of motor vehicles to lease to other government agencies; and
- ◆ \$80 million as a provision for land acquisitions.

CROWN LEASEHOLDS ENTITY

The Crown Leaseholds Entity is administered by the Department of Lands under the *Crown Lands Act 1989*.

The Crown Leaseholds Entity collects annual instalments relating to the purchase of Crown land and generates revenue from leases, licences and permissive occupancies of Crown land and is the accounting entity that reports the value of vacant Crown land. Reform of the program means that some of the perpetual leases are being sold to the lease holders. The Crown Leaseholds Entity also collects fees and levies associated with the *Water Act 1912*, the Coomealla Pipeline and the Pindari Dam enlargement.

Vacant Crown land is all Crown Entity land not included in the Leasehold Estate. This land includes land on the continental shelf within the three nautical mile zone.

Operating expenses have increased from \$5.7 million in 2004-05 to \$41.7 million in 2005-06. The increase is due to the Crown Leaseholds Entity providing parcels of Crown lands to other Government entities, including Aboriginal Land Councils, Reserve Trusts and Local Government.

The retained revenues have increased 96.2 percent from \$50.2 million estimated in 2004-05 to \$98.5 million in 2005-06. The increase is due to the proceeds of the sale of perpetual leases and higher lease income. The increase in lease income is the result of a review of lease payments to better reflect the market value of the property leased.

Increases in payments have resulted in cashflows from operating activities decreasing by 24.8 percent, from \$50 million in the 2004-05 Budget to \$37.6 million in the 2005-06 Budget. This reduction is partly offset by an increase in cashflows from investing activities of \$9.2 million in 2005-06. The cash transfers to the Consolidated Fund have decreased by 8.7 percent, from \$50 million in the 2004-05 Budget to \$45.6 million in the 2005-06 Budget.

DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

The Department of State and Regional Development provides expert advice and quality services to advance the economic development of both metropolitan and regional New South Wales.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

During 2004-05, the Department worked to secure major investment in New South Wales with an estimated value of \$1.5 billion and an employment impact of over 6,600 jobs:

- ◆ Investment projects confirmed for Sydney that will help deliver jobs included the establishment of a major campus by Singtel Optus as part of its consolidation and expansion and the attraction of Bluescope Steel's new coating plant in Western Sydney. The Department also helped to open Morgan Stanley's shared services subsidiary Serco Solutions, with over 120 staff supporting the company's operations throughout the Asia Pacific. Serco Solutions is also one of the company's two major foreign exchange processing centres in the world.
- ◆ Investment projects attracted to regional New South Wales included the establishment of a new aircraft heavy maintenance facility at Newcastle Airport by Jetstar Airways, expanded facilities by Rynarp, a wholesaler of fresh, dry and frozen foods in the Illawarra region, the establishment of a glasshouse tomato production facility by The Costa Group in Guyra, and a mine and minerals separation plant development in Broken Hill by Bemax Resources.

An extensive range of small business development, innovation, export growth and regional development activities was undertaken in 2004-05:

- ◆ The Stepping Up program for small business was introduced around New South Wales to assist small firms through skill development and mentoring support to implement sales growth and profit enhancement strategies.

- ◆ Contracts were awarded to 18 community organisations to provide Business Advisory Services on behalf of the NSW Government, commencing on 1 October 2004. Enhanced support services include a central 1300 help line for small business inquiries.
- ◆ A special week of events targeting home-based business operators was delivered in May. This inaugural event featured expert presenters discussing new technologies and systems, and complemented the Home-Based Business Action Programs delivered in fourteen locations throughout the State during the year.
- ◆ The second Building Regional Towns Tour visited Forbes, Scone and Merriwa. The two day tour gave 16 investors exposure to commercial opportunities in these areas, which were selected on the basis of their rapidly growing populations. To date, \$0.6 million in new investment has been generated from the tour.
- ◆ The NSW film production industry benefited from the selection of city and country locations for the film, 'Superman Returns'. To help win future film and television business for regional areas, a three day Heartland Central West Film and Television Tour was held, showcasing 23 locations to Australian filmmakers.
- ◆ As part of the New South Wales Government's export opportunities program, the New South Wales Minister for Small Business led a trade mission to China, coinciding with the 25th anniversary of the establishment of the Sister-State Relationship between the State of New South Wales and Guangdong Province in the People's Republic of China. Members of the group were able to attend special briefings on the 2010 Asian Games, being held in Guangzhou. Mission members were amongst the 180 plus firms participating in international market entry initiatives during the year, including trade missions to Malaysia, Singapore, Thailand, Fiji, New Caledonia, the United Arab Emirates and New Zealand.
- ◆ A new Aboriginal business development program was introduced to extend the existing range of support measures to encourage business formation by Aboriginal entrepreneurs and communities. A mentoring program at Lismore, Nowra and in the Hunter will help Aboriginal business owners to develop skills, identify business opportunities and learn from experienced business mentors.
- ◆ A Regional Distribution Centres Attraction Strategy was released to raise awareness amongst metropolitan businesses of the advantages of regional centres for warehousing and distribution business. The first of six locations being promoted under the strategy is Goulburn.

- ◆ A Regional Retail Program provided targeted training and follow up coaching to retailers in Dubbo, Lake Macquarie, Lower Hunter and Port Macquarie, including a series of workshops on topics such as visual merchandising and professional selling skills.
- ◆ The Australian Technology Showcase demonstration program provided an opportunity for 13 businesses to demonstrate their innovative technology in partnership with a Government agency or private company. This has resulted in over \$13 million in new business and potential sales for these firms. Over 45 new member technologies were admitted to the ATS during the year, bringing the total membership to more than 430.
- ◆ The Australia-New Zealand Biotechnology Alliance was expanded to include all Australian States and Territories, and was launched at BIO 2004 in San Francisco. The Alliance was developed by New South Wales in collaboration with Queensland and Victoria, to better position Australia's biotechnology capability in overseas markets.

STRATEGIC DIRECTIONS

The Department's activities are encompassed in six strategies designed to boost economic and employment growth. These are:

- ◆ promoting investment;
- ◆ boosting exports;
- ◆ driving innovation and technological change;
- ◆ improving the State's business climate;
- ◆ building the economic capacity of regional New South Wales; and
- ◆ supporting entrepreneurship and growth in small and medium sized businesses.

2005-06 BUDGET

Total Expenses

The Department's estimated total expenses for 2005-06 are \$97.7 million.

During 2005-06 the Department will continue to provide services and programs to advance business growth and economic development in New South Wales, including support for businesses relocating to regional New South Wales. Initiatives will include:

- ◆ promoting the State as a location for large scale and strategic investment in operations requiring high level technical and business skills, including support for the Forbes Global CEO Conference which is expected to attract over 300 international business leaders;
- ◆ facilitating the development of large scale projects in energy supply, energy intensive industries such as minerals processing and paper making, and in advanced manufacturing, through a co-ordinated whole-of-government approach;
- ◆ developing a series of industry sector profiles to promote the strengths of the New South Wales economy and identify areas of opportunity for new investment and employment;
- ◆ supporting the expansion of National ICT Australia, the country's centre of excellence for the information technology industry, into a new headquarters at the Australian Technology Park. During the year over 100 doctoral research students will undertake projects at the centre;
- ◆ pursuing opportunities for New South Wales sports management and infrastructure companies to build on the success of the Sydney Olympics by winning contracts in the overlay and procurement phases of the 2008 Beijing Olympics. New business for New South Wales will also be sought from the Asian Games in Doha (2006) and Guangzhou (2010) and the FIFA World Cup in South Africa in 2010;
- ◆ working with Railcorp and the Industry Capability Network to maximise participation by New South Wales industry in the \$1.5 billion rolling stock construction and maintenance contract;
- ◆ extending the Stepping Up program to reach more small businesses from new industry groups and regions with tailored skills development assistance to contribute to business growth;

- ◆ delivering Small Business September 2005 to recognise the impact made by small business on the State's economy, through a co-ordinated program of workshops, seminars, exhibitions and events in co-operation with industry associations, government agencies and community organisations;
- ◆ supporting regional economic opportunities in the food and wine sector to build on the inaugural Food Tour conducted in May 2005, which matched regional food businesses with prospective customers; and
- ◆ promoting regional New South Wales as a prime business and residential location, including sponsorship of "Country Week" 2005, and working with individual businesses to address skill shortage challenges.

Capital Expenditure

The Department's capital expenditure program for 2004-05 includes \$0.1 million for essential fit out works and the replacement of plant and equipment.

DEPARTMENT OF ABORIGINAL AFFAIRS

The Department, through the partnership between the Government and the Aboriginal people of New South Wales, is the lead agency for positive change and achievements in Aboriginal affairs and for facilitating co-ordination of Aboriginal programs.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Aboriginal Communities Development Program (ACDP) is a capital construction and infrastructure upgrade program aimed at raising the health and living standards of 22 selected, priority Aboriginal communities. The program aims to provide environmental health and essential infrastructure targeting a high level of identified need in housing, water, sewerage, roads, services, sporting, recreational and cultural facilities.

The program began in 1998-99 with an original budget of \$200 million over seven years. The ACDP is now a ten year, \$240 million program, with completion currently expected in 2007-08. The Department works closely with the Aboriginal Housing Office in determining the housing strategy within this program.

In 2004-05, the Department continued the Aboriginal Community Partnerships project aiming to give Aboriginal communities greater control over the planning, design and delivery of Government services. The restructure of the Department with a greater regional focus will enable an enhancement of these services to Aboriginal communities across New South Wales.

STRATEGIC DIRECTIONS

The Department has an ongoing commitment to key initiatives for achieving social, economic and cultural independence for Aboriginal People in New South Wales. These include the continued development of the Aboriginal Affairs Plan, *Two Ways Together, Partnerships: A New Way of Doing Business with Aboriginal People*, a whole-of-government approach to achieving improved outcomes for Aboriginal people across a range of priority areas.

The *Two Ways Together Package*, which commenced in 2004-05, is a four-year, \$10 million per annum multi-agency response to the *Aboriginal Affairs Plan* priorities. The Package is targeted at five Government priority areas with some or all of the following characteristics: large Aboriginal populations; areas with a significant level of social problems and Aboriginal community support for the program.

The Minister established a Task Force to report on the operation of the *Aboriginal Land Rights Act 1983* and to make recommendations for the improved operation of the New South Wales Aboriginal land council system. The Director General of the Department is an active member of the Task Force and the review is being conducted in a staged process by addressing the most urgent and complex aspects of the land council system.

The Department, in conjunction with other agencies, is also currently assessing the impact and opportunities arising from the Commonwealth's decision to abolish the Aboriginal and Torres Strait Islander Commission (ATSIC).

2005-06 BUDGET

Total Expenses

Estimated total expenses for 2005-06 are \$56.3 million, an increase of \$7.2 million on 2004-05. This increase is primarily due to a scheduled increase in ACDP expenditure. The major expense is \$45.1 million for the ACDP of which \$18 million will be directed through the Aboriginal Housing Office to procure housing in accordance with the *Aboriginal Housing Act 1998*.

Capital Expenditure

Capital expenditure is budgeted at \$39,000 for 2005-06 for the upgrading of computer and office equipment.

NSW SELF INSURANCE CORPORATION

The Insurance Ministerial Corporation (IMC) was created in 1992 to accept the residual assets, liabilities, rights and obligations of government insurance activities. On 15 December 2004 the *NSW Self Insurance Corporation Act 2004* was given assent. This Act changes the name of the IMC and clarifies its purpose and functions.

The NSW Self Insurance Corporation (SIC) will continue the activities of the former IMC and adopt some of the activities that are undertaken by the current Treasury Managed Fund manager (GIO).

