

# **Budget Estimates**

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**2006-07**



**New South Wales**

**Budget Paper No. 3**

**Volume 1**



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# INTRODUCTION

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Budget Paper No. 3 provides information on the performance of general government agencies. An overview at the start of each Minister's portfolio sets out the total expenses and capital expenditure for agencies within the portfolio. Details of agency performance and 2006-07 Budget are outlined in the individual agency commentary and financial statements. In addition, program statements are provided for those agencies classified as budget dependent general government agencies.

## COMMENTARY

The commentary section provides an overview of the agency's results and services, recent developments, strategic directions and 2006-07 Budget.

The *Results and Services* section provides a summary of the outcomes the agency is working towards and the key services the agency delivers to contribute to those outcomes.

The *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 *2006-07 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 Balance Sheet.

*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 gains/losses.

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, 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 amounts in the Balance Sheet. 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 Balance Sheet* 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).

## 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 program statements vary, depending upon whether information on outputs (and in selected cases, outcomes) is being shown.

For those programs where information on outputs and outcomes is being shown, 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 shown, 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 capital expenditure for each program, which details the total level of purchases of property, plant and equipment being planned by the agency.

## **RESULTS AND SERVICES**

In 2006-07 selected general government agencies prepared a *Results and Services Plan*.

The Results and Services Plan is a service delivery and funding plan prepared by agencies to support decision making by the Budget Committee of Cabinet. It sets out the linkages between results, services and service costs.

In the February 2006 Economic and Financial Statement the Government committed to developing a new performance management and budgeting system for implementation in the 2008-09 Budget. The new system will build on the Results and Services Plan approach.

A key element of the new system will be a simplified framework for reporting agency financial and non-financial performance based on the Results and Services Plan. As a transitional measure, the 2006-07 Budget Papers will have a stronger focus on the results to be achieved for the community.

In this year's Budget Paper No. 3 the commentary section for each relevant general government agency will be prefaced by a new section describing the results the agency is working towards and the key services the agency delivers to contribute to those results.

More information on development of the new performance management and budgeting system is available in Chapter 2 of Budget Paper No. 2.

## **ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS**

Australia adopted international financial reporting standards in 2005-06. As a result, agency financial statements in Budget Paper No. 3 are presented under an Australian Equivalents to International Financial Reporting Standards (AEIFRS) basis. This is consistent with the way agencies are required to prepare their 2005-06 (and future) audited financial statements.

The adoption of AEIFRS has not resulted in any significant change to the presentation in Budget Paper No. 3 of agency Operating Statements, Balance Sheets or Cash Flow Statements from previous years. However, there has been a minor change to the Operating Statement for the reclassification of gains and losses relating to revenues and expenses, as a separate disclosure category. This reclassification does not impact the Net Cost of Services.



# THE LEGISLATURE

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## OVERVIEW

| <i>Agency</i>             | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---------------------------|-----------------------------------|-----------------------------------|------------------------|
| <b>The Legislature</b>    |                                   |                                   |                        |
| Total Expenses .....      | <b>106.7</b>                      | <b>108.7</b>                      | <b>1.9</b>             |
| Capital Expenditure ..... | <b>2.1</b>                        | <b>3.3</b>                        | <b>57.0</b>            |

## THE LEGISLATURE

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

## RESULTS AND SERVICES

In accordance with the *Constitution Act 1902*, the Legislature supports the system of a strong representative and democratic government in New South Wales by working towards the following results:

- ◆ The making of constitutionally sound laws, scrutiny of the executive government and debate of matters of concern to the community by each House of Parliament.
- ◆ Development of public policy, and monitoring and review of independent agencies and the executive government by parliamentary committees.
- ◆ Facilitation of the representation of constituents by Members of Parliament.

Key services provided by the agency to contribute to these results include:

- ◆ the provision of efficient business support systems, including the preparation of business papers and official records, Hansard reporting, information technology and the efficient administration of members' entitlements;
- ◆ the provision of authoritative advice on parliamentary law and practice, research, analysis and report writing; and
- ◆ the provision of a safe and functional working environment for members and staff ensuring that Parliament House remains an accessible and secure part of the State's heritage.

## **RECENT DEVELOPMENTS**

Expenditure trends for the Legislature over the past five years have reflected increased expenditure on:

- ◆ the provision of an IT Network and Internet access to the 94 electorate offices throughout the State together with members and staff located at Parliament House;
- ◆ enhancements to both physical and information technology security in response to world-wide events and external risk assessments; and
- ◆ changes to Members' entitlements to assist them in communicating with their constituents.

Employee related expenses, including salaries of Members of Parliament account for 75 per cent of total expenses.

## **STRATEGIC DIRECTIONS**

The Legislature'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:

- ◆ updating and upgrading the Parliament's ageing IT infrastructure;
- ◆ reviewing the delivery of Food and Beverage Services in the light of the Government's decision to abolish the Parliamentary Catering Subsidy;

- ◆ provision of corporate and procedural support services to Members of Parliament and their staff;
- ◆ review services and their costs to achieve productivity savings; and
- ◆ undertaking additional maintenance work on the Parliament House Building to meet heritage and occupational health and safety requirements together with essential building repairs as identified in the Legislature's Total Asset Management Plan.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses in 2006-07 are \$108.7 million, an increase of 1.9 per cent over budgeted 2005-06 expenses.

### **Capital Expenditure**

Total capital expenditure in 2006-07 is estimated at \$3.3 million. This funding will be used to:

- ◆ maintain the Parliament's Information Technology Systems (\$2 million);
- ◆ fit out Legislative Assembly Members' electorate offices (\$0.9 million); and
- ◆ annual provisions and minor works (\$0.4 million).

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**THE LEGISLATURE**  
**1 THE LEGISLATURE**

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|  | 2005-06        |                | 2006-07        |
|--|----------------|----------------|----------------|
|  | Budget         | Revised        | Budget         |
|  | \$000          | \$000          | \$000          |
| <b>OPERATING STATEMENT</b>             |                |                |                |
| <b>Expenses Excluding Losses -</b>     |                |                |                |
| Operating expenses -                   |                |                |                |
| Employee related                       | 53,873         | 56,180         | <b>55,160</b>  |
| Other operating expenses               | 22,354         | 23,047         | <b>23,176</b>  |
| Depreciation and amortisation          | 4,708          | 4,123          | <b>3,977</b>   |
| Other expenses                         | 25,758         | 27,115         | <b>26,404</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>106,693</b> | <b>110,465</b> | <b>108,717</b> |
| Less:                                  |                |                |                |
| <b>Retained Revenue -</b>              |                |                |                |
| Sales of goods and services            | 4,475          | 4,518          | <b>4,810</b>   |
| Investment income                      | 60             | 48             | <b>60</b>      |
| Grants and contributions               | ...            | 33             | ...            |
| Other revenue                          | 285            | 150            | <b>250</b>     |
| <b>Total Retained Revenue</b>          | <b>4,820</b>   | <b>4,749</b>   | <b>5,120</b>   |
| <b>NET COST OF SERVICES</b>            | <b>101,873</b> | <b>105,716</b> | <b>103,597</b> |

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|   | 2005-06         |                  | 2006-07          |
|---|-----------------|------------------|------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000  |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                  |
| <b>Payments</b>                                 |                 |                  |                  |
| Employee related                                | 42,462          | 44,174           | <b>42,733</b>    |
| Other   | 51,058          | 51,673           | <b>52,582</b>    |
| <b>Total Payments</b>                           | <b>93,520</b>   | <b>95,847</b>    | <b>95,315</b>    |
| <b>Receipts</b>                                 |                 |                  |                  |
| Sale of goods and services                      | 4,426           | 4,749            | <b>4,810</b>     |
| Interest  | 51              | 84               | <b>50</b>        |
| Other   | 2,785           | 2,606            | <b>2,650</b>     |
| <b>Total Receipts</b>                           | <b>7,262</b>    | <b>7,439</b>     | <b>7,510</b>     |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(86,258)</b> | <b>(88,408)</b>  | <b>(87,805)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                  |
| Purchases of property, plant and equipment      | (1,951)         | (2,921)          | <b>(3,267)</b>   |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(1,951)</b>  | <b>(2,921)</b>   | <b>(3,267)</b>   |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                  |
| Recurrent appropriation                         | 86,019          | 86,175           | <b>87,805</b>    |
| Capital appropriation                           | 2,075           | 2,921            | <b>3,267</b>     |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>88,094</b>   | <b>89,096</b>    | <b>91,072</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(115)</b>    | <b>(2,233)</b>   | ...              |
| Opening Cash and Cash Equivalents               | 460             | 2,408            | <b>175</b>       |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>345</b>      | <b>175</b>       | <b>175</b>       |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                  |
| Net cost of services                            | (101,873)       | (105,716)        | <b>(103,597)</b> |
| Non cash items added back                       | 15,854          | 15,766           | <b>15,792</b>    |
| Change in operating assets and liabilities      | (239)           | 1,542            | ...              |
| <b>Net cash flow from operating activities</b>  | <b>(86,258)</b> | <b>(88,408)</b>  | <b>(87,805)</b>  |