SIC's main functions are:

- ◆ the administration of the Treasury Managed Fund (TMF), which provides cover for all insurance exposures faced by general government sector budget dependent agencies (other than compulsory third party insurance). TMF memberships are also available to all other public sector agencies on a voluntary basis;
- ◆ the management of liabilities from a number of closed schemes. The closed schemes are the Governmental Workers' Compensation Account, the Transport Accidents Compensation Fund and the Pre-managed Fund Reserve; and
- ◆ from 1 July 2005, the collection and analysis of data provided, by new TMF claims managers; systems management of the new TMF data warehouse; provision of reporting functions to member agencies and monitoring of claims providers; and provision of financial statements and budget estimates.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The TMF is currently in a fully funded position. This has resulted in the TMF 2005-06 target premium being reduced by \$31 million or 3.2 percent.

The major reason for this overall premium reduction is the effectiveness of the Government's tort reform legislation which has reduced liability claim expenses, particularly by decreasing legal costs. TMF agencies' liability premiums will decrease by 12.6 percent. This is only the second time that the liability premium has decreased in the Fund's history.

STRATEGIC DIRECTIONS

On 30 June 2005 the contract for management of the TMF will expire. Treasury has taken the opportunity to implement fundamental reforms to the arrangements by which insurance services are provided.

Treasury has a target of developing a more open competitive market for the delivery of claims management services to the TMF. The new contracts appoint three workers compensation providers, Employers Mutual Limited, Allianz Australia Limited and GIO Australia Limited. The claims management of Department of Health and other liability claims will remain with GIO. There will also be separate long term contracts for risk management, reinsurance and actuarial services.

The key objectives of this new structure are to improve TMF performance; generate cost savings and efficiency gains; reduce the systemic risk associated with a single provider; and enable comparison and benchmarking between providers.

It is estimated that the new management arrangements will generate savings of 1 percent from 2006-07 onward for liability and 2.5 percent from 2006-07 onward for workers' compensation.

The creation of a new TMF branch within Treasury will enable Government to take a more proactive role in the way government self insurance arrangements are managed.

In 2005-06 the TMF will provide coverage to over 170 budget and other public sector agencies.

INTERNATIONAL ACCOUNTING STANDARDS

The SIC financial statements have been prepared in accordance with AASB 137 "Provisions, Contingent Liabilities and Contingent Assets". In accordance with this self insurance standard the discount rate adopted equates to the forecast earnings of the SIC asset portfolio and no prudential margin has been added to the actuary's central liability estimate.

2005-06 BUDGET

The estimated operating surplus of \$41.7 million for 2005-06 compares with a 2004-05 budget surplus of \$161 million for 2004-05. This reduced surplus primarily reflects the impact of the premium reductions referred to earlier which have been made possible by the forecast decline in TMF claim expenses.

More information on the management of insurance claims is included in Chapter 4 of Budget Paper No. 2.

LIABILITY MANAGEMENT MINISTERIAL CORPORATION

The Liability Management Ministerial Corporation controls the General Government Liability Management Fund, which accumulates financial assets to improve the financial management of the general government sector's balance sheet.

The accumulation of financial assets in an investment fund allows flexibility in the timing of superannuation contributions to the public sector defined benefit schemes. The legislation establishing the General Government Liability Management Fund provides that the balance in the Fund can initially only be used to meet superannuation liabilities. When unfunded superannuation liabilities are extinguished, any balance can be applied to debt reduction.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Government payments to the General Government Liability Management Fund will be made in accordance with the funding profile established under the Crown Funding Plan for the elimination of unfunded superannuation liabilities.

The Crown Funding Plan was developed through actuarial assessment of the minimum level of contributions necessary to meet the superannuation funding target.

The primary purpose in establishing the General Government Liability Management Fund was to provide a mechanism to afford the Government greater flexibility in achieving its fiscal targets including eliminating total state sector unfunded superannuation liabilities by 2030.

In 2004-05 the contributions to the Fund were \$1 billion. Further contributions to the fund over the forward estimates period are estimated at \$1 billion in 2005-06, \$1 billion in 2006-07, \$1.1 billion in 2007-08 and \$1.1 billion in 2008-09.

Due to favourable market returns, investment income has been increased by \$14.4 million. After meeting asset management expenses of \$3.5 million, the overall net increase is \$10.9 million.

STRATEGIC DIRECTIONS

The Government's *General Government Debt Elimination Act* provides the framework for the conduct of the New South Wales Fiscal Policy. This Act includes the long term fiscal target of eliminating total state sector unfunded superannuation liabilities by 2030.

In accordance with the provisions of the *General Government Liability Management Fund Act 2002*, a Management Committee has been established to advise the Secretary of the Treasury on matters relating to the management of the Fund, including:

- ◆ investment strategy;
- ◆ appointment of asset custodians, consultants, investment managers and other service providers;
- ◆ monitoring and reviewing the performance of assets, investments and service providers; and
- ◆ compliance with the Government's fiscal strategy.

The assets of the Fund are held in fixed interest securities, managed by the NSW Treasury Corporation which has been appointed as investment manager to the Fund.

2005-06 BUDGET

Total Expenses

The Ministerial Corporation has budgeted \$5.7 million for operating expenses in 2005-06.

Capital Expenditure

The Ministerial Corporation will not acquire physical assets in 2005-06.

ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

The Electricity Tariff Equalisation Ministerial Corporation commenced administration of the Electricity Tariff Equalisation Fund (ETEF) on 1 January 2001. The Fund is designed to manage wholesale electricity pool purchase cost risk for those standard government owned retail suppliers that are required to supply electricity to small retail customers at tariffs determined by the Independent Pricing and Regulatory Tribunal (IPART).

Small retail customers are those residential and small business customers consuming less than 160 MWh per annum who have not elected to enter into a negotiated supply contract. There are three standard retail suppliers in New South Wales – Energy Australia, Integral Energy and Country Energy.

Standard retail suppliers are required to pay money into the Fund when wholesale prices are lower than the energy cost component they charge customers buying their power under regulated tariffs. When wholesale prices are higher than the energy cost component in the regulated tariff, the ETEF makes payments to the standard retail suppliers from the Fund to ensure they earn a regulated return.

In this way, the Fund is able to smooth out the volatility in wholesale prices for those government retailers that are required to sell at regulated tariffs. At the same time, the Fund ensures that the standard retail suppliers do not face a commercial advantage or disadvantage because they supply regulated customers.

In the event there is a sustained rise in pool prices and there are insufficient funds, New South Wales state-owned electricity generators are well placed to ‘top-up’ the ETEF as they have benefited from the high wholesale prices that caused the Fund to be depleted. Generator payments to the Fund are repaid to generators whenever standard retail suppliers make a payment into the Fund. The involvement of generators ensures that the Fund can never be in deficit.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Standard retail suppliers and state-owned generators make payments into the Fund and receive payments from the Fund in accordance with the payment rules established by legislation. The direction and level of payments is dependent on movements in average wholesale electricity prices.

Section 43ES of the *Electricity Supply Act 1995* states the Fund is to cease operation on 30 June 2004. A regulation to extend the operation of the Fund to 30 June 2007, was gazetted on 19 September 2003.

The average NSW wholesale electricity price for 2003-04 was \$32.37 MWh. Average monthly prices varied from \$17.50 MWh to \$63.73 MWh. The Fund balance at 30 June 2005 is estimated at \$271 million.

While for accounting reasons movements between ETEF year end balances are treated as revenue, in practice it is managed as a separate fund which can be called upon in periods of high prices.

STRATEGIC DIRECTIONS

The ETEF arrangement is designed to offer price protection for small retail customers on regulated arrangements by managing the purchase risk of standard retail suppliers. The Fund has demonstrated its effectiveness in managing ongoing price volatility in the National Electricity Market.

The Treasurer has initiated a regular audit of the standard retail suppliers. The focus of the audit is a review of the data provided by the standard retail suppliers to the Fund Administrator.

2005-06 BUDGET

The Fund is an equalisation mechanism in that surpluses resulting from low prices in one period are paid out in future periods to offset higher prices. The regulated energy allowance set by IPART, which is based on the long run generation costs, provides perhaps the best guide for the most likely long term trend in the wholesale purchase costs for standard retail suppliers. On this basis, the Fund is forecast to increase only by investment income in 2005-06.

CROWN PROPERTY PORTFOLIO

The Crown Property Portfolio (CPP) mainly comprises New South Wales Government owned and leased multi-occupancy office buildings located throughout the State. The Portfolio also contains a diverse range of non-office properties that are outside the core activities of other agencies and/or have entered the Portfolio as a result of a strategic decision to restructure particular agencies.

The Department of Commerce manages the Portfolio under a management agreement with the New South Wales Treasury, and is responsible for the collection of rents and other associated activities. Day-to-day property management of the office buildings is contracted to a private sector agent.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenditure is mainly incurred on office building head lease payments and finance lease interest payments.

During 2002-03 the Crown Property Portfolio purchased four BHP sites in Newcastle. That land is now being managed by the Regional Land Management Corporation. During 2004-05 a call for tenders for lease of land on Kooragang Island for a coal loader was undertaken. Negotiations are being carried out with two preferred proponents.

The transfer of the Sydney Fish Market to Sydney Harbour Foreshore Authority did not take place in 2004-05, but is forecast to occur in 2005-06. Similarly, the sale of the Sheas Creek Wool Stores site in Alexandria did not take place in 2004-05 but is expected to occur in 2005-06. As a result, dividend distributions from the sale of these properties have been deferred to 2005-06.

In 2004-05, the Premier announced the construction of a new Government Office Building in Queanbeyan. The land will be purchased and construction will commence in 2005-06.

In 2004-05, the Budget Committee of Cabinet approved the construction of an office building to house the Head Offices of the Attorney General's Department, Office of the Protective Commissioner and Public Guardian, and the Legal Aid Commission's Parramatta office. This major office building is part of the Parramatta Justice Precinct.

STRATEGIC DIRECTIONS

The Portfolio's strategic focus centres on effectively managing the Crown's assets so as to optimise their value and maintain their operational utility. This will be achieved by:

- ◆ using the Portfolio's purchasing and negotiating power to secure improved lease rentals and terms for government agency accommodation;
- ◆ measuring performance against key performance indicators to develop, implement and monitor strategies for improved performance;
- ◆ maximising the efficiency and effectiveness of tenants' accommodation;
- ◆ managing owned assets to optimise their value and maintain their operational utility; and
- ◆ maintaining expenditure in line with industry standards/benchmarks.

2005-06 BUDGET

Total Expenses

The budgeted expenditure for 2005-06 is \$149.2 million, a decrease of \$13 million over budgeted 2004-05 expenditure of \$162.2 million.

Capital Expenditure

The Portfolio has an allocation of \$35.1 million in 2005-06 to fund major Government office building construction works as follows:

- ◆ \$21.1 million to construct a Justice Office Building at Parramatta;
- ◆ \$8 million to construct a Government Office Building at Queanbeyan;
- ◆ \$3.9 million for Crown Property Portfolio building refurbishments and miscellaneous minor works; and
- ◆ \$2.1 million to refurbish and upgrade the services in the historic Chief Secretary's Building to accommodate the NSW Industrial Courts and the State Governor.

ADVANCE TO THE TREASURER

\$270 million has been allocated in 2005-06 to the Treasurer as an advance to allow for supplementary expenses - \$175 million for recurrent services and \$95 million for capital works and services. Actual expenses will be recorded in the expenses of the appropriate agencies.

At \$175 million the recurrent services advance represents a contingency of less than 1 percent of budgeted operating expenses.

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

64 TREASURY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	114,721	102,521	110,342
Other operating expenses	49,763	54,171	47,315
Maintenance	955	842	763
Depreciation and amortisation	9,069	10,021	14,772
Grants and subsidies	278,876	272,349	277,356
Total Expenses	453,384	439,904	450,548
Less:			
Retained Revenue -			
Sales of goods and services	28,735	26,010	25,096
Investment income	1,110	2,045	1,257
Retained taxes, fees and fines	60	230	148
Grants and contributions	...	65	80
Other revenue	4,362	4,301	6,233
Total Retained Revenue	34,267	32,651	32,814
Gain/(loss) on disposal of non current assets	...	4	...
NET COST OF SERVICES	419,117	407,249	417,734

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

64 TREASURY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	110,761	96,955	105,100
Grants and subsidies	278,876	272,349	277,356
Other	58,567	95,912	55,907
Total Payments	448,204	465,216	438,363
Receipts			
Sale of goods and services	28,740	33,471	25,096
Interest	1,110	1,275	1,257
Other	11,923	9,365	14,290
Total Receipts	41,773	44,111	40,643
NET CASH FLOWS FROM OPERATING ACTIVITIES	(406,431)	(421,105)	(397,720)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	5	...
Purchases of property, plant and equipment	(18,308)	(18,863)	(3,861)
Other	...	...	(7,864)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(18,308)	(18,858)	(11,725)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	399,679	392,123	396,446
Capital appropriation	18,308	18,550	11,725
Cash reimbursements from the Consolidated Fund Entity	3,902	3,820	...
Cash transfers to Consolidated Fund	...	(631)	...
NET CASH FLOWS FROM GOVERNMENT	421,889	413,862	408,171
NET INCREASE/(DECREASE) IN CASH	(2,850)	(26,101)	(1,274)
Opening Cash and Cash Equivalents	27,549	41,835	15,734
CLOSING CASH AND CASH EQUIVALENTS	24,699	15,734	14,460

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

64 TREASURY

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
<hr/>			
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(419,117)	(407,249)	(417,734)
Non cash items added back	14,430	15,214	20,014
Change in operating assets and liabilities	(1,744)	(29,070)	...
Net cash flow from operating activities	(406,431)	(421,105)	(397,720)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

64 TREASURY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	24,699	15,734	14,460
Receivables	12,617	10,799	10,799
Other	556	544	544
Total Current Assets	37,872	27,077	25,803
Non Current Assets -			
Property, plant and equipment - Plant and equipment	45,726	53,522	13,701
Intangibles	...	...	36,774
Other	2	11	11
Total Non Current Assets	45,728	53,533	50,486
Total Assets	83,600	80,610	76,289
LIABILITIES -			
Current Liabilities -			
Payables	3,311	4,760	4,760
Provisions	6,406	7,746	7,746
Other	15,721	238	238
Total Current Liabilities	25,438	12,744	12,744
Non Current Liabilities -			
Provisions	1,934	2,052	2,052
Other	27	160	160
Total Non Current Liabilities	1,961	2,212	2,212
Total Liabilities	27,399	14,956	14,956
NET ASSETS	56,201	65,654	61,333
EQUITY			
Accumulated funds	56,201	65,654	61,333
TOTAL EQUITY	56,201	65,654	61,333

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.1 State Resource Management

64.1.1 A Stronger NSW Economy and Better Public Services

- Planned Results:
- ◆ a more competitive and sustainable business environment;
 - ◆ better resource allocation and management; and
 - ◆ strengthened state finances.

Strategies and Services: Provide an efficient policy and regulatory environment and an efficient and sustainable revenue regime through **micro economic reform**:

- ◆ developing regulatory policies and responding to IPART, the Productivity Commission and industry reviews;
- ◆ facilitating the implementation of competition policy;
- ◆ advising on tax and revenue policy and strategy;
- ◆ conducting strategic reviews and developing, supporting and implementing reforms;
- ◆ developing and supporting the implementation of privately financed projects; and
- ◆ advising on industrial relations fiscal implications.

Implement a comprehensive **financial management framework**:

- ◆ refining and implementing the Financial Management Framework, financial legislation and direction, and accounting policies;
- ◆ monitoring and advising on the performance of general government agencies;
- ◆ negotiating Results and Services Plans and integrating them into the State budget process;
- ◆ managing and co-ordinating the State Budget process and preparing the State Sector Accounts; and
- ◆ implementing asset management and procurement policy.

Provide a sound **commercial policy framework**:

- ◆ monitoring and advising on the performance of NSW government businesses;
- ◆ negotiating Statements of Corporate Intent and Statements of Business Intent; and
- ◆ developing, supporting and implementing policy and reform of government businesses.

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.1 State Resource Management

64.1.1 A Stronger NSW Economy and Better Public Services (cont)

Develop and apply a sound **fiscal strategy**:

- ◆ developing and recommending an appropriate overall fiscal strategy;
- ◆ participating in Commonwealth Grants Commission and other intergovernmental finance activities;
- ◆ developing appropriate debt and liability objectives;
- ◆ forecasting and advising on economic variables; and
- ◆ monitoring and management of budget aggregates.

Undertake responsible **balance sheet management**:

- ◆ setting financial asset and liability objectives within the context of the State's Fiscal Strategy;
- ◆ advising on insurance and superannuation liability issues;
- ◆ implementing government banking arrangements;
- ◆ providing a self insurance arrangement for State government entities; and
- ◆ accounting for the Crown Finance Entity.

<u>Result Indicators:</u>	Units	2002-03	2003-04	2004-05	Long Term Target
10 year average growth in NSW GSP per capita greater than or equal to the national average:					
New South Wales	%	2.6	2.5	nya	NSW ≥ national average
National	%	2.7	2.6		
Efficiency in providing government services to be equal to or better than the national average for at least 50 percent of functional areas reported by the Productivity Commission	%	48.3	48.0	nya	≥ 50
Maintenance of NSW credit rating		AAA	AAA	AAA	AAA
Reduction in general government Sector Net Financial Liabilities as a Percentage of GSP	%	9.5	8.8	8.3	continuin g
Average real return per annum on superannuation and insurance investments	%	- 1.8	9.4	6.7	≥ 3.5

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.1 State Resource Management

64.1.1 A Stronger NSW Economy and Better Public Services (cont)

	Units	2002-03	2003-04	2004-05	2005-06
<u>Service Measures:</u>					
Percentage of State Owned Corporations with Statements of Corporate Intent in place	%	100	100	100	100
Percentage of general government agencies with finalised Results and Services Plans	%	91	91	87	100
Timely delivery of the NSW Budget		Yes	Yes	Yes	Yes
Deviation of Government businesses' actual distribution payments from budget estimate	%	4.3	7.9	-1.6	≤+10
Percentage of surveyed agencies satisfied with OFM's financial management support	%	74	n.a.	80	n.a.
Average of forecasting error for key economic variables less than the average error of other states					NSW ≤ Other States
New South Wales	%	0.47	0.57	nya	
Others	%	1.04	1.03		
Deviation of actual superannuation, debt and insurance GFS net lending expenses from the Budget projection	%	7	- 1	0	≤±10
<u>Resources:</u>	EFT	229	245	251	251

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	25,410	25,602	26,810
Other operating expenses	13,166	12,359	11,675
Maintenance	302	301	301
Depreciation and amortisation	888	872	854
Grants and subsidies			
Australian accounting research and standards bodies	...	173	173
Total Expenses	39,766	39,307	39,813

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.1 State Resource Management

64.1.1 A Stronger NSW Economy and Better Public Services (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services			
Minor sales of goods and services	15	16	16
Investment income	190	219	219
Other revenue	4,262	4,098	6,017

Total Retained Revenue	4,467	4,333	6,252
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Gain/(loss) on disposal of non current assets	...	5	...
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NET COST OF SERVICES	35,299	34,969	33,561
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CAPITAL EXPENDITURE	350	350	350
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TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.2 Revenue Collection

64.2.1 All due revenue is collected and compliance is maximised

Outcome Objective(s): Ensure effective and equitable collection of revenue from taxes, duties and other sources due to the State of New South Wales.

Strategies:

Enhancing our revenue performance by:

- ◆ optimising revenue and debt compliance by implementation of an overall compliance strategy;
- ◆ improving legislation to enhance compliance; and
- ◆ educating the NSW community about revenue rights and obligations by conducting client education programs.

Driving service and efficiency through technology by:

- ◆ identifying and enhancing the most effective service delivery channels by reviewing our current service delivery channels; and
- ◆ integrated telephony capability.

Ensuring OSR's continual renewal by continuing to implement business process improvements and progress work on a system to manage quality control.

Building an organisation of value-able people by building skills in key areas.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Result Indicators</u> :					
Duties collected	\$m	5,158	5,492	5,001	5,324
Pay-roll tax collected	\$m	4,726	5,067	5,550	5,814
Land tax collected	\$m	1,154	1,339	1,398	1,626
Federal tax equivalent collected	\$m	372	345	316	405
Other revenue collected	\$m	245	219	251	223
Racing	\$m	144	150	156	162
Gaming	\$m	762	792	867	1,000
Other gambling and betting	\$m	8	7	8	8

Service Measures:

Percentage of revenue received by electronic payment	%	64	68	>65	>75
Cost to collect \$100 tax revenue	\$	0.57	0.56	0.61	0.65
Client Service Index	%	90	>85	>85	>85
Revenue collected to Budget	%	109	108	>98	>98

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.2 Revenue Collection

64.2.1 All due revenue is collected and compliance is maximised (cont)

	Units	2002-03	2003-04	2004-05	2005-06
<u>Resources:</u>					
Duties	EFT	195	182	221*	168
Pay-roll tax	EFT	120	122	154	192**
Land tax	EFT	211	188	349*	360
Gaming and Racing	EFT	11	4	4	2
Other revenue	EFT	15	22	22	21

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -				
Employee related		54,612	49,932	53,445
Other operating expenses		15,838	18,639	18,401
Maintenance		444	429	372
Depreciation and amortisation		7,407	5,688	10,731
Grants and subsidies				
Valuer General's Office		12,176	12,176	15,183
Total Expenses		90,477	86,864	98,132

Less:

Retained Revenue -

Sales of goods and services				
Fees for services		540	807	547
Search fees		3,512	2,710	2,079
Minor sales of goods and services		...	16	...
Investment income		424	738	767
Grants and contributions		...	13	...
Other revenue		100	194	208

Total Retained Revenue		4,576	4,478	3,601
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Gain/(loss) on disposal of non current assets		...	(1)	...
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NET COST OF SERVICES		85,901	82,387	94,531
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CAPITAL EXPENDITURE		11,834	11,593	8,291
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* Includes temporary staff involved with implementing new tax reform arrangements.

** Includes an increase in staff attributable to an escalation in pay-roll tax activities to ensure compliance.

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.3 Fine Enforcement

64.3.1 Effective Infringement Processing and Fine Enforcement

Outcome Objective(s): Ensure effective and timely infringement processing and fine enforcement services which contribute to a higher level of compliance with the law.

Strategies:

Forging powerful stakeholder relationships by:

- ◆ fostering cooperative policy development with stakeholders at all levels;
- ◆ building effective alliances with commercial clients; and
- ◆ continually increasing client satisfaction.

Driving service and efficiency through technology by:

- ◆ implementing business process improvement within Infringement Processing and Fine Enforcement Branches of SDRO; and
- ◆ intergrating stakeholder processes to increase efficiency for all parties.

Enhancing OSR's revenue performance and compliance by reducing and managing outstanding fines;

Ensuring OSR's continual renewal by:

- ◆ enhancing the Integrated Fine Enforcement Management System and;
- ◆ integrated telephony capability.

Building an organisation of value-able people.