**THE LEGISLATURE**  
**1 THE LEGISLATURE**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 345             | 175              | 175             |
| Receivables                          | 1,180           | 761              | 771             |
| Inventories                          | 187             | 250              | 250             |
| Other                                | 184             | 310              | 370             |
| <b>Total Current Assets</b>          | <b>1,896</b>    | <b>1,496</b>     | <b>1,566</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 113,375         | 131,153          | 130,032         |
| Plant and equipment                  | 44,314          | 43,576           | 44,338          |
| Intangibles                          | ...             | 547              | 196             |
| <b>Total Non Current Assets</b>      | <b>157,689</b>  | <b>175,276</b>   | <b>174,566</b>  |
| <b>Total Assets</b>                  | <b>159,585</b>  | <b>176,772</b>   | <b>176,132</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 3,542           | 5,142            | 5,012           |
| Provisions                           | 3,634           | 3,975            | 4,175           |
| <b>Total Current Liabilities</b>     | <b>7,176</b>    | <b>9,117</b>     | <b>9,187</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 595             | 677              | 677             |
| <b>Total Non Current Liabilities</b> | <b>595</b>      | <b>677</b>       | <b>677</b>      |
| <b>Total Liabilities</b>             | <b>7,771</b>    | <b>9,794</b>     | <b>9,864</b>    |
| <b>NET ASSETS</b>                    | <b>151,814</b>  | <b>166,978</b>   | <b>166,268</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 16,679          | 24,797           | 24,797          |
| Accumulated funds                    | 135,135         | 142,181          | 141,471         |
| <b>TOTAL EQUITY</b>                  | <b>151,814</b>  | <b>166,978</b>   | <b>166,268</b>  |

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**THE LEGISLATURE**  
**1 THE LEGISLATURE**

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**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) |         |
|---|------------------------|---------|
|   | 2005-06                | 2006-07 |
| Secretarial services for Members                        | 52                     | 52      |
| Procedural and administrative support                   | 31                     | 29      |
| Committee advisory, research and administrative support | 21                     | 20      |
|   | 104                    | 101     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Operating expenses -  |               |               |               |
| Employee related  | 11,515        | 11,818        | <b>11,964</b> |
| Other operating expenses  | 2,108         | 2,741         | <b>2,224</b>  |
| Depreciation and amortisation   | 349           | 243           | <b>242</b>    |
| Other expenses  |               |               |               |
| Salaries and allowances of Members of the Legislative Council                   | 3,625         | 3,995         | <b>3,900</b>  |
| Salaries and allowances of recognised office-holders of the Legislative Council | 2,740         | 2,880         | <b>2,810</b>  |
| Salaries and allowances of Ministers of the Crown                               | 1,605         | 1,500         | <b>1,460</b>  |
| Overseas delegation   | 3             | 3             | <b>3</b>      |
| <b>Total Expenses Excluding Losses</b>  | <b>21,945</b> | <b>23,180</b> | <b>22,603</b> |

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**THE LEGISLATURE**  
**1 THE LEGISLATURE**

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**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

410

389

**400**

50

31

**50**

**Total Retained Revenue**

**460**

**420**

**450**

**NET COST OF SERVICES**

**21,485**

**22,760**

**22,153**

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**CAPITAL EXPENDITURE**

**270**

**125**

**572**

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**THE LEGISLATURE**  
**1 THE LEGISLATURE**

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**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.

| <u>Activities</u> :                                     | Average Staffing (EFT) |         |
|---|------------------------|---------|
|   | 2005-06                | 2006-07 |
| Secretarial and research services for Members           | 204                    | 202     |
| Procedural and administrative support                   | 45                     | 40      |
| Committee advisory, research and administrative support | 24                     | 22      |
|   | 273                    | 264     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | \$000          |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -   |               |               |               |
| Employee related   | 26,454        | 28,115        | <b>27,258</b> |
| Other operating expenses   | 15,959        | 15,691        | <b>16,823</b> |
| Depreciation and amortisation  | 1,842         | 1,420         | <b>1,279</b>  |
| Other expenses   |               |               |               |
| Salaries and allowances of Members of Parliament                                 | 7,960         | 8,579         | <b>8,340</b>  |
| Salaries and allowances of recognised office-holders of the Legislative Assembly | 5,420         | 5,785         | <b>5,625</b>  |
| Salaries and allowances of Ministers of the Crown                                | 4,094         | 4,062         | <b>3,946</b>  |
| Commonwealth Parliamentary Association   | 304           | 304           | <b>313</b>    |
| Overseas delegation  | 7             | 7             | <b>7</b>      |
| <b>Total Expenses Excluding Losses</b>   | <b>62,040</b> | <b>63,963</b> | <b>63,591</b> |

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**THE LEGISLATURE**  
**1 THE LEGISLATURE**

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**1.1 Parliamentary Government**

**1.1.2 Legislative Assembly (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|                                   |            |            |            |
|-----------------------------------|------------|------------|------------|
| Sales of goods and services       |            |            |            |
| Rents and leases                  | 410        | 389        | <b>400</b> |
| Minor sales of goods and services | 25         | ...        | ...        |
| Other revenue                     | 120        | 45         | <b>85</b>  |
| <b>Total Retained Revenue</b>     | <b>555</b> | <b>434</b> | <b>485</b> |

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|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>61,485</b> | <b>63,529</b> | <b>63,106</b> |
|-----------------------------|---------------|---------------|---------------|

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|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>1,690</b> | <b>1,794</b> | <b>1,587</b> |
|----------------------------|--------------|--------------|--------------|

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**THE LEGISLATURE**  
**1 THE LEGISLATURE**

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**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) |         |
|-----------------------------------|------------------------|---------|
|                                   | 2005-06                | 2006-07 |
| Accounting and financial          | 13                     | 13      |
| Archives                          | 2                      | 2       |
| Building                          | 64                     | 62      |
| Catering                          | 39                     | 28      |
| Education and Community Relations | 2                      | 2       |
| Hansard                           | 24                     | 24      |
| Information technology            | 13                     | 13      |
| Library                           | 31                     | 32      |
| Security                          | 21                     | 21      |
| Printing Services                 | 3                      | 3       |
|                                   | 212                    | 200     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                   |               |               |               |
| Employee related                       | 15,904        | 16,247        | <b>15,938</b> |
| Other operating expenses               | 4,287         | 4,615         | <b>4,129</b>  |
| Depreciation and amortisation          | 2,517         | 2,460         | <b>2,456</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>22,708</b> | <b>23,322</b> | <b>22,523</b> |

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**THE LEGISLATURE**  
**1 THE LEGISLATURE**

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**1.2 Parliamentary Support Services**

**1.2.1 Joint Services (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|                                   |       |       |              |
|-----------------------------------|-------|-------|--------------|
| Sales of goods and services       |       |       |              |
| Energy recoupment                 | 520   | 540   | <b>540</b>   |
| Functions                         | 435   | 460   | <b>570</b>   |
| Minor sales of goods and services | 2,675 | 2,740 | <b>2,900</b> |
| Investment income                 | 60    | 48    | <b>60</b>    |
| Grants and contributions          | ...   | 33    | ...          |
| Other revenue                     | 115   | 74    | <b>115</b>   |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>3,805</b> | <b>3,895</b> | <b>4,185</b> |
|-------------------------------|--------------|--------------|--------------|

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>18,903</b> | <b>19,427</b> | <b>18,338</b> |
|-----------------------------|---------------|---------------|---------------|

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|                            |            |              |              |
|----------------------------|------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>115</b> | <b>1,002</b> | <b>1,108</b> |
|----------------------------|------------|--------------|--------------|

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# PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER FOR CITIZENSHIP