	Units	2002-03	2003-04	2004-05	2005-06
<u>Result Indicators</u> :					
Total infringement collections:	\$m	192	249	253	229
- Crown	\$m	121	134	149	146
- Other	\$m	71	115	104	105
- Closure rate of infringements (calculated on dollar value)	%	66	70	>67	>70
- Percentage of infringements raised not statute barred	%	>85	95.1	>99	>99
Total fine enforcement collections:	\$m	87	104	134	101
- Crown	\$m	65	70	81	65
- Other	\$m	23	34	53	36
- Closure rate of enforced fines (dollar value)	%	>37	38	>40	>42

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.3 Fine Enforcement

64.3.1 Effective Infringement Processing and Fine Enforcement (cont)

	Units	2002-03	2003-04	2004-05	2005-06
<u>Service Measures:</u>					
Cost to collect \$100 through infringement processing	\$	8.32	9.63	<10.00	< 10.00
Cost to collect \$100 through fine enforcement	\$	15.26	14.66	<15.00	<15.00
<u>Resources:</u>					
	EFT	161	304	437	442
		2004-05			
		Budget	Revised	2005-06	
		\$000	\$000	Budget	
				\$000	

OPERATING STATEMENT

Expenses -

Operating expenses -

Employee related

30,963

23,423

26,333

Other operating expenses

19,767

22,022

16,263

Maintenance

182

82

60

Depreciation and amortisation

109

2,954

2,338

Total Expenses

51,021

48,481

44,994

Less:

Retained Revenue -

Sales of goods and services

Fees for services

24,548

22,272

22,448

Minor sales of goods and services

120

155

...

Investment income

460

1,023

210

Retained taxes, fees and fines

60

230

148

Grants and contributions

...

51

80

Total Retained Revenue

25,188

23,731

22,886

NET COST OF SERVICES

25,833

24,750

22,108

CAPITAL EXPENDITURE

6,117

6,902

2,391

TREASURER AND MINISTER FOR STATE DEVELOPMENT

64 TREASURY

64.4 Administrative Services

64.4.1 Ensuring Eligible Payments

Outcome Objective(s): Ensure eligible applicants receive payments due under Commonwealth/State Government schemes.

Strategies: Forging powerful stakeholder relationships by continually increasing client satisfaction through the implementation of Client Service Strategy.

Driving service and efficiency through technology such as integrated telephony capability.

Ensure OSR's continual renewal and investigate collecting other types of unclaimed money.

Building an organisation of value-able people.

<u>Result Indicators</u> :	Units	2002-03	2003-04	2004-05	2005-06
First Home Owners Grant (FHOG)	\$m	312	251	260	262
Unclaimed money	\$m	8	16	11	12
Petroleum subsidy	\$m	38	39	39	38
FH Plus exemptions/concessions granted	\$m	67	127	360	350

Service Measures:

Unclaimed money refunded as % of money collected	%	23	63	>50	>50
Client Service Index	%	90	92	>85	>85
Comprehensive FHOG & FHP audit plans developed and implemented for high risk applications	no.	1,025	728	>3,000	>3,000
Random checking FHOG scheme applications prior to payment	%	25	22	>25	>25
% of FHOG applications processed within 10 days of receipt	%	68	99	>95	>95
% of FHOG correspondence processed within 24 hours of receipt	%	98	100	>98	>98

Resources:

First Home Owners Grant	EFT	38	24	27	29
Unclaimed money	EFT	15	14	14	14
Other	EFT	2	3	3	4

TREASURER AND MINISTER FOR STATE DEVELOPMENT**64 TREASURY**

64.4 Administrative Services**64.4.1 Ensuring Eligible Payments (cont)**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	3,736	3,564	3,754
Other operating expenses	992	1,151	976
Maintenance	27	30	30
Depreciation and amortisation	665	507	849
Grants and subsidies			
First Home Owners Scheme - grant payments	266,700	260,000	262,000
Total Expenses	272,120	265,252	267,609
Less:			
Retained Revenue -			
Sales of goods and services			
Fees for services	...	33	6
Minor sales of goods and services	...	1	...
Investment income	36	65	61
Grants and contributions	...	1	...
Other revenue	...	9	8
Total Retained Revenue	36	109	75
NET COST OF SERVICES	272,084	265,143	267,534
<hr/>			
CAPITAL EXPENDITURE	7	5	693

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	3,317,317	2,610,613	2,925,937
Other operating expenses	37,208	43,413	46,943
Depreciation and amortisation	42,718	50,100	37,658
Grants and subsidies	1,160,307	1,141,188	1,279,794
Borrowing costs	666,594	737,115	808,889
Other expenses	299,287	293,945	304,799
Total Expenses	5,523,431	4,876,374	5,404,020
Less:			
Revenue -			
Sales of goods and services	100,205	86,436	64,573
Investment income	202,084	181,060	206,930
Grants and contributions	...	...	246,819
Other revenue	51,431	191,379	86,283
Total Revenue	353,720	458,875	604,605
Gain/(loss) on disposal of non current assets	...	(27,200)	(8,743)
NET COST OF SERVICES	5,169,711	4,444,699	4,808,158

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	1,524,541	1,424,569	628,168
Grants and subsidies	1,246,206	1,218,149	1,552,805
Finance costs	628,370	709,681	800,131
Other	396,223	375,065	355,029
Total Payments	3,795,340	3,727,464	3,336,133
Receipts			
Sale of goods and services	92,961	76,410	58,994
Interest	151,440	148,886	143,139
Other	63,903	57,460	286,702
Total Receipts	308,304	282,756	488,835
NET CASH FLOWS FROM OPERATING ACTIVITIES	(3,487,036)	(3,444,708)	(2,847,298)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	191,431	205,862	85,183
Proceeds from sale of investments	1,850	(24,367)	119,920
Advance repayments received	132,349	136,954	126,791
Purchases of property, plant and equipment	(73,000)	(21,109)	(80,000)
Purchases of investments	(1,334)	...	(97,948)
Advances made	(82,000)	(181,326)	(93,500)
Other	...	(41,645)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	169,296	74,369	60,446
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings and advances	40,000	1,030,000	1,240,000
Repayment of borrowings and advances	(269,010)	(333,523)	(492,615)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(229,010)	696,477	747,385

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT (cont)			
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	3,799,226	3,763,144	3,408,628
Capital appropriation	216,563	277,888	632,488
Amount collected on behalf of and transferred to the Consolidated Fund	(439,354)	(1,342,524)	(2,032,775)
NET CASH FLOWS FROM GOVERNMENT	3,576,435	2,698,508	2,008,341
NET INCREASE/(DECREASE) IN CASH	29,685	24,646	(31,126)
Opening Cash and Cash Equivalents	92,979	132,386	157,032
CLOSING CASH AND CASH EQUIVALENTS	122,664	157,032	125,906
CASH FLOW RECONCILIATION			
Net cost of services	(5,169,711)	(4,444,699)	(4,808,158)
Non cash items added back	10,675	30,970	(20,726)
Change in operating assets and liabilities	1,672,000	969,021	1,981,586
Net cash flow from operating activities	(3,487,036)	(3,444,708)	(2,847,298)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	122,664	157,032	125,906
Receivables	21,816	29,116	28,640
Other financial assets	116,115	120,839	126,618
Other	5	...	...
Total Current Assets	260,600	306,987	281,164
Non Current Assets -			
Receivables	...	60,000	115,000
Investments accounted for using the equity method	577,334	588,069	628,992
Other financial assets	1,967,153	2,000,156	1,961,086
Property, plant and equipment	304,524	243,425	287,023
Total Non Current Assets	2,849,011	2,891,650	2,992,101
Total Assets	3,109,611	3,198,637	3,273,265
LIABILITIES -			
Current Liabilities -			
Payables	217,938	230,006	242,557
Interest bearing	3,766,548	2,809,219	1,287,681
Provisions	299,208	325,734	337,317
Other	184,999	207,294	111,749
Total Current Liabilities	4,468,693	3,572,253	1,979,304
Non Current Liabilities -			
Interest bearing	6,098,236	7,956,787	10,326,153
Provisions	18,930,855	18,748,146	25,425,467
Other	422,650	402,583	256,490
Total Non Current Liabilities	25,451,741	27,107,516	36,008,110
Total Liabilities	29,920,434	30,679,769	37,987,414
NET ASSETS	(26,810,823)	(27,481,132)	(34,714,149)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

	2004-05	
	Budget	Revised
	\$000	\$000

		2005-06
		Budget
		\$000

STATEMENT OF FINANCIAL POSITION (cont)

EQUITY

Reserves	10,100	10,100	10,100
Accumulated funds	(26,820,923)	(27,491,232)	(34,724,249)
TOTAL EQUITY	(26,810,823)	(27,481,132)	(34,714,149)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.1 Debt Servicing Costs

Program Objective(s): To meet Crown debt servicing and related costs on loans and advances made to the State by the Commonwealth and on State Treasury Corporation loans. Payment of interest to Treasury banking system member agencies.

Program Description: Debt administration management of the Crown portfolio and cash management of the Treasury Banking System in conjunction with the NSW Treasury Corporation. Recoupment from various bodies of their portion of the debt servicing costs.

Activities: All debt servicing activities are undertaken by staff in Treasury's Crown Asset and Liability Management Branch. All costs are recorded in Treasury and on-charged to this program.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Reimbursement of Treasury employee related and other operating expenses	613	645	563
Borrowing costs			
Interest	649,230	719,329	795,120
Other expenses			
Asset / liability management costs	550	...	...
Debt / investment management fees	7,378	6,978	7,378
Total Expenses	657,771	726,952	803,061
Less:			
Revenue -			
Investment income	1,518	3,926	3,908
Other revenue	432	432	36
Total Revenue	1,950	4,358	3,944
NET COST OF SERVICES	655,821	722,594	799,117

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.2 Refunds and Remissions of Crown Revenue

Program Objective(s): Provision of petrol and alcohol subsidy payments and refunds to provide relief from certain Crown revenues.

Program Description: The payment of petrol, alcohol subsidies and remission and refund, under certain circumstances, in regard to State taxation and other Crown revenues.

Activities: All activities are undertaken by staff in Treasury's Crown Asset and Liability Management Branch. All costs are recorded in Treasury and on-charged to this program.

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Reimbursement of Treasury employee related and other operating expenses	148	160	150
Grants and subsidies			
GST offset payments for clubs	19,700	19,700	19,800
Other expenses			
Petrol subsidy payments	42,000	39,000	41,000
Alcohol subsidy payments	7,230	6,000	6,000
Refunds and remissions of Crown revenue	3,000	3,000	3,000
Payments, as Acts of Grace, in respect of claims for compensation, etc.	150	200	150
Refunds of unclaimed moneys	400	700	400
Payments to councils relating to street parking enforcement	...	1,125	450
Total Expenses	72,628	69,885	70,950
NET COST OF SERVICES	72,628	69,885	70,950

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.3 Other Liability and Asset Management Activities

Program Objective(s): To provide funding for assumed Crown superannuation costs and past service accrued liabilities and to provide asset/liability management services for cash, insurance and other liabilities.

Program Description: Periodical payments made towards costs of accrued defined benefit employee superannuation liabilities and Crown employer superannuation guarantee charge contributions. Payment of compensation for risks not covered under insurance arrangements, working capital advances, interest subsidies and State Bank loan indemnity claims.

Activities: All activities are undertaken by staff in Treasury's Crown Asset and Liability Management Branch. All costs are recorded in Treasury and on-charged to this program.