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## OVERVIEW

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Cabinet Office</b>                                   |                                   |                                   |                        |
| Total Expenses .....                                    | 33.6                              | 37.8                              | 12.7                   |
| Capital Expenditure .....                               | 1.4                               | 0.6                               | -56.4                  |
| <b>Premier's Department</b>                             |                                   |                                   |                        |
| Total Expenses .....                                    | 142.9                             | 155.7                             | 9.0                    |
| Capital Expenditure .....                               | 1.3                               | 1.3                               | ...                    |
| <b>Independent Commission Against Corruption</b>        |                                   |                                   |                        |
| Total Expenses .....                                    | 16.8                              | 17.1                              | 1.9                    |
| Capital Expenditure .....                               | 0.2                               | 0.2                               | ...                    |
| <b>Ombudsman's Office</b>                               |                                   |                                   |                        |
| Total Expenses .....                                    | 19.5                              | 21.7                              | 11.1                   |
| Capital Expenditure .....                               | 0.7                               | 0.2                               | -65.7                  |
| <b>State Electoral Office</b>                           |                                   |                                   |                        |
| Total Expenses .....                                    | 12.2                              | 58.7                              | 381.7                  |
| Capital Expenditure .....                               | 1.5                               | 3.4                               | 223.3                  |
| <b>Independent Pricing and Regulatory Tribunal</b>      |                                   |                                   |                        |
| Total Expenses .....                                    | 16.1                              | 16.6                              | 3.1                    |
| Capital Expenditure .....                               | 0.2                               | 0.2                               | ...                    |
| <b>Natural Resources Commission</b>                     |                                   |                                   |                        |
| Total Expenses .....                                    | 4.3                               | 4.7                               | 8.8                    |
| Capital Expenditure .....                               | ...                               | 0.3                               | n.a.                   |
| <b>Department of State and Regional<br/>Development</b> |                                   |                                   |                        |
| Total Expenses .....                                    | 160.6                             | 181.4                             | 12.9                   |
| Capital Expenditure .....                               | 0.1                               | 1.7                               | 1,375.2                |

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Community Relations Commission</b>   |                                   |                                   |                        |
| Total Expenses .....  | 15.2                              | 15.5                              | 2.1                    |
| Capital Expenditure .....   | ...                               | 0.2                               | n.a.                   |
| <b>Audit Office of New South Wales</b>  |                                   |                                   |                        |
| Total Expenses .....  | 28.7                              | 29.0                              | 1.0                    |
| Capital Expenditure .....   | 1.0                               | 1.2                               | 15.2                   |
| <b>Total, Premier, Minister for State Development,<br/>and Minister for Citizenship</b> |                                   |                                   |                        |
| Total Expenses .....  | <b>449.9</b>                      | <b>538.2</b>                      | <b>19.6</b>            |
| Capital Expenditure .....   | <b>6.4</b>                        | <b>9.3</b>                        | <b>45.3</b>            |

## 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 also includes the Parliamentary Counsel's Office, a separate office that provides a comprehensive legislative drafting and publishing service to the Government and Members of Parliament.

## RESULTS AND SERVICES

The Cabinet Office contributes to the effective implementation of major government policy by working towards the following results:

- ◆ Efficient collective decision-making processes through Cabinet and its Committees.
- ◆ Sound, timely and accurate advice to the Premier and Cabinet on all major policy issues, whole-of-government priority setting and implementation of policy by other agencies.
- ◆ Effective co-ordination of cross-portfolio policies and other significant issues including national policy initiatives.
- ◆ Responsive and accurate drafting of legislation that reflects the policy agenda of the Government or sponsoring non-government member.
- ◆ Accurate and accessible information provision to the public (including the public sector) in relation to New South Wales legislation.

Key services provided by The Cabinet Office that contribute to these results include:

- ◆ providing support to the Premier and Cabinet through the Cabinet process;
- ◆ developing and advising on policy (including cross-portfolio issues), setting priorities and advising on policy implementation;
- ◆ drafting Bills, statutory instruments and environmental planning instruments; and
- ◆ providing legislative information publications, and maintaining a legislation database, the [www.legislation.nsw.gov.au](http://www.legislation.nsw.gov.au) website, reprints and a legislation information hotline.

## RECENT DEVELOPMENTS

The Cabinet Office's core responsibilities over the last five years have remained unchanged. However, the Parliamentary Counsel's Office became a separate office within The Cabinet Office in March 2006.

On occasion The Cabinet Office has been given responsibility for various strategic policy issues. These currently include:

- ◆ National Reform Agenda – The Cabinet Office has recently taken on an enhanced leadership role in the development of policy initiatives arising out of the 10 February 2006 meeting of the Council of Australian Governments that endorsed a new National Reform Agenda which aims to deliver significant economic and social benefits to Australia;
- ◆ Metro Water Directorate - transferred in 2005 from the former Department of Infrastructure, Planning and Natural Resources with responsibility for policy development and co-ordination in relation to the implementation of the Government's Metropolitan Water Strategy; and
- ◆ NSW Greenhouse Office - created in 2004 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.

The Office of Drug and Alcohol Policy was transferred from The Cabinet Office to the Department of Health in 2005.

## **STRATEGIC DIRECTIONS**

The Cabinet Office will lead New South Wales involvement in development of the National Reform Agenda policy framework, governance and funding arrangements and implementation of agreed reforms in New South Wales. The Agenda comprises three streams of reform in the areas of human capital, competition and regulatory reform.

The Cabinet Office will continue to develop the electronic Cabinet Document Management System (CDMS) which is designed to enable more efficient and secure management of the handling of Cabinet Minutes. In 2006-07 the operations of Cabinet Committees will be incorporated into CDMS.

The Parliamentary Counsel's Office will further develop the Environmental Planning Instrument Drafting and Publishing Program to assist in the implementation of planning reforms, including the drafting of new instruments for all local government areas based on the Standard Instrument. The Office will also continue to develop the Process Automation System (PAS) to automate in-house processes and improve public access to legislation through e-legislation.

## **2006-07 BUDGET**

### **Total Expenses**

The Cabinet Office has estimated total expenses of \$37.8 million, including:

- ◆ \$7.5 million for services provided by the Parliamentary Counsel's Office;
- ◆ \$6 million for Greenhouse emission reduction initiatives;
- ◆ \$1.2 million for Greenhouse policy; and
- ◆ \$0.9 million for Metro Water Policy.

### **Capital Expenditure**

The capital allocation of \$0.6 million includes approximately \$0.3 million for automation of legislative drafting production processes and approximately \$0.3 million for minor works.

## **PREMIER'S DEPARTMENT**

Premier's Department supports the Premier, the Minister for Women (Section 18) and the Minister for Western Sydney (Section 21) 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 to benefit all women in New South Wales.

## **RESULTS AND SERVICES**

Premier's Department supports the Premier, as Head of the Government, by working towards the following results:

- ◆ Service delivery by the public sector is improved.
- ◆ Complex business, community, citizen and project specific issues across New South Wales are resolved.

Key services provided by the Department to contribute to these results include:

- ◆ providing the Governor, Premier and Ministers with protocol, ministerial and parliamentary support services;
- ◆ improving public employment, workforce strategy and policy, workforce capability, equity and diversity programs and executive services;
- ◆ reviewing and enhancing public sector performance, advice to executive committees, networks and governance, and service delivery initiatives;
- ◆ delivering strategic and operational advice in counter-terrorism policy, natural disaster response, and strategic projects across New South Wales;

- ◆ ensuring sector-wide direction and specialist skills in women and Aboriginal and Torres Strait Islanders' policy, programs and initiatives; and
- ◆ co-ordinating whole-of-government infrastructure implementation and forestry policy.

## **RECENT DEVELOPMENTS**

Expenditure declined from \$147 million in 2003-04 to \$132 million in 2004-05 due to efficiencies gained from a restructured and more streamlined operation. In 2005-06, expenditure is forecast to rise to an estimated \$156 million due to additional responsibilities assumed by the Premier's Department.

Expenditure during 2005-06 included:

- ◆ \$5.4 million for the Aboriginal Trust Fund Repayment Scheme;
- ◆ \$3.4 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;
- ◆ \$1.7 million for a community service obligation contribution towards the provision of transmission lines to facilitate the development of the mineral sands industry in far western New South Wales;
- ◆ \$1 million for the ANZAC Memorial Trust;
- ◆ \$0.5 million for the Murdi Paarki project enabling 16 remote communities to proactively address social and economic disadvantage; and
- ◆ \$0.5 million to establish the World Youth Day 2008 Secretariat.

Premier's Department assumed a series of additional responsibilities during 2005-06.

The Infrastructure Implementation Group was established in August 2005 to facilitate major infrastructure co-ordination and delivery in New South Wales at a cost of \$2.7 million in 2005-06.