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	3,317,317	2,610,613	2,925,937
Reimbursement of Treasury employee related and other operating expenses	4,439	4,230	3,637
Other operating expenses	32,008	38,378	42,593
Depreciation and amortisation	42,718	50,100	37,658
Grants and subsidies			
Write back of workers compensation payable to rail entities	(11,445)	(7,860)	(8,200)
Actuarial adjustments - liability to NSW Self Insurance Corporation	(25,224)	(22,976)	(217,361)
Property management - Crown Property Portfolio	6,988	7,357	8,379
Contribution to Managed Insurance Fund	15,000	15,000	...
Grants to agencies	10,600	4,374	998
Contribution to Transport Accident and Governmental Workers' Compensation Funds	35,000	35,000	275,000
Contribution to the Liability Management Ministerial Corporation	974,999	975,000	1,000,000
Contribution to Treasury Managed Fund for hindsight adjustment	35,000	35,000	...

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.3 Other Liability and Asset Management Activities (cont)

OPERATING STATEMENT (cont)

Snowy Scheme reform	15,000	15,000	15,000
Capital grants - general government agencies	35,142	38,095	149,932
Reimbursement to Hunter Water for land management activities	2,654	5,605	3,700
Australian Inland Energy - pensioner subsidy	5,300	5,300	5,300
Grant to Residual Business Management Corporation (Pacific Power wind-up)	1,593	1,593	12,246
Borrowing costs			
Finance lease interest charges	17,364	17,786	13,769
Other expenses			
Payments to Audit Office for performance audits	1,500	1,500	1,550
Production of Auditor-General's Reports	1,345	1,345	1,380
State's share of higher education superannuation costs	10,000	10,000	10,000
FreightCorp privatisation costs	250	250	...
Pacific Power International privatisation costs	750	750	...
State Bank post sale costs	10,850	3,800	1,010
Compensation to the Aust Tax Office for GST administration	195,500	194,800	198,500
Procurement assistance to agencies	...	10,000	8,811
Other	18,384	14,497	25,170
Total Expenses	4,753,032	4,064,537	4,515,009

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.1 Service Wide Payments and Services

65.1.3 Other Liability and Asset Management Activities (cont)

OPERATING STATEMENT (cont)

Less:

Revenue -

Sales of goods and services			
Sale proceeds of land - profit and initial cost of land	27,686	9,197	2,713
Contributions to long service leave pool	10,072	7,181	9,200
Motor vehicle lease income	62,447	70,058	52,660
Investment income	200,566	177,134	203,022
Grants and contributions	...	...	246,819
Other revenue	50,999	190,947	86,247
Total Revenue	351,770	454,517	600,661
Gain/(loss) on disposal of non current assets	...	(27,200)	(8,743)
NET COST OF SERVICES	4,401,262	3,637,220	3,923,091

CAPITAL EXPENDITURE	174,110	130,436	175,182
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**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

65 CROWN FINANCE ENTITY

65.2 Natural Disasters Relief

65.2.1 Natural Disasters Relief

Program Objective(s): To alleviate hardship suffered by individuals as a result of bushfires, floods, drought and other natural disasters. To restore community assets damaged by natural disasters.

Program Description: Provision of funds to various departments and authorities involved in the administration of joint Commonwealth/State schemes.

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Expenses -			
Grants and subsidies			
Natural Disasters Relief	32,000	7,000	7,000
Natural Disaster Relief capital grants	8,000	8,000	8,000
Total Expenses	40,000	15,000	15,000
NET COST OF SERVICES	40,000	15,000	15,000

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

66 CROWN LEASEHOLDS ENTITY

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Other operating expenses	5,693	8,939	10,398
Grants and subsidies	...	25,654	26,295
Other expenses	...	5,000	5,000
Total Expenses	5,693	39,593	41,693
Less:			
Retained Revenue -			
Sales of goods and services	42,670	41,490	51,353
Investment income	3,495	2,952	3,101
Retained taxes, fees and fines	4,040	2,042	2,042
Grants and contributions	...	49,427	42,014
Total Retained Revenue	50,205	95,911	98,510
Gain/(loss) on disposal of non current assets	...	6,691	2,738
NET COST OF SERVICES	(44,512)	(63,009)	(59,555)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

66 CROWN LEASEHOLDS ENTITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Other	(103)	8,423	8,791
Total Payments	(103)	8,423	8,791
Receipts			
Sale of goods and services	42,670	41,490	51,353
Retained taxes	2,000	...	...
Interest	3,495	2,952	3,101
Other	1,797	(3,024)	(8,035)
Total Receipts	49,962	41,418	46,419
NET CASH FLOWS FROM OPERATING ACTIVITIES	50,065	32,995	37,628
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	20,000	9,155
NET CASH FLOWS FROM INVESTING ACTIVITIES	...	20,000	9,155
CASH FLOWS FROM GOVERNMENT			
Cash transfers to Consolidated Fund	(49,970)	(53,941)	(45,612)
NET CASH FLOWS FROM GOVERNMENT	(49,970)	(53,941)	(45,612)
NET INCREASE/(DECREASE) IN CASH	95	(946)	1,171
Opening Cash and Cash Equivalents	3,793	10,072	9,126
CLOSING CASH AND CASH EQUIVALENTS	3,888	9,126	10,297
CASH FLOW RECONCILIATION			
Net cost of services	44,512	63,009	59,555
Non cash items added back	...	(18,773)	(10,719)
Change in operating assets and liabilities	5,553	(11,241)	(11,208)
Net cash flow from operating activities	50,065	32,995	37,628

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

66 CROWN LEASEHOLDS ENTITY

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	3,888	9,126	10,297
Receivables	17,655	21,614	29,748
Total Current Assets	21,543	30,740	40,045
Non Current Assets -			
Receivables	20,329	25,347	25,981
Property, plant and equipment - Land and building	4,520,345	4,515,222	4,505,229
Total Non Current Assets	4,540,674	4,540,569	4,531,210
Total Assets	4,562,217	4,571,309	4,571,255
LIABILITIES -			
Current Liabilities -			
Payables	4,226	7,644	7,636
Other	11,360	12,257	12,563
Total Current Liabilities	15,586	19,901	20,199
Total Liabilities	15,586	19,901	20,199
NET ASSETS	4,546,631	4,551,408	4,551,056
EQUITY			
Reserves	576,924	723,111	709,716
Accumulated funds	3,969,707	3,828,297	3,841,340
TOTAL EQUITY	4,546,631	4,551,408	4,551,056

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

66 CROWN LEASEHOLDS ENTITY

66.1 Administration of Crown Leases

66.1.1 Administration of Crown Leases

Program Objective(s): Administration of Crown Leases under the Crown Lands Act 1989.

Program Description: Collection of annual instalments relating to the purchase of Crown Land and the generation of revenue from leases, licenses and permissive occupancies of Crown Land. Collection of fees and levies associated with the Water Act 1912, the Coomealla Pipeline and the Pindari Dam enlargement.

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Other operating expenses	5,693	8,939	10,398
Grants and subsidies			
Non cash capital grants -land	...	25,654	26,295
Other expenses			
land and buildings revaluation - decrement	...	5,000	5,000
Total Expenses	5,693	39,593	41,693
Less:			
Retained Revenue -			
Sales of goods and services			
Crown Land leases	42,670	41,490	51,353
Investment income	3,495	2,952	3,101
Retained taxes, fees and fines	4,040	2,042	2,042
Grants and contributions	...	49,427	42,014
Total Retained Revenue	50,205	95,911	98,510
Gain/(loss) on disposal of non current assets	...	6,691	2,738
NET COST OF SERVICES	(44,512)	(63,009)	(59,555)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	26,635	28,914	25,525
Other operating expenses	16,348	16,462	15,477
Maintenance	219	219	225
Depreciation and amortisation	1,120	1,120	1,120
Grants and subsidies	24,373	19,789	17,308
Other expenses	43,620	35,041	37,999
Total Expenses	112,315	101,545	97,654
Less:			
Retained Revenue -			
Sales of goods and services	538	350	400
Investment income	600	750	750
Grants and contributions	300	346	300
Other revenue	214	320	220
Total Retained Revenue	1,652	1,766	1,670
NET COST OF SERVICES	110,663	99,779	95,984

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	25,113	27,542	23,978
Grants and subsidies	29,993	24,786	22,122
Other	59,667	51,675	53,987
Total Payments	114,773	104,003	100,087
Receipts			
Sale of goods and services	538	350	400
Interest	600	750	750
Other	5,614	5,766	5,620
Total Receipts	6,752	6,866	6,770
NET CASH FLOWS FROM OPERATING ACTIVITIES	(108,021)	(97,137)	(93,317)
CASH FLOWS FROM INVESTING ACTIVITIES			
Advance repayments received	130	...	130
Purchases of property, plant and equipment	(110)	(110)	(113)
Other	313	...	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	333	(110)	17
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	(130)	...	...
NET CASH FLOWS FROM FINANCING ACTIVITIES	(130)	...	...
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	106,489	92,598	92,891
Capital appropriation	110	110	113
Cash reimbursements from the Consolidated Fund Entity	1,007	1,007	...
Cash transfers to Consolidated Fund	...	(4,931)	...
NET CASH FLOWS FROM GOVERNMENT	107,606	88,784	93,004
NET INCREASE/(DECREASE) IN CASH	(212)	(8,463)	(296)
Opening Cash and Cash Equivalents	21,565	31,368	22,905
CLOSING CASH AND CASH EQUIVALENTS	21,353	22,905	22,609

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
CASH FLOW STATEMENT (cont)			
CASH FLOW RECONCILIATION			
Net cost of services	(110,663)	(99,779)	(95,984)
Non cash items added back	2,642	2,642	2,667
Net cash flow from operating activities	(108,021)	(97,137)	(93,317)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	21,353	22,905	22,609
Receivables	2,973	3,707	3,707
Other financial assets	156	130	130
Other	1,985	1,579	1,579
Total Current Assets	26,467	28,321	28,025
Non Current Assets -			
Other financial assets	463	631	501
Property, plant and equipment -			
Land and building	1,966	3,198	3,198
Plant and equipment	3,051	2,851	1,844
Total Non Current Assets	5,480	6,680	5,543
Total Assets	31,947	35,001	33,568
LIABILITIES -			
Current Liabilities -			
Payables	4,434	10,782	10,782
Interest bearing	130	...	...
Provisions	2,604	2,604	2,604
Other	...	141	141
Total Current Liabilities	7,168	13,527	13,527
Non Current Liabilities -			
Interest bearing	...	130	130
Provisions	446	392	392
Total Non Current Liabilities	446	522	522
Total Liabilities	7,614	14,049	14,049
NET ASSETS	24,333	20,952	19,519
EQUITY			
Accumulated funds	24,333	20,952	19,519
TOTAL EQUITY	24,333	20,952	19,519

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

67.1 Development of the New South Wales Economy

67.1.1 Development of the New South Wales Economy

Program Objective(s): To advance the economic development of New South Wales by securing sustainable economic and business growth in metropolitan and regional areas.

Program Description: The provision of business information on Government policies applying to industries. Marketing regional and metropolitan New South Wales as an investment location. Project facilitation and the provision of limited financial assistance. Provision of business counselling and consultancy assistance to small and medium enterprises. Assisting the development of enterprises. Promoting exports and co-ordinating public sector exports. Encouraging and promoting innovation. Acting as an advocate for business within Government.