The Premier's Delivery Unit was established to drive the Premier's agenda to improve the efficiency of service delivery in key areas of government (costing \$1 million).

The Department is now host agency for all Ministers' offices, with a further ten Ministerial offices transferred into the Department from 1 June 2005.

The Department provides administrative support for the independent Office of the Inspector of the Independent Commission Against Corruption (ICAC).

The Forestry Policy and Review unit transferred to the Premier's Department from the Department of Natural Resources to provide Government with forestry policy and administrative support; and to implement, oversee and review forestry assessments.

Implementation of a community feedback process to facilitate communication on key issues with members of the public immediately following 'Community Cabinet' meetings.

The Department transferred the function and activities of the Community Drugs Strategies program to the Department of Health.

## **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:

- ◆ managing economic and social issues in regional and rural New South Wales;
- ◆ improving service delivery by the public sector;
- ◆ 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 sector, and other levels of government;
- ◆ managing policy responses to counter-terrorism and natural disasters;
- ◆ improving infrastructure co-ordination and implementation;
- ◆ managing forestry policy and assessments;
- ◆ improving representation of targeted groups in the public sector workforce, focusing on Aboriginal people and people with disabilities; and
- ◆ managing State protocol, hospitality and events.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenditure for the Department in 2006-07 is \$155.7 million, which includes:

- ◆ \$4.3 million for the Aboriginal Trust Fund Repayment Scheme;
- ◆ \$2.5 million for the Premier's Delivery Unit to improve the efficiency of service delivery in key areas of government; and
- ◆ \$1.9 million for the World Youth Day 2008 Secretariat.

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

The Department is responsible for funding and support of the Premier's office; offices of the Leaders of the Opposition; offices of former office holders, services for the Governor's Office; and is host agency for Ministers' offices.

### **Capital Expenditure**

In 2006-07, the Department's capital program is \$1.3 million.

The capital program is necessary for regular staged upgrades to that portion of the Department's computer, telecommunication and office equipment requiring replacement or reaching obsolescence in 2006-07.

## **INDEPENDENT COMMISSION AGAINST CORRUPTION**

The Independent Commission Against Corruption is responsible for promoting and enhancing integrity in public administration throughout New South Wales by investigating, exposing and minimising corruption through the application of its special powers. The Commission's governing legislation is set out in the *Independent Commission Against Corruption Act 1988*.

## **RESULTS AND SERVICES**

The Commission contributes to an improved culture of honesty, integrity and ethical behaviour within the New South Wales public sector by working towards the following results:

- ◆ Potential offenders are deterred from committing corrupt conduct through the exposure of corruption activities and corruption risks.
- ◆ The community and public sector employees have confidence that corruption matters reported are being properly investigated.
- ◆ A comprehensive range of corruption prevention strategies operate across the public sector.
- ◆ Greater self-initiation by public sector organisations to identify and deal with corruption risks.
- ◆ Increased awareness and understanding of corrupt conduct and corruption risks across the public sector.

Key services provided by the Commission which contribute to these results include:

- ◆ processing, assessing and investigating corruption complaints;
- ◆ conducting compulsory examinations and public inquiries and reporting on corruption investigations and recommending corruption prevention improvements;
- ◆ delivering corruption prevention training programs and providing education materials to public sector agencies;
- ◆ conducting research into corruption sources and effectiveness of corruption prevention programs; and
- ◆ delivering corruption awareness campaigns.

## **RECENT DEVELOPMENTS**

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 2005-06, the Commission continued to develop its complaint handling systems and corruption investigation techniques in responding to a 29 per cent growth in complaints received since 2002. 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.

## **STRATEGIC DIRECTIONS**

In 2006-07, the Commission will continue its focus on enhancing its capacity to 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.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses of the Commission in 2006-07 are \$17.1 million. The Commission will maintain and improve its current level of investigation, corruption prevention and education activities.

### **Capital Expenditure**

In 2006-07, the Commission will spend \$0.2 million on capital expenditure including intelligence based computer 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 accountable to the public through the NSW Parliament. The Ombudsman's job is to make sure that the public and private sector agencies and employees he watches over fulfil their functions properly, are aware of their responsibilities to the public, act reasonably and comply with the law and best practice in administration.

The Ombudsman's work is governed by a range of legislation including the *Ombudsman Act 1974*, the *Community Services (Complaints, Reviews and Monitoring) Act 1993* and the *Police Act 1990*.

## **RESULTS AND SERVICES**

The Office works with both private and public sector agencies to achieve the following results for the community:

- ◆ Improved public administration.
- ◆ Improved provision of community services and protection of children.
- ◆ Public and private sector agencies and employees fulfilling their functions properly.
- ◆ Fair and reasonable and transparent decision making in agencies in the interests of the New South Wales community.
- ◆ Customer satisfaction with the provision of public and community services.

Key services provided by the Office to contribute to these results include:

- ◆ investigating and resolving complaints;
- ◆ assessing notifications, reviewing how agencies handle complaints and monitoring agencies investigations;
- ◆ keeping certain complaint handling and other systems under scrutiny;
- ◆ providing advice and a referral service to the public;
- ◆ hearing witness protection appeals; and
- ◆ reviewing the implementation of certain legislation that expands the powers of police as well as certain other agencies.

## RECENT DEVELOPMENTS

Since 2002-03, total expenses have increased by 28.6 per cent to an estimated \$21.7 million in 2006-07. Increases are a direct result of:

- ◆ Additional funding of \$0.8 million being provided in 2006-07 to support workload increases in the Ombudsman's complaint handling and reviewable death areas. This funding recognises the significant increase in complaints over the last few years, an increase that has occurred even though the Ombudsman has implemented proactive strategies to reduce the number of matters referred to the Office. As well, the number of reviewable deaths captured by the legislation and the work required for each review far exceeds the indicative assessments that were made when the Ombudsman was given the function in 2002.
- ◆ 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.
- ◆ 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.

The Ombudsman has highlighted a number of challenges facing the Office in 2006-07 and the following years including:

- ◆ Increasing demand for services – the Ombudsman will continue to explore proactive strategies to stabilise complaint numbers and to ensure continuous improvement in the delivery of services to the public.

- ◆ Providing a seamless service – there is an increasing tendency for matters coming to the Office to fall within the responsibility of two or more of the Ombudsman’s program areas. This, along with the current emphasis on a whole-of-government or multi-agency approach to delivering services, has required the Office to review how it deals with what is termed “across office” matters. The Office aims to have a seamless approach to both the public and those agencies that it deals with – ensuring that there is no duplication or inconsistency in how work is performed.
- ◆ Implementing a flexible structure – the Ombudsman needs to have in place a flexible structure capable of responding to emerging whole-of-government, multi-agency or across office issues. Linked to this is the need to be more flexible with internal budget allocations to enable the Office to better target resources to improve how it responds to key issues being faced by the more vulnerable sections of the community.
- ◆ Improving services to key community groups – there is a growing expectation in the community that the Ombudsman will play a greater role in reviewing how public sector agencies are implementing equity strategies, particularly when concerns are raised through the Office’s complaint handling and review work. The Ombudsman has initiated a number of projects where the Office is working with key agencies in reviewing the delivery of their services to key community groups. The Office has specialised positions including a staff of four in the Aboriginal Complaints Unit and a youth liaison officer that liaise with communities and agencies about service delivery improvements.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses of the Office are projected to be \$21.7 million in 2006-07 of which 80 per cent 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 2006-07, the Office will be undertaking capital expenditure totalling \$0.2 million. The Ombudsman’s Office will purchase computer equipment and other minor items during the year.

## **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; and
- ◆ in accordance with appropriate legislation, elections for local government, trade unions, statutory boards, registered clubs and ballots for enterprise agreements on a full cost recovery basis.

## **RESULTS AND SERVICES**

The State Electoral Office is working towards the following results:

- ◆ Elections are conducted impartially and in accordance with the law.
- ◆ Maximisation of voter participation and minimisation of informal votes.
- ◆ Unbiased public funding and disclosure of campaign donations.

Key services provided by the State Electoral Office to contribute to these results include:

- ◆ maintaining a register of candidates, groups and parties;
- ◆ conducting Elections;
- ◆ delivering Election results;
- ◆ providing timely and accurate electoral information;
- ◆ targeting enrolment strategies at under enrolled groups; and
- ◆ enforcing legislative disclosure requirements on candidates, groups and parties.

## **RECENT DEVELOPMENTS**

Expenditure in 2005-06 includes the conduct of four by-elections for Marrickville, Maroubra, Macquarie Fields and Pittwater. While the redistribution of electoral boundaries was concluded in December 2004, ongoing work to inform the electorate will continue until the next General Election. This election will be held in the 2006-07 year and the costs are reflected in the Budget Estimates.

A significant restructure of the Office occurred during 2005-06 with the result that improved service levels will be delivered in the future.

## **STRATEGIC DIRECTIONS**

Investment in the centralised Election Management Application continues with work to be completed by late 2006. The Office is also investing in an upgrade to its websites as a commitment to improved customer service. Workflow processes continue to be reviewed to minimise risks. Delivering services in the areas of electoral education and election funding continue.

## **2006-07 BUDGET**

### **Total Expenses**

The State Electoral Office has estimated total expenses of \$58.7 million in 2006-07. This includes:

- ◆ \$2.6 million for informing the electorate of the redistribution;
- ◆ \$36.4 million for administering the 2007 State General Election;
- ◆ \$8.5 million (on behalf of the Election Funding Authority) for payments to candidates, groups and parties, and political education; and
- ◆ \$3.4 million for payments to the Commonwealth for the Joint Electoral Roll Agreement.

### **Capital Expenditure**

Total capital expenditure for 2006-07 comprises a total of \$3.4 million. This consists of software development of \$1.8 million and election management resources of \$1.6 million.

## **INDEPENDENT PRICING AND REGULATORY TRIBUNAL**

The Independent Pricing and Regulatory Tribunal (IPART) provides advice, recommendations and determinations on prices for monopoly services provided by major NSW Government utilities.

Its objectives are aligned with the overall government priority of encouraging utilities and regulated industries to provide efficient, quality services, while protecting consumers' interests and encouraging commercially and environmentally sustainable outcomes. The organisation works very closely with its stakeholders to demonstrate a fair and open process, to achieve a balanced outcome for the industry sector as well as the consumer.

### **RESULTS AND SERVICES**

The two major planned results for IPART are:

- ◆ promoting competitive and sustainable business environment in New South Wales; and
- ◆ ensuring healthy and sustainable energy and water supply in New South Wales.

It provides the following services to support these results:

- ◆ monitoring of water and energy licences;
- ◆ administration of Greenhouse Gas Abatement Scheme targets;
- ◆ making recommendations on pricing of water, transport and energy services; and
- ◆ undertaking reviews referred to it.

### **RECENT DEVELOPMENTS**

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

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 licenses, administering a registry of abatement certificates, providing forecasts, carrying out annual compliance assessments and reports, and enforcing breaches.

The Scheme, one of the world's first carbon dioxide-denominated emissions trading schemes, is now well established. IPART accredited an additional 31 abatement projects in 2005-06, bringing the total number of accredited projects to 159. Over 6.3 million additional abatement certificates have been registered for 2005-06 and the total is expected to exceed nine million by the end of the year. Approximately 24 million certificates have been created 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 \$1.4 million in 2005-06, a substantial proportion of the operating budget. The Scheme is on target to be self funding over its projected life.

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 Utilities Regulators' Forum.

## **STRATEGIC DIRECTIONS**

IPART faces several challenges including:

- ◆ encouraging government businesses to achieve efficiency gains and reduce their overall cost to the community;
- ◆ ensuring continuity of supply is not interrupted, and in particular, that incentives are adequate to ensure ongoing investment in infrastructure to meet growth and replace ageing assets;
- ◆ ensuring businesses have the resources to meet increasingly higher community expectations of service levels and environmental performance; and
- ◆ ensuring that regulatory outcomes support the ongoing availability of low cost private capital necessary to fund new infrastructure.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are estimated at \$16.6 million, compared with \$16.1 million in 2005-06.

### **Capital Expenditure**

The capital program for IPART in 2006-07 provides \$180,000 for the replacement and upgrading of plant and equipment.

## **NATURAL RESOURCES COMMISSION**

The Natural Resources Commission (NRC) was established by the *Natural Resources Commission Act 2003* to provide the Government with independent advice on a range of natural resource management issues.

### **RESULTS AND SERVICES**

The NRC works with Catchment Management Authorities (CMAs), Government agencies and landholders to deliver sustainable natural resource management in New South Wales. The NRC works towards the following results:

- ◆ The Government adopts specific State-wide targets for improving natural resource across New South Wales.
- ◆ The Government endorses a Quality Standard for Natural Resource Management for how CMAs invest and work for their communities, relevant agencies and other stakeholders to achieve those State-wide targets.
- ◆ The Government approves Catchment Action Plans prepared by the CMAs as being consistent with the Quality Standard and promoting State-wide targets.
- ◆ Independent audits, advice and recommendations are provided to the Government on CMA effectiveness and other natural resource management issues.

Key services provided by the NRC which contribute to these results include:

- ◆ developing Quality Standard and State-wide targets for approval by the Government, to be implemented by the CMAs;
- ◆ reviewing and recommending approval of the CMAs' Catchment Action Plans;
- ◆ auditing the CMAs' Catchment Action Plans against the Quality Standard and State-wide targets; and
- ◆ providing a range of reports and recommendations to the Government as requested.

## **RECENT DEVELOPMENTS**

Progress against the NRC's legislative responsibilities in 2005-06 included:

- ◆ the Government's adoption of NRC recommendations on a Quality Standard for Natural Resource Management, a set of State-wide targets and new institutional arrangements to monitor progress towards those targets;
- ◆ development of an assessment framework to audit the CMAs' Catchment Action Plans; and
- ◆ preparation of a diverse range of reports for the Government.

## **STRATEGIC DIRECTIONS**

With the Quality Standard and State-wide targets endorsed by the Government, the NRC's main focus is ensuring CMAs are effective in promoting on-ground improvements in land, water and vegetation management, and delivering the Government's investment priorities for creating sustainable landscapes and communities.

The NRC is helping CMAs implement business and operating systems that will ensure the CMAs comply with the Quality Standard and promote the State-wide targets. The NRC is also working with New South Wales and Australian government agencies to streamline CMAs' reporting frameworks.

An emerging strategic issue for the NRC is working with a range of agencies to align monitoring and evaluation arrangements to the Quality Standard.

The NRC is also receiving an increased number of requests from the Government for independent advice on natural resource management issues.

The NRC uses transparent consultation processes that allow opportunities for wide engagement with all stakeholders. It draws on the practical experience of natural resource managers and on the best available science. It also considers the social and economic impacts of its recommendations.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for the NRC in 2006-07 are projected to be \$4.7 million being:

- ◆ \$1.3 million on implementing the Standard and State-wide targets;
- ◆ \$1.5 million on assessing CMAs' proposed Catchment Action Plans and auditing the effectiveness of their implementation; and
- ◆ \$1.9 million on providing independent advice on other natural resource issues.

### **Capital Expenditure**

The NRC will be investing \$0.3 million on information communications and technology infrastructure to operate effectively, even in remote areas of New South Wales.

## **DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

The Department of State and Regional Development supports the Premier and Minister for State Development, the Minister for Science and Medical Research (Section 15), the Minister for Tourism (Section 18) and the Minister for Small Business and Regional Development (Section 20).

The Department provides advice and services to advance the economic development of both metropolitan and regional New South Wales.

In March 2006, the Department assumed responsibility for the functions of the Tourism Industry Division and Venues and Events Unit from the former Department of Tourism, Sport and Recreation and the functions of the former Ministry for Science and Medical Research.

## **RESULTS AND SERVICES**

The Department's objective is to win new business for New South Wales and develop the capacity and productivity of the State's economy by:

- ◆ promoting increased investment and economic growth for metropolitan and regional New South Wales;
- ◆ sustaining growth of the tourism economy;
- ◆ maintaining New South Wales and Sydney as a preferred location for major events; and
- ◆ optimising the effectiveness of the NSW Government's investment in science and medical research.

Key services include:

- ◆ programs to secure major new investment for New South Wales;
- ◆ small business development, innovation, export growth and regional development programs;
- ◆ domestic and international marketing, communications and online tourism programs;
- ◆ executive and policy support for the Major Events Board; and
- ◆ advice to government on economic, industry development, science, innovation and tourism issues.

## **RECENT DEVELOPMENTS**

During 2005-06, the Department worked to secure major investments in New South Wales with an estimated value of over \$2.15 billion and an employment impact of over 6,350 jobs.

Major projects attracted to regional New South Wales included Sensation Yachts; Union Switch and Signal's Signalling and Technology Centre; establishment of information technology company Andrew Corporation in Wollongong; the production of feature film 'Superman Returns'; and the establishment of Fidelity's Asia Pacific Regional Service Centre.