<u>Outcomes:</u>	Units	2002-03	2003-04	2004-05	2005-06
Metropolitan projects facilitated or financially assisted -					
Investment committed	\$m	262	393	873	400
Employment Impact	no.	1,116	2,193	3,134	2,000
Regional projects facilitated or financially assisted -					
Investment committed	\$m	955	876	690	700
Employment Impact	no.	4,402	3,715	3,561	4,000
Small and medium business clients -					
Employment growth in firms assisted	no.	2,290	4,374	3,800	4,100
	%	7	13	10	10
Export growth in firms assisted	\$m	191	184	180	220
	%	16	25	20	20
Micro and Start Up business clients -					
New Employment Impact reported by Business Advisory Service Centres	no.	5,444	5,743	5,000	5,000
Industry Capability Network (NSW) Ltd - import replacement	\$m	102	110	110	110

Outputs:

Metropolitan projects facilitated or financially assisted -					
Investment projects assisted	no.	22	17	18	25
Funding to assist investment projects	\$m	2.2	9	3	7

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

67.1 Development of the New South Wales Economy

67.1.1 Development of the New South Wales Economy (cont)

Regional projects facilitated or financially assisted -					
Investment projects assisted	no.	135	127	147	130
Funding to assist investment projects	\$m	13.9	8.5	9.8	8.0
Visits to NSW Trade and Investment Centre and the Country Embassy	no.	30,634	32,000	32,000	32,000
Internet access to DSRD's web pages (sessions)	mill	0.8	1.2	1.3	1.7
Small and medium business clients - Clients assisted	no.	2,517	2,758	2,730	2,730
Micro and Start Up business clients - Enquiries reported	no.	136,068	136,902	...	...
Businesses assisted	no.	41,679	46,978	...	...
Total services provided	no.	...	...	120,000	120,000
<u>Average Staffing:</u>	EFT	297	280	272	242

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	26,635	28,914	25,525
Other operating expenses	16,348	16,462	15,477
Maintenance	219	219	225
Depreciation and amortisation	1,120	1,120	1,120
Grants and subsidies			
Recurrent grants to non-profit organisations	10,385	9,670	9,885
Regional headquarters tax concessions	1,179	550	200
Mount Panorama precinct upgrade	5,000	5,000	...
Katoomba/Echo Point Development - capital grant to public sector	2,177	17	3,700
Hunter Advantage Fund	632	1,360	529
Illawarra Advantage Fund	3,000	1,192	2,994
Newcastle Centre for Excellence in Energy Research	2,000	2,000	...

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

67 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT

67.1 Development of the New South Wales Economy

67.1.1 Development of the New South Wales Economy (cont)

OPERATING STATEMENT (cont)

Other expenses

Payroll tax rebates and other assistance
associated with the decentralisation of
secondary industry in country areas

	150	150	150
Assistance to industry	12,633	8,922	9,566
Biotechnology strategies	5,620	4,997	4,814
Small Business Development	5,469	5,469	5,069
Regional development assistance	18,698	14,453	17,350
NSW High Growth Business	1,050	1,050	1,050

Total Expenses

	112,315	101,545	97,654
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Less:

Retained Revenue -

Sales of goods and services

Minor sales of goods and services

Investment income

Grants and contributions

Other revenue

	538	350	400
	600	750	750
	300	346	300
	214	320	220

Total Retained Revenue

	1,652	1,766	1,670
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NET COST OF SERVICES

	110,663	99,779	95,984
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CAPITAL EXPENDITURE

	110	110	113
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**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Expenses -			
Operating expenses -			
Employee related	5,373	5,420	6,254
Other operating expenses	3,749	4,324	3,724
Maintenance	32	32	34
Depreciation and amortisation	245	245	245
Grants and subsidies	39,722	39,722	46,083
Total Expenses	49,121	49,743	56,340
Less:			
Retained Revenue -			
Sales of goods and services	...	212	...
Investment income	12	121	12
Grants and contributions	15,000	18,754	18,000
Total Retained Revenue	15,012	19,087	18,012
NET COST OF SERVICES	34,109	30,656	38,328

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	5,125	5,121	6,050
Grants and subsidies	39,722	39,722	46,083
Other	4,584	5,423	5,280
Total Payments	49,431	50,266	57,413
Receipts			
Sale of goods and services	...	234	...
Interest	12	153	...
Other	15,800	21,029	18,255
Total Receipts	15,812	21,416	18,255
NET CASH FLOWS FROM OPERATING ACTIVITIES	(33,619)	(28,850)	(39,158)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(39)	(539)	(39)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(39)	(539)	(39)
CASH FLOWS FROM GOVERNMENT			
Recurrent appropriation	33,302	29,849	37,850
Capital appropriation	39	539	39
Cash reimbursements from the Consolidated Fund Entity	322	322	...
Cash transfers to Consolidated Fund	...	(57)	57
NET CASH FLOWS FROM GOVERNMENT	33,663	30,653	37,946
NET INCREASE/(DECREASE) IN CASH	5	1,264	(1,251)
Opening Cash and Cash Equivalents	1,355	6,877	8,141
CLOSING CASH AND CASH EQUIVALENTS	1,360	8,141	6,890
CASH FLOW RECONCILIATION			
Net cost of services	(34,109)	(30,656)	(38,328)
Non cash items added back	489	489	482
Change in operating assets and liabilities	1	1,317	(1,312)
Net cash flow from operating activities	(33,619)	(28,850)	(39,158)

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	1,360	8,141	6,890
Receivables	1,524	1,524	2,102
Other	92	92	107
Total Current Assets	2,976	9,757	9,099
Non Current Assets -			
Receivables	262	262	238
Property, plant and equipment - Plant and equipment	1,653	2,074	1,868
Total Non Current Assets	1,915	2,336	2,106
Total Assets	4,891	12,093	11,205
LIABILITIES -			
Current Liabilities -			
Payables	474	474	485
Provisions	320	320	404
Other	819	819	57
Total Current Liabilities	1,613	1,613	946
Non Current Liabilities -			
Provisions	21	21	26
Other	262	262	238
Total Non Current Liabilities	283	283	264
Total Liabilities	1,896	1,896	1,210
NET ASSETS	2,995	10,197	9,995
EQUITY			
Accumulated funds	2,995	10,197	9,995
TOTAL EQUITY	2,995	10,197	9,995

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

68.1 Improving the Economic and Social Wellbeing of Aboriginal People

68.1.1 Policy and Advisory Services on Aboriginal Affairs

Program Objective(s): To bring about improvements in policies and services provided by the State consistent with the Government's policy of self determination in Aboriginal affairs.

Program Description: Development, evaluation and review of policies for and services to Aboriginal people in the State, including the examination of policies and services of other State agencies involved in Aboriginal affairs.

<u>Activities:</u>	Average Staffing (EFT)	
	2004-05	2005-06
Administrative and policy support	47	48
Office of the Registrar	8	8
	55	56

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	4,615	4,662	5,488
Other operating expenses	2,708	3,211	2,690
Maintenance	32	32	34
Depreciation and amortisation	245	245	245
Grants and subsidies			
Indigenous Education Projects	787	787	787
Recurrent grants to non-profit organisations	209	209	215
Total Expenses	8,596	9,146	9,459

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

68 DEPARTMENT OF ABORIGINAL AFFAIRS

68.1 Improving the Economic and Social Wellbeing of Aboriginal People

68.1.1 Policy and Advisory Services on Aboriginal Affairs (cont)

OPERATING STATEMENT (cont)

Less:

Retained Revenue -

Sales of goods and services	...	212	...
Minor sales of goods and services	12	121	12
Investment income	...	254	...
Grants and contributions	...	254	...

Total Retained Revenue	12	587	12
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NET COST OF SERVICES	8,584	8,559	9,447
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CAPITAL EXPENDITURE	39	539	39
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**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS
68 DEPARTMENT OF ABORIGINAL AFFAIRS**

68.1 Improving the Economic and Social Wellbeing of Aboriginal People

68.1.2 Aboriginal Communities Development Program

Program Objective(s): To address major deficiencies in housing and essential infrastructure experienced by a number of Aboriginal communities.

Program Description: Provision of policy and administrative support in the development and implementation of the program. Consultation with Aboriginal communities and Federal and State agencies to ensure full participation and co-operation in project development and construction. Monitoring and evaluation of the Program's effectiveness.

<u>Activities:</u>	Average Staffing (EFT)	
	2004-05	2005-06
Policy advice and administration	4	4
Community consultation	6	6
	10	10

2004-05		2005-06
Budget	Revised	Budget
\$000	\$000	\$000

OPERATING STATEMENT

Expenses -

Operating expenses -			
Employee related	758	758	766
Other operating expenses	1,041	1,113	1,034
Grants and subsidies			
Aboriginal infrastructure program – capital grant	38,726	38,726	45,081
Total Expenses	40,525	40,597	46,881

Less:

Retained Revenue -

Grants and contributions	15,000	18,500	18,000
Total Retained Revenue	15,000	18,500	18,000

NET COST OF SERVICES

25,525	22,097	28,881
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**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS
NSW SELF INSURANCE CORPORATION**

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	1,009,354	877,206	721,401
Investment income	317,756	405,364	394,968
Grants and contributions	85,000	85,000	270,000
Other revenue	1,506	1,506	1,624
Total Retained Revenue	1,413,616	1,369,076	1,387,993
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	1,252,653	1,259,435	1,101,333
Grants and subsidies	...	...	245,000
Total Expenses	1,252,653	1,259,435	1,346,333
SURPLUS/(DEFICIT)	160,963	109,641	41,660

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS
NSW SELF INSURANCE CORPORATION**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	1,034,578	900,079	939,062
Interest	3,917	6,105	260
Other	193,171	183,799	375,671
Total Receipts	1,231,666	1,089,983	1,314,993
Payments			
Grants and subsidies	...	...	245,000
Other	1,035,376	933,366	1,005,670
Total Payments	1,035,376	933,366	1,250,670
NET CASH FLOWS FROM OPERATING ACTIVITIES	196,290	156,617	64,323
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	...	...	34,768
Purchases of investments	(199,324)	(142,211)	...
NET CASH FLOWS FROM INVESTING ACTIVITIES	(199,324)	(142,211)	34,768
NET INCREASE/(DECREASE) IN CASH	(3,034)	14,406	99,091
Opening Cash and Cash Equivalents	76,745	73,988	88,394
CLOSING CASH AND CASH EQUIVALENTS	73,711	88,394	187,485
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	160,963	109,641	41,660
Non cash items added back	(313,805)	(401,150)	(394,708)
Change in operating assets and liabilities	349,132	448,126	417,371
Net cash flow from operating activities	196,290	156,617	64,323

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS
NSW SELF INSURANCE CORPORATION**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	88,711	103,394	202,485
Receivables	233,563	226,219	149,933
Other	863	988	863
Total Current Assets	323,137	330,601	353,281
Non Current Assets -			
Receivables	394,456	293,135	170,857
Other financial assets	4,746,367	4,917,129	5,277,069
Total Non Current Assets	5,140,823	5,210,264	5,447,926
Total Assets	5,463,960	5,540,865	5,801,207
LIABILITIES -			
Current Liabilities -			
Payables	106,000	105,056	113,000
Interest bearing	15,000	15,000	15,000
Provisions	758,304	688,318	704,518
Other	16,224	13,678	10,688
Total Current Liabilities	895,528	822,052	843,206
Non Current Liabilities -			
Provisions	267,360	239,658	220,666
Other	3,679,300	3,864,200	3,765,000
Total Non Current Liabilities	3,946,660	4,103,858	3,985,666
Total Liabilities	4,842,188	4,925,910	4,828,872
NET ASSETS	621,772	614,955	972,335
EQUITY			
Accumulated funds	621,772	614,955	972,335
TOTAL EQUITY	621,772	614,955	972,335

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

LIABILITY MANAGEMENT MINISTERIAL CORPORATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Retained Revenue -			
Investment income	164,759	179,109	258,572
Grants and contributions	975,974	975,974	1,000,998
Total Retained Revenue	1,140,733	1,155,083	1,259,570
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	974	4,434	5,653
Total Expenses	974	4,434	5,653
SURPLUS/(DEFICIT)	1,139,759	1,150,649	1,253,917

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

LIABILITY MANAGEMENT MINISTERIAL CORPORATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest*	...	164,903	243,525
Other	975,974	975,974	1,000,998
Total Receipts	975,974	1,140,877	1,244,523
Payments			
Other	974	4,306	5,550
Total Payments	974	4,306	5,550
NET CASH FLOWS FROM OPERATING ACTIVITIES	975,000	1,136,571	1,238,973
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investments*	(975,000)	(1,621,762)	(1,238,346)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(975,000)	(1,621,762)	(1,238,346)
NET INCREASE/(DECREASE) IN CASH	...	(485,191)	627
Opening Cash and Cash Equivalents	...	487,216	2,025
CLOSING CASH AND CASH EQUIVALENTS	...	2,025	2,652
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	1,139,759	1,150,649	1,253,917
Non cash items added back*	(164,759)	...	...
Change in operating assets and liabilities	...	(14,078)	(14,944)
Net cash flow from operating activities	975,000	1,136,571	1,238,973

* Change in accounting treatment has resulted in return on investment and subsequent reinvestment being treated as cash movements.