The Department developed and implemented an extensive update of the *Retail Leases Act 1994*, resulting in the establishment of a scheme to manage security bonds lodged as cash by retail tenants.

Development activities included promotional activities for regional film locations and regional food supply capability; investment opportunities in towns experiencing residential accommodation shortages and regional food supply capability; special events for small and medium enterprises; export development trade missions to various Asia Pacific and Middle Eastern markets; and international trade exhibitions in Dubai, San Francisco and Singapore.

Tourism NSW's program included:

- ◆ Brand New South Wales - continued to invest in regional New South Wales and Sydney tourism advertising and promotions in 2005-06;
- ◆ Destination Development - completed a successful trial of this new program in the North Coast region, and commenced rollout of these workshops in partnership with other regional tourism organisations; and
- ◆ Major Events - The Major Events Board completed a review of its business plan, reviewed its target list of events and further developed its event assessment guide.

Key science and medical research activities during 2005-06 included:

- ◆ production and release of "The State of Research: the Directories of Science and Health and Medical Research in New South Wales" which lists over 500 public research institutions based in New South Wales, providing a comprehensive overview of the diversity and scope of research underway;
- ◆ establishment of seven of the ten designated research hubs and six clinical research networks, and reviews of six research-enabling platforms;
- ◆ conclusion of a Memorandum of Understanding on Co-operation in Science, Technology and Innovation between New South Wales and China to increase collaboration on research and development projects; and
- ◆ organisation of major seminars and events, including a two day exhibition showcasing the possibilities of science at the annual "Science Exposed" event at Parliament House.

## **STRATEGIC DIRECTIONS**

During 2006-07 the Department will focus on consolidating its new operating structure, including maximising available synergies, as well as continuing to work with businesses to assist the development of the New South Wales economy, to grow a sustainable tourism economy and to advance science and medical research in the State.

## **2006-07 BUDGET**

### **Total Expenses**

The Department's total expenses for 2006-07 are \$181.4 million. This includes \$27.2 million for Science and Medical Research programs, \$46.1 million for the growth of tourism and \$6.4 million to attract major events.

A major initiative in 2006-07 will be the introduction of a \$90 million payroll tax rebate scheme for new or expanding businesses in areas with persistently above average unemployment. This will be a five year scheme. For the first three years, eligible businesses will receive a rebate of 100 per cent of their payroll tax liabilities. In years four and five, the rebate becomes 66 per cent and 33 per cent respectively. In effect this means that businesses will pay no payroll tax for three years, increasing to two per cent in year four, and four per cent in year five.

Other 2006-07 initiatives include:

- ◆ promoting the State as a location for businesses requiring high level technical and business skills, and knowledge process outsourcing;
- ◆ attracting and retaining skilled professionals to maintain a pool of talent in New South Wales in key industries, addressing skills shortages in regional areas and continuing to attract business migrants who bring investment and new jobs;
- ◆ simplifying regulatory requirements applying to key sectors as result of the Small Business Regulation Review Taskforce;
- ◆ 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;
- ◆ growing and developing tourism in New South Wales through targeted local and international campaigns promoting Sydney and regional destinations;
- ◆ winning major events for New South Wales;

- ◆ delivering the Medical Research Support Program (formerly the Infrastructure Grants Program with the Department of Health);
- ◆ establishing a \$10 million Science Leveraging Fund to assist New South Wales to capture Commonwealth Government funding for research and development, infrastructure and capacity building; and
- ◆ implementing the Premier's Fund to promote research into spinal cord injury and neurological conditions.

### **Capital Expenditure**

The Department's capital expenditure program for 2006-07 is \$1.7 million. \$1.3 million will be spent on upgrading IT infrastructure for agencies with regional networks. \$0.4 million is for essential fit out works, replacement of plant and equipment and support for tourism signposting initiatives in New South Wales.

## **COMMUNITY RELATIONS COMMISSION**

The Community Relations Commission for a multicultural New South Wales promotes community harmony and avoidance of conflict.

The Commission's governing legislation is the *Community Relations Commission and Principles of Multiculturalism Act 2000*.

### **RESULTS AND SERVICES**

The Commission contributes to achieving a more harmonious society by working towards the following results:

- ◆ Access to government and community services is equitable.
- ◆ Social justice, community development and community initiatives for ethnic communities in New South Wales are promoted.
- ◆ The benefits of cultural diversity are recognised and maximised.
- ◆ The principles of multiculturalism and the advantages of a multicultural society are promoted.

Key services provided by the Commission which contributed to these results include:

- ◆ providing interpreting and translating services;
- ◆ engaging with community projects and partnerships;
- ◆ administering community grants;
- ◆ providing community relations policy to the Government; and
- ◆ overseeing the implementation of the Principles of Multiculturalism by all Government agencies.

## **RECENT DEVELOPMENTS**

The Commission's expenses have increased over the last five years from \$13.2 million in 2000-01 to a projected \$15.8 million for 2005-06.

The Commission continued to realise benefits from productivity improvements in the provision of language services and grant processing procedures.

The Commission's 2005 Symposium involving delegates from community, religious, academic, and private sector organisations developed the theme 'Commonality of Australian Citizenship' as a way of promoting community harmony.

Following the summer beachside disturbances the Commission received \$200,000 to assist in the Government's response.

## **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 our services;
- ◆ advise on policy decisions and program implementation according to the needs of a culturally diverse society;

- ◆ consult, research and action community relations issues with the Government and the community;
- ◆ support and promote community initiatives; and
- ◆ increase use of interpreter and translation services.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for the Commission for 2006-07 are budgeted at \$15.5 million compared with projected expenses of \$15.8 million in 2005-06.

### **Capital Expenditure**

The Commission has a minor works allocation of \$150,000 for 2006-07.

## **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.

## **STRATEGIC DIRECTIONS**

Through its audits of NSW Government agencies, the Audit Office will continue to assist Parliament in improving government'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;
- ◆ ensuring agencies derive 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.

## **2006-07 BUDGET**

### **Total Revenue**

Revenue is forecasted at \$29 million and is principally derived from audit fees paid by government agencies.

### **Total Expenses**

Expenses are estimated to increase from \$28.7 million in 2005-06 to \$29 million in 2006-07.

### **Capital Expenditure**

Capital expenditure is estimated at \$1.2 million in 2006-07. The majority of this will be spent on computer hardware.

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP  
2 CABINET OFFICE**

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|  | 2005-06         |                  | <b>2006-07</b>          |
|--|-----------------|------------------|-------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>OPERATING STATEMENT</b>             |                 |                  |                         |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                         |
| Operating expenses -                   |                 |                  |                         |
| Employee related                       | 18,232          | 18,072           | <b>20,483</b>           |
| Other operating expenses               | 7,776           | 8,571            | <b>9,998</b>            |
| Depreciation and amortisation          | 1,238           | 1,143            | <b>1,030</b>            |
| Grants and subsidies                   | 6,300           | 5,450            | <b>6,300</b>            |
| Other expenses                         | 36              | 36               | <b>36</b>               |
| <b>Total Expenses Excluding Losses</b> | <b>33,582</b>   | <b>33,272</b>    | <b>37,847</b>           |
| Less:                                  |                 |                  |                         |
| <b>Retained Revenue -</b>              |                 |                  |                         |
| Sales of goods and services            | 131             | 139              | <b>135</b>              |
| Investment income                      | 73              | 117              | <b>75</b>               |
| Grants and contributions               | ...             | 88               | ...                     |
| Other revenue                          | ...             | 7                | ...                     |
| <b>Total Retained Revenue</b>          | <b>204</b>      | <b>351</b>       | <b>210</b>              |
| <b>NET COST OF SERVICES</b>            | <b>33,378</b>   | <b>32,921</b>    | <b>37,637</b>           |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**2 CABINET OFFICE**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 16,685          | 15,865           | <b>19,058</b>   |
| Grants and subsidies                            | 6,300           | 5,450            | <b>6,300</b>    |
| Other   | 7,938           | 9,860            | <b>10,107</b>   |
| <b>Total Payments</b>                           | <b>30,923</b>   | <b>31,175</b>    | <b>35,465</b>   |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 131             | 139              | <b>135</b>      |
| Interest  | 75              | 96               | <b>72</b>       |
| Other   | 104             | 625              | <b>103</b>      |
| <b>Total Receipts</b>                           | <b>310</b>      | <b>860</b>       | <b>310</b>      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(30,613)</b> | <b>(30,315)</b>  | <b>(35,155)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (1,357)         | (217)            | <b>(291)</b>    |
| Other   | ...             | (1,189)          | <b>(300)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(1,357)</b>  | <b>(1,406)</b>   | <b>(591)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 30,833          | 30,532           | <b>35,215</b>   |
| Capital appropriation                           | 1,357           | 1,406            | <b>591</b>      |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>32,190</b>   | <b>31,938</b>    | <b>35,806</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>220</b>      | <b>217</b>       | <b>60</b>       |
| Opening Cash and Cash Equivalents               | 500             | 284              | <b>711</b>      |
| Reclassification of Cash Equivalents            | ...             | (210)            | ...             |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>720</b>      | <b>711</b>       | <b>771</b>      |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP  
2 CABINET OFFICE**