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

LIABILITY MANAGEMENT MINISTERIAL CORPORATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	...	2,025	2,652
Receivables	...	48,591	63,638
Other financial assets	201,044	...	...
Total Current Assets	201,044	50,616	66,290
Non Current Assets -			
Other financial assets	3,819,833	3,985,863	5,224,209
Total Non Current Assets	3,819,833	3,985,863	5,224,209
Total Assets	4,020,877	4,036,479	5,290,499
LIABILITIES -			
Current Liabilities -			
Payables	...	333	436
Total Current Liabilities	...	333	436
Total Liabilities	...	333	436
NET ASSETS	4,020,877	4,036,146	5,290,063
EQUITY			
Accumulated funds	4,020,877	4,036,146	5,290,063
TOTAL EQUITY	4,020,877	4,036,146	5,290,063

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
OPERATING STATEMENT			
Retained Revenue -			
Investment income	9,500	13,500	9,500
Total Retained Revenue	9,500	13,500	9,500
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	241	494	491
Total Expenses	241	494	491
SURPLUS/(DEFICIT)	9,259	13,006	9,009

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Interest	9,500	13,500	9,500
Total Receipts	9,500	13,500	9,500
Payments			
Other	241	494	491
Total Payments	241	494	491
NET CASH FLOWS FROM OPERATING ACTIVITIES	9,259	13,006	9,009
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investments	(9,259)	(13,006)	(9,009)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(9,259)	(13,006)	(9,009)
NET INCREASE/(DECREASE) IN CASH	9,259	...	...
Reclassification of Cash Equivalents	9,259	...	...
CLOSING CASH AND CASH EQUIVALENTS	...	...	...
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	9,259	13,006	9,009
Net cash flow from operating activities	9,259	13,006	9,009

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION

	2004-05		2005-06
	Budget	Revised	Budget
	\$000	\$000	\$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Receivables	5,917	20,192	20,192
Other financial assets	200,442	250,848	259,857
Total Current Assets	206,359	271,040	280,049
Total Assets	206,359	271,040	280,049
LIABILITIES -			
Current Liabilities -			
Payables	59,810	43	43
Total Current Liabilities	59,810	43	43
Total Liabilities	59,810	43	43
NET ASSETS	146,549	270,997	280,006
EQUITY			
Accumulated funds	146,549	270,997	280,006
TOTAL EQUITY	146,549	270,997	280,006

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

CROWN PROPERTY PORTFOLIO

	2004-05		2005-06 Budget \$000
	Budget \$000	Revised \$000	
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	159,242	152,563	153,936
Investment income	...	5,683	5,872
Grants and contributions	22,408	25,620	137,274
Other revenue	6,054	3,819	3,819
Total Retained Revenue	187,704	187,685	300,901
Less:			
Expenses -			
Operating Expenses -			
Other operating expenses	133,763	123,437	123,134
Maintenance	5,185	8,402	10,957
Depreciation and amortisation	6,542	5,842	14
Grants and subsidies	...	1,375	...
Borrowing costs	16,710	16,710	15,135
Total Expenses	162,200	155,766	149,240
Gain/(loss) on disposal of non current assets	(12,460)	480	2,580
SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS	13,044	32,399	154,241
Distributions -			
Dividends and capital repatriations	52,783	10,790	77,825
SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS	(39,739)	21,609	76,416

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS**

CROWN PROPERTY PORTFOLIO

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	159,194	152,998	153,836
Interest	...	2,706	5,770
Other	48,408	54,361	156,985
Total Receipts	207,602	210,065	316,591
Payments			
Grants and subsidies	8,776	9,431	8,720
Finance costs	16,710	16,710	15,135
Other	161,822	146,177	163,398
Total Payments	187,308	172,318	187,253
NET CASH FLOWS FROM OPERATING ACTIVITIES	20,294	37,747	129,338
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	43,020	1,428	65,955
Purchases of property, plant and equipment	(12,420)	(15,374)	(35,063)
NET CASH FLOWS FROM INVESTING ACTIVITIES	30,600	(13,946)	30,892
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings and advances	(1,159)	(1,159)	(85,957)
Dividends paid	(52,783)	(10,790)	(77,825)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(53,942)	(11,949)	(163,782)
NET INCREASE/(DECREASE) IN CASH	(3,048)	11,852	(3,552)
Opening Cash and Cash Equivalents	121,283	119,800	131,652
CLOSING CASH AND CASH EQUIVALENTS	118,235	131,652	128,100
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	13,044	32,399	154,241
Non cash items added back	6,542	5,627	14
Change in operating assets and liabilities	708	(279)	(24,917)
Net cash flow from operating activities	20,294	37,747	129,338

**TREASURER, MINISTER FOR STATE DEVELOPMENT AND
MINISTER FOR ABORIGINAL AFFAIRS
CROWN PROPERTY PORTFOLIO**

	2004-05		2005-06
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash assets	118,235	131,652	128,100
Receivables	5,180	10,157	16,759
Other	100	...	...
Total Current Assets	123,515	141,809	144,859
Non Current Assets -			
Investment properties	...	...	357,481
Property, plant and equipment - Land and building	497,067	551,437	161,564
Total Non Current Assets	497,067	551,437	519,045
Total Assets	620,582	693,246	663,904
LIABILITIES -			
Current Liabilities -			
Payables	4,300	5,300	5,300
Interest bearing	17,386	17,386	1,195
Provisions	15,000	8,914	44,195
Other	9,594	16,453	14,203
Total Current Liabilities	46,280	48,053	64,893
Non Current Liabilities -			
Interest bearing	77,087	77,087	7,321
Other	92,750	99,710	50,944
Total Non Current Liabilities	169,837	176,797	58,265
Total Liabilities	216,117	224,850	123,158
NET ASSETS	404,465	468,396	540,746
EQUITY			
Reserves	192,413	194,817	67,354
Accumulated funds	212,052	273,579	473,392
TOTAL EQUITY	404,465	468,396	540,746

I N D E X

A

Aboriginal Affairs, Department of	22-17, 22-63
Aboriginal and Torres Strait Islanders	5-11, 9-6
Aboriginal Communities Development Program	22-17, 22-68
Aboriginal health services	8-22
Aboriginal Housing Office	9-5, 9-14
Aboriginal Justice Plan	3-3
Aboriginal Land Claims	18-11, 18-51
Aboriginal Outstation	3-7
Aboriginal students	5-2, 5-5, 5-8 5-25, 5-27
Aboriginal Trust Fund Repayment Scheme	2-6, 2-7
Aboriginal Water Trust	10-6
Activities	iv
Action for Air	3-15
Adult and Community Education	5-4, 5-33
Advancing Australian Agriculture	15-7, 15-30
Ageing, Disability and Home Care, Department of	19-8, 19-37
Ambulance response times	8-25
Animal Welfare organisations	15-16
Anti-Discrimination Board	3-44
ANZAC Memorial Trust	2-7, 2-8
Area Health Services	8-4, 8-6, 8-11
Area Assistance Scheme	4-1, 4-3, 4-15
Art Gallery of New South Wales	2-26, 2-119
Arts Access	2-18
Attorney General and Minister for the Environment	3-1
Attorney General's Department	3-2, 3-32
Audit Office of New South Wales	2-32, 2-143
Australia Day Council	2-58
Australian Inland Energy Water Infrastructure	22-10, 22-49
Australian Children's Television Foundation	2-135
Australian Equivalents to International Financial Reporting Standards (AEIFRS)	v
Australian Institute of Judicial Administration	3-36
Australian Museum	2-20, 2-104

Australian Technology Showcase	22-15
Average staffing, total	iv

B

Back to School Allowance	5-26, 5-28
Back to School Allowance (Non-Government Schools)	5-30
Beekeepers compensation	15-22
Better Futures program	4-3
Blackspots Program, roads	17-5
Blood Transfusion Service	8-27
Blue Mountains Septic Pumpout Service	6-20
Board of Studies, Office of the	5-12, 5-35
Botanic Gardens	3-22, 3-97
Building and Construction Industry Long Service Payments Corporation	19-21, 19-66
Bushfire fighting	18-4, 18-7 18-35, 18-37
Bushfire Mitigation Program	18-9, 18-51
Businesslink	4-10, 4-33

C

Cabinet Office	2-2, 2-35
Cap and Pipe the Bores Program	10-6, 10-29
Cash Flow Statement	i
Casino Community Benefit Fund	7-8
Casino Control Authority	7-3, 7-16
Catchment Action Plan	2-15, 2-91
Catchment, Land and Vegetation	10-31
Catchment Management Authorities	2-16, 10-13 10-46
Centennial Parklands	20-6, 20-30
Centennial Park and Moore Park Trust	20-6, 20-26
Child care centres	4-17
Child protection	4-2, 4-19
Child protection, related complaints	2-72
Children and Young People, Commission for	4-9, 4-28
Children and Young Persons (Care and Protection) Act 1998	4-5, 4-7, 4-9
Children's Court	3-2, 3-6

I N D E X

Enrolments in Technical and Further Education courses	5-31
Environment and Conservation, Department of	3-14, 3-77
Environmental Planning and Assessment Act	10-8, 10-36
Environmental Trust	3-20, 3-93
Equal opportunity in public employment	2-53
Equivalent Full-Time (EFT)	iv
Estate management	3-24

F

Fair Trading, Office of	19-2, 19-5 19-17, 19-28
Federation Fund	17-12
Film and Television Office, NSW	2-29, 2-131
Fire Brigades attendance at incidents	18-26
Fire Brigades, NSW	18-4, 18-22
First Home Owner Grant Scheme	22-4, 22-39 22-40
Floodplain management	10-34
Food Authority, NSW	15-9, 15-31
Food and poisons regulation	8-35
Forest Industry Restructure	3-22, 10-6 10-32
Fundraising – charities	7-12

G

Gaming and Racing, Department of	7-1, 7-5
Gaming devices inspected	7-10
Government Chief Information Officer	19-2
Government House	2-48
Government Radio Network	19-7, 19-33
Government Records Repository	2-27
Governor, Her Excellency the	2-48
Greenhouse Gas Abatement Scheme	2-13, 2-86
Greenhouse Office	2-3, 2-38
Growth Centres Commission	10-10, 10-40