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|  | 2005-06         |                 | 2006-07         |
|--|-----------------|-----------------|-----------------|
|  | Budget          | Revised         | Budget          |
|  | \$000           | \$000           | \$000           |
| <b>CASH FLOW STATEMENT (cont)</b>              |                 |                 |                 |
| <b>CASH FLOW RECONCILIATION</b>                |                 |                 |                 |
| Net cost of services                           | (33,378)        | (32,921)        | <b>(37,637)</b> |
| Non cash items added back                      | 2,588           | 2,432           | <b>2,405</b>    |
| Change in operating assets and liabilities     | 177             | 174             | <b>77</b>       |
| <b>Net cash flow from operating activities</b> | <b>(30,613)</b> | <b>(30,315)</b> | <b>(35,155)</b> |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP  
2 CABINET OFFICE**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 720             | 711              | 771             |
| Receivables  | 419             | 276              | 279             |
| Other  | 53              | 2                | 2               |
| <b>Total Current Assets</b>                            | <b>1,192</b>    | <b>989</b>       | <b>1,052</b>    |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Property, plant and equipment -<br>Plant and equipment | 1,310           | 1,548            | 1,343           |
| Intangibles  | 2,414           | 2,510            | 2,276           |
| <b>Total Non Current Assets</b>                        | <b>3,724</b>    | <b>4,058</b>     | <b>3,619</b>    |
| <b>Total Assets</b>                                    | <b>4,916</b>    | <b>5,047</b>     | <b>4,671</b>    |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 845             | 634              | 702             |
| Provisions   | 2,047           | 2,062            | 2,074           |
| <b>Total Current Liabilities</b>                       | <b>2,892</b>    | <b>2,696</b>     | <b>2,776</b>    |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Borrowings   | 43              | ...              | ...             |
| Provisions   | 209             | 269              | 269             |
| <b>Total Non Current Liabilities</b>                   | <b>252</b>      | <b>269</b>       | <b>269</b>      |
| <b>Total Liabilities</b>                               | <b>3,144</b>    | <b>2,965</b>     | <b>3,045</b>    |
| <b>NET ASSETS</b>                                      | <b>1,772</b>    | <b>2,082</b>     | <b>1,626</b>    |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 1,772           | 2,082            | 1,626           |
| <b>TOTAL EQUITY</b>                                    | <b>1,772</b>    | <b>2,082</b>     | <b>1,626</b>    |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, 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.

| <u>Activities:</u>      | Average Staffing (EFT) |         |
|-------------------------|------------------------|---------|
|                         | 2005-06                | 2006-07 |
| Policy Branches         | 84                     | 84      |
| Cabinet Secretariat     | 19                     | 19      |
| Metro Water Directorate | 8                      | 8       |
| Greenhouse Office       | 13                     | 13      |
| National Reform Agenda  | ...                    | 11      |
|                         | 124                    | 135     |

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Operating expenses -  |               |               |               |
| Employee related  | 12,718        | 12,621        | <b>14,315</b> |
| Other operating expenses  | 6,785         | 7,510         | <b>8,969</b>  |
| Depreciation and amortisation   | 810           | 810           | <b>720</b>    |
| Grants and subsidies  |               |               |               |
| Grants to agencies for recurrent purposes   | 6,300         | 5,450         | <b>6,300</b>  |
| Other expenses  |               |               |               |
| Special reports to Cabinet, Premier and unforeseen expenses approved by the Premier | 36            | 36            | <b>36</b>     |
| <b>Total Expenses Excluding Losses</b>  | <b>26,649</b> | <b>26,427</b> | <b>30,340</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP  
2 CABINET OFFICE**

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**2.1 Services for the Premier and Cabinet**

**2.1.1 Services for the Premier and Cabinet (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                   |               |               |               |
|-----------------------------------|---------------|---------------|---------------|
| Sales of goods and services       | ...           | 8             | ...           |
| Minor sales of goods and services | 50            | 94            | <b>51</b>     |
| Investment income                 | ...           | 88            | ...           |
| Grants and contributions          | ...           | 88            | ...           |
| <b>Total Retained Revenue</b>     | <b>50</b>     | <b>190</b>    | <b>51</b>     |
| <b>NET COST OF SERVICES</b>       | <b>26,599</b> | <b>26,237</b> | <b>30,289</b> |

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>167</b> | <b>467</b> | <b>290</b> |
|----------------------------|------------|------------|------------|

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP  
2 CABINET OFFICE**

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**2.2 Drafting and Publishing of Legislation**

**2.2.1 Parliamentary Counsel's Office**

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 and environmental planning instruments) for Parliament or the Governor-in-Council; publishing the full range of legislation and information guides in printed form and online at [www.legislation.nsw.gov.au](http://www.legislation.nsw.gov.au); and the provision of legal and administrative advice to government.

|                     |                                | Average Staffing (EFT) |         |
|---------------------|--------------------------------|------------------------|---------|
|                     |                                | 2005-06                | 2006-07 |
| <u>Activities</u> : | Parliamentary Counsel's Office | 46                     | 53      |

|  |  | 2005-06         |                  | <b>2006-07</b>          |
|--|--|-----------------|------------------|-------------------------|
|  |  | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|                               |       |       |              |
|-------------------------------|-------|-------|--------------|
| Operating expenses -          |       |       |              |
| Employee related              | 5,514 | 5,451 | <b>6,168</b> |
| Other operating expenses      | 991   | 1,061 | <b>1,029</b> |
| Depreciation and amortisation | 428   | 333   | <b>310</b>   |

|  |              |              |              |
|--|--------------|--------------|--------------|
| <b>Total Expenses Excluding Losses</b> | <b>6,933</b> | <b>6,845</b> | <b>7,507</b> |
|--|--------------|--------------|--------------|

Less:

**Retained Revenue -**

|   |     |     |            |
|---|-----|-----|------------|
| Sales of goods and services             |     |     |            |
| Drafting and publication of legislation | 131 | 131 | <b>135</b> |
| Investment income                       | 23  | 23  | <b>24</b>  |
| Other revenue                           | ... | 7   | ...        |

|                               |            |            |            |
|-------------------------------|------------|------------|------------|
| <b>Total Retained Revenue</b> | <b>154</b> | <b>161</b> | <b>159</b> |
|-------------------------------|------------|------------|------------|

|                             |              |              |              |
|-----------------------------|--------------|--------------|--------------|
| <b>NET COST OF SERVICES</b> | <b>6,779</b> | <b>6,684</b> | <b>7,348</b> |
|-----------------------------|--------------|--------------|--------------|

|                            |              |            |            |
|----------------------------|--------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>1,190</b> | <b>939</b> | <b>301</b> |
|----------------------------|--------------|------------|------------|