H

Health Care Complaints Commission	8-13, 8-39
Health transport	8-25
Health, assistance at home	8-20
Health, community based services	8-20
Health, Department of	8-1, 8-15
Health, emergency services	8-25
Health, mental health services	8-3, 8-7, 8-13 8-31
Health, nurses	8-3, 8-10, 8-12
Health, outpatients services	8-23
Health, same day acute in-patient services	8-29
Health Super Growth Fund	22-11, 22-12
Health, teaching and research	8-37
Heavy vehicles overload fines	17-12
Heritage Asset Management program	10-9
Heritage Office	10-2, 10-15
Historic Houses Trust of New South Wales	2-23, 2-114
Home and Community Care program	19-10, 19-11 19-41, 19-43
Home Building Service	19-28
Home Care Service of New South Wales	19-10, 19-11 19-45
Home Owner Grants	22-4, 22-8 22-39, 22-40
Home Purchase Assistance Fund	9-8, 9-17
Honeysuckle Development Corporation	10-12, 10-43
Hospital admittances	8-27, 8-29
Hospital admittances, psychiatric	8-31
Housing Policy and Housing Assistance	9-1, 9-12
Human Rights Services	3-44
Hunter Advantage Fund	22-61
Hunter Water Corporation	22-10, 22-49

I

Illawarra Advantage Fund	22-61
Independent Commission Against Corruption	2-8, 2-60
Independent Pricing and Regulatory Tribunal	2-13, 2-83

I N D E X

Independent Transport Safety and Reliability Regulator	21-11, 21-22	Legislature, The	1-1, 1-3
Industrial Relations Commission	3-54	Liability Management Fund	22-21
Industrial Relations, Office of	19-5, 19-31	Liability Management Ministerial Corporation	22-10, 22-21 22-72
Industry, assistance to	22-62	Licensed and club premises, complaints against	7-10
Industry training services	5-33	Life support rebate scheme	6-3, 6-12
Information and Communications Technology, Office of	19-2	Liquor and machine gaming compliance	7-10
Infrastructure, Planning and Natural Resources, Department of	10-3, 10-20	Liquor and machine gaming revenue	22-35
Infringement Processing Bureau	22-4, 22-5 22-37	Living Murray	10-5, 10-30
Institute of Sport, NSW	20-4, 20-18	Local Courts	3-50
Institute of Teachers, NSW	5-16	Local Government, Department of	18-2, 18-15
Intangible assets	vi	Lord Howe Island Board	3-89
Interest on State debt	22-9, 22-10 22-46	Luna Park Reserve Trust	20-9, 20-32
Interpreting and translating services	2-141		
J			
Judicial Commission of New South Wales	3-8, 3-56		
Juvenile Justice, Department of	12-1, 12-4		
L			
Land and Environment Court	3-52		
Land development (Crown)	18-11		
Land Development Contribution Fund	10-36		
Land and Property Information NSW	18-13, 18-55		
Lands, Department of	18-11, 18-46		
Land tax collection	22-35		
LawAccess	3-5, 3-27		
Law Courts Limited	3-46		
Leaders of the Opposition	2-7, 2-49		
Legal Aid Commission of New South Wales	3-9, 3-61		
Legal assistance claims	3-41		
Legal Representation Office	3-41		
Legislation, drafting of Government	2-3, 2-43		
Legislative Assembly	1-1, 1-8		
Legislative Council	1-1, 1-6		
		M	
		M4/M5 cashback scheme	17-2, 17-6 17-12, 17-26
		Maritime Authority	17-8, 17-27
		Mental, services for	8-31
		Metropolitan Strategy	10-4
		Millennium Parklands	20-6
		Minister for Community Services and Minister for Youth	4-1
		Minister for Education and Training	5-1
		Minister for Energy and Utilities and Minister for Science and Medical Research	6-1
		Minister for Gaming and Racing and Minister for the Central Coast	7-1
		Minister for Health	8-1
		Minister for Housing	9-1
		Minister for Infrastructure and Planning and Minister for Natural Resources	10-1
		Minister for Justice and Minister for Fair Trading	11-1
		Minister for Juvenile Justice and Minister for Western Sydney	12-1
		Minister for Mineral Resources	13-1
		Minister for Police	14-1
		Minister for Primary Industries	15-1
		Minister for Regional Development, Minister for the Illawarra and Minister for Small Business	16-1

I N D E X

P

Parking Space Levy	21-10
Parliamentary Counsel's Office	2-3, 2-40
Parliamentary elections, management and administration of	2-80, 2-82
Parliamentary Remuneration Tribunal	2-51
Parramatta Justice precinct	3-2, 3-8
Parramatta Park Trust	20-1, 20-4 20-18
Patients discharged, rehabilitation and extended care	8-33
Payments for Water and Sewerage Assistance	6-4, 6-18
Payments to other Government Bodies under the Control of the Minister	9-1, 9-10
Payroll tax collection	22-35, 22-36
Pensioner Council Rates Rebate Scheme	18-3, 18-20
Pensioner Energy Rebate Scheme	6-3, 6-12
Per capita pupil allowances to primary and secondary non-government schools	5-30
Pillar Administration	19-12
Planning system and policy delivery	10-26
Planning system and policy development	10-24
Poisons regulation	8-35
Police Integrity Commission	14-9, 14-33
Police, resolution of complaints against	2-68
Police, NSW	14-3, 14-16
Political Education Fund	2-11, 2-82
Pollution Line	3-83
Population health services	8-35
Powerhouse Museum	2-21
Premier, Minister for the Arts and Minister for Citizenship	2-1
Premier's Department	2-5, 2-45
Pre-school education in government schools	5-23
Pricing regulation	2-13, 2-86
Primary Education Services	5-25
Primary Industries, Department of	15-1, 15-12
Priority Schools Programs	5-25
Prison populations	11-1, 11-13
Private operators of buses, taxis and ferries	21-10, 21-20

Program Statements	iii
Property Vegetation Plans	10-6, 10-14
Protective Commissioner, Office of the	3-45
Protocol	2-6, 2-57
Public Charity Fundraising Standards	7-12
Public Defender	3-40, 3-66
Public Employment Office	2-53
Public Guardian, Office of the	3-44
Public Prosecutions, Office of the Director of	3-11, 3-72
Public Purpose Fund	3-10
Public Transport subsidies	21-19
Public Trustee NSW	3-24, 3-109

R

Rail Corporation	21-1, 21-3 21-19
Rail Infrastructure Corporation	21-1, 21-19
Rate rebates for pensioners Local Government	18-3, 18-20
Rate rebates for pensioners energy	6-3, 6-12
Rate rebates for pensioners water and sewerage	6-4, 6-20
Recognition services	5-33
Redfern-Waterloo Authority	6-6, 6-26
Redfern/Waterloo Partnership project	2-6, 6-6
Refunds and remissions of Crown revenue	22-10, 22-47
Regional development assistance	16-1, 22-62
Regional sports facilities program	20-17
Register of Encumbered Vehicles	19-29
Registry of Births, Deaths and Marriages	3-26, 3-112
Rental Bond Board	19-16, 19-56
Resolution of child protection complaints	2-72
Resolution of complaints about police	2-68
Resolution of local government, public authority and prison complaints and review of freedom of information complaints	2-70
Resource and Conservation Assessment Council	10-25
Respite care services	19-10, 19-43 19-48

I N D E X

Results and Services Plans	v	State and Regional Development, Department of	22-13, 22-56
Revenue collected	22-35	State debt, interest on	22-10
Rivers and groundwater	10-29	State Debt Recovery Office	22-4
Road fatalities	17-22	State Electoral Office	2-11, 2-76
Road maintenance	17-20	State Emergency Service	18-9, 18-41
Road network development	17-2, 17-18	State Fleet	19-7
Road quality	17-20	State Forests	15-1, 15-17
Road safety, licensing and vehicle management	17-22	State Governor's office	2-7, 2-48
Road tolls	17-19, 17-21 17-26	State Library of New South Wales	2-18, 2-98
Roads and Traffic Authority	17-1, 17-12	Statement of financial position	ii, vi
Rouse Hill Regional Centre	10-8	State Records Authority	2-27, 2-125
Royal Botanic Gardens and Domain Trust	3-22, 3-97	State Recreation Area Trusts	18-51
Rural adjustment scheme	15-29	State Sport Centre	20-24
Rural Assistance Authority	15-7, 15-25	State Sports Centre Trust	20-10, 20-35
Rural Communities Consultative Council	18-53	State Transit Authority – subsidies	21-7, 21-8 21-19
Rural financial counsellors	15-17	State Water	6-2
Rural Fire Service, Department of	18-7, 18-32	Stormwater Trust	3-28, 3-115
Rural Fire Fighting Fund	18-7	Students attending non-Government schools	5-30
Rural Lands Protection Boards	15-22	Students attending selective schools	5-27
		Students in support classes and special schools	5-25, 5-27
S		Students in Primary Education Government Schools	5-25
Salinity Strategy program	10-6	Students in Secondary Education Government schools	5-27
School children, conveyance of	5-26, 5-28, 5-30	Students of non-English speaking background at Government schools	5-25, 5-27
School student transport scheme	21-3, 21-8 21-19	Students receiving support through English as a Second Language Program	5-25, 5-27
Secondary Education Services	5-27	Subsidies to transport operators	21-10, 21-20
Service Improvement	19-2, 19-6 19-35	Superannuation, State costs	22-9, 22-48
Small business development programs	16-1	Superannuation Administration Corporation	19-12, 19-50
Smoking percentage of population	8-35	Supreme Court	3-12, 3-46, 3-75
Snowy River	22-11	Sustainable Energy Development Authority	6-2
Soil Conservation Service	18-11, 18-53	Sydney Aquatic and Athletic Centre	20-24
Special Conservation Scheme	15-7, 15-29	Sydney Festival Limited	2-97
Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Minister for Ageing and Minister for Disability Services	19-1	Sydney Ferries	21-3, 21-9 21-20
Spinal Injuries program	6-4	Sydney Observatory	2-21, 2-112
Sports development assistance	20-18		
State Administration Services	2-6, 2-57		

I N D E X

Sydney Olympic Park Authority 20-4, 20-10
20-19

Sydney Region Development Fund 10-8, 10-11
10-36

T

TAFE Education Services 5-31

Tax Equivalents Collection 22-35

Teacher Housing Authority contribution to 5-26, 5-28

Tenancy Advice and Advocacy Program 19-17, 19-29

Textbook allowances to non-Government schools 5-3, 5-30

Tourism New South Wales 20-1, 20-15

Tourism, Sport and Recreation, Department of 20-1, 20-11

Total average staffing iv

Traffic policing 14-24

Transport Accidents Compensation Fund, Contribution 22-19, 22-48

Transport Infrastructure Development Corporation 21-5, 21-7
21-20

Transport, Ministry of 21-2, 21-13

Transport Safety and Reliability Regulator 21-11, 21-22

Treasurer, Minister for State Development and Minister for Aboriginal Affairs 22-1

Treasurer's Advance 22-26

Treasury 22-2, 22-27

Treasury Managed Fund 22-4, 22-7
22-10, 22-19
22-48

Tribunals, marketplace disputes 19-28

U

Unclaimed money 22-5, 22-39
22-47

V

Vacation care of children 4-17

Victims Compensation Tribunal 3-44

Video Conferencing 3-4, 3-7

Voluntary health organisations, grants to 8-21, 8-22, 8-23
8-26, 8-27, 8-29
8-31, 8-33, 8-36
8-37

Volunteers engaged in emergency services 18-4, 18-7, 18-9
18-26, 18-37
18-40, 18-44

W

Waste Fund 3-19, 3-29, 3-84
3-118

Water and sewerage assistance 6-4, 6-18

Water management plans 10-29

West 2000 Plus Program 15-29

Wetland Recovery Strategy 10-5

Whiteley Studio 2-123

Wild Dog Destruction Board 15-22

Women, Office for 2-6, 2-59

WorkCover Authority 19-18, 19-59

Workers Compensation Commission 19-19, 19-59

Workers Compensation (Dust Diseases) Board 19-20, 19-63

Y

Young Filmmakers Fund 2-134

Youth Justice Conferencing 12-1, 12-7

Z

Zoological Parks Board 3-19, 3-84