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating expenses -                   |                 |                  |                                     |
| Employee related                       | 70,087          | 74,002           | <b>77,506</b>                       |
| Other operating expenses               | 55,315          | 61,173           | <b>64,382</b>                       |
| Depreciation and amortisation          | 1,778           | 3,469            | <b>1,778</b>                        |
| Grants and subsidies                   | 13,363          | 16,681           | <b>9,218</b>                        |
| Other expenses                         | 2,322           | 2,383            | <b>2,787</b>                        |
| <b>Total Expenses Excluding Losses</b> | <b>142,865</b>  | <b>157,708</b>   | <b>155,671</b>                      |
| Less:                                  |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 250             | 889              | <b>1,081</b>                        |
| Investment income                      | 300             | 300              | <b>300</b>                          |
| Grants and contributions               | 1,532           | 4,278            | <b>3,192</b>                        |
| Other revenue                          | 3,040           | 2,501            | <b>2,442</b>                        |
| <b>Total Retained Revenue</b>          | <b>5,122</b>    | <b>7,968</b>     | <b>7,015</b>                        |
| <b>NET COST OF SERVICES</b>            | <b>137,743</b>  | <b>149,740</b>   | <b>148,656</b>                      |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

|   | ———2005-06———    |                  | <b>2006-07</b>          |
|---|------------------|------------------|-------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                  |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                  |                  |                         |
| <b>Payments</b>                                 |                  |                  |                         |
| Employee related                                | 63,554           | 69,392           | <b>73,924</b>           |
| Grants and subsidies                            | 13,363           | 16,681           | <b>9,218</b>            |
| Other   | 60,943           | 68,944           | <b>69,905</b>           |
| <b>Total Payments</b>                           | <b>137,860</b>   | <b>155,017</b>   | <b>153,047</b>          |
| <b>Receipts</b>                                 |                  |                  |                         |
| Sale of goods and services                      | 250              | 889              | <b>1,081</b>            |
| Interest  | 300              | 300              | <b>300</b>              |
| Other   | 8,091            | 13,159           | <b>8,350</b>            |
| <b>Total Receipts</b>                           | <b>8,641</b>     | <b>14,348</b>    | <b>9,731</b>            |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(129,219)</b> | <b>(140,669)</b> | <b>(143,316)</b>        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                  |                  |                         |
| Purchases of property, plant and equipment      | (1,317)          | (4,316)          | <b>(1,320)</b>          |
| Other   | ...              | (1)              | ...                     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(1,317)</b>   | <b>(4,317)</b>   | <b>(1,320)</b>          |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                  |                  |                         |
| Recurrent appropriation                         | 129,627          | 141,722          | <b>141,751</b>          |
| Capital appropriation                           | 1,344            | 4,317            | <b>1,320</b>            |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>130,971</b>   | <b>146,039</b>   | <b>143,071</b>          |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>435</b>       | <b>1,053</b>     | <b>(1,565)</b>          |
| Opening Cash and Cash Equivalents               | 398              | 1,977            | <b>3,030</b>            |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>833</b>       | <b>3,030</b>     | <b>1,465</b>            |
| <b>CASH FLOW RECONCILIATION</b>                 |                  |                  |                         |
| Net cost of services                            | (137,743)        | (149,740)        | <b>(148,656)</b>        |
| Non cash items added back                       | 7,711            | 7,516            | <b>5,360</b>            |
| Change in operating assets and liabilities      | 813              | 1,555            | <b>(20)</b>             |
| <b>Net cash flow from operating activities</b>  | <b>(129,219)</b> | <b>(140,669)</b> | <b>(143,316)</b>        |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 833             | 3,030            | 1,465           |
| Receivables  | 5,785           | 4,591            | 4,591           |
| Other  | 325             | 158              | 158             |
| <b>Total Current Assets</b>                            | <b>6,943</b>    | <b>7,779</b>     | <b>6,214</b>    |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Property, plant and equipment -<br>Plant and equipment | 12,482          | 13,315           | 12,925          |
| Intangibles  | ...             | 128              | 60              |
| <b>Total Non Current Assets</b>                        | <b>12,482</b>   | <b>13,443</b>    | <b>12,985</b>   |
| <b>Total Assets</b>                                    | <b>19,425</b>   | <b>21,222</b>    | <b>19,199</b>   |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 10,984          | 8,204            | 8,184           |
| Provisions   | 5,767           | 6,982            | 6,982           |
| <b>Total Current Liabilities</b>                       | <b>16,751</b>   | <b>15,186</b>    | <b>15,166</b>   |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 947             | 1,428            | 1,428           |
| <b>Total Non Current Liabilities</b>                   | <b>947</b>      | <b>1,428</b>     | <b>1,428</b>    |
| <b>Total Liabilities</b>                               | <b>17,698</b>   | <b>16,614</b>    | <b>16,594</b>   |
| <b>NET ASSETS</b>                                      | <b>1,727</b>    | <b>4,608</b>     | <b>2,605</b>    |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 1,727           | 4,608            | 2,605           |
| <b>TOTAL EQUITY</b>                                    | <b>1,727</b>    | <b>4,608</b>     | <b>2,605</b>    |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

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**3.1 Services for Administration of Government**

**3.1.1 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) |         |
|---------------------|------------------------------------|------------------------|---------|
|                     |                                    | 2005-06                | 2006-07 |
| <u>Activities</u> : | Operation of the Governor's Office | 12                     | 12      |

| 2005-06         |                  | <b>2006-07</b>          |
|-----------------|------------------|-------------------------|
| Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 1,080        | 1,105        | <b>1,123</b> |
| Other operating expenses               | 689          | 664          | <b>714</b>   |
| Depreciation and amortisation          | 15           | 15           | <b>15</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>1,784</b> | <b>1,784</b> | <b>1,852</b> |
| <b>NET COST OF SERVICES</b>            | <b>1,784</b> | <b>1,784</b> | <b>1,852</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

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**3.1 Services for Administration of Government**

**3.1.2 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)  |   |
|---------------------|---|---|---|
|                     |   | 2005-06   | 2006-07   |
| <u>Activities</u> : | Services for the Leaders of the Opposition in both Houses of Parliament | 17  | 17  |
|                     |   | <div style="display: flex; justify-content: space-around; font-size: small;"> <span>2005-06</span> </div> | <div style="display: flex; justify-content: space-around; font-size: small;"> <span>2006-07</span> </div> |
|                     |   | Budget  | Budget  |
|                     |   | \$000   | \$000   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 1,320        | 1,372        | <b>1,426</b> |
| Other operating expenses               | 436          | 383          | <b>399</b>   |
| Depreciation and amortisation          | 21           | 21           | <b>21</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>1,777</b> | <b>1,776</b> | <b>1,846</b> |
| <b>NET COST OF SERVICES</b>            | <b>1,777</b> | <b>1,776</b> | <b>1,846</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

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**3.1 Services for Administration of Government**

**3.1.3 Performance Development**

Program Objective(s): To review 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) |         |
|--------------------|--|------------------------|---------|
|                    |  | 2005-06                | 2006-07 |
| <u>Activities:</u> | Performance measurement, review and improvement tasks and support for the Council. | 26                     | 25      |

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

Operating expenses -

Employee related

|  |       |       |              |
|--|-------|-------|--------------|
|  | 2,860 | 3,034 | <b>3,155</b> |
|--|-------|-------|--------------|

Other operating expenses

|  |     |     |            |
|--|-----|-----|------------|
|  | 354 | 240 | <b>418</b> |
|--|-----|-----|------------|

Depreciation and amortisation

|  |     |     |            |
|--|-----|-----|------------|
|  | 103 | 242 | <b>103</b> |
|--|-----|-----|------------|

**Total Expenses Excluding Losses**

|  |              |              |              |
|--|--------------|--------------|--------------|
|  | <b>3,317</b> | <b>3,516</b> | <b>3,676</b> |
|--|--------------|--------------|--------------|

**NET COST OF SERVICES**

|  |              |              |              |
|--|--------------|--------------|--------------|
|  | <b>3,317</b> | <b>3,516</b> | <b>3,676</b> |
|--|--------------|--------------|--------------|

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

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**3.1 Services for Administration of Government**

**3.1.4 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) |         |
|---------------------|--|------------------------|---------|
|                     |  | 2005-06                | 2006-07 |
| <u>Activities</u> : | Ministerial and Parliamentary Services |                        |         |
|                     | Operations                             | 77                     | 77      |
|                     | Premier's Office                       | 29                     | 29      |
|                     | Ministers' Offices                     | 223                    | 223     |
|                     | Former Office Holders                  | 4                      | 6       |
|                     |  | 333                    | 335     |

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Operating expenses -                                    |               |               |               |
| Employee related  | 35,434        | 39,260        | <b>38,855</b> |
| Other operating expenses                                | 23,346        | 23,277        | <b>24,132</b> |
| Depreciation and amortisation                           | 464           | 1,215         | <b>464</b>    |
| Other expenses  |               |               |               |
| Parliamentary Remuneration Tribunal                     | 106           | 106           | <b>109</b>    |
| Special reports for the Premier and unforeseen expenses | 306           | 306           | <b>315</b>    |
| <b>Total Expenses Excluding Losses</b>                  | <b>59,656</b> | <b>64,164</b> | <b>63,875</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

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**3.1 Services for Administration of Government**

**3.1.4 Ministerial and Parliamentary Services (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

Other revenue

1,400                      1,400                      **1,400**

**Total Retained Revenue**

**1,400                      1,400                      1,400**

**NET COST OF SERVICES**

**58,256                      62,764                      62,475**

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**CAPITAL EXPENDITURE**

**387                      100                      ...**

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

**3.1 Services for Administration of Government**

**3.1.5 Public Employment Office**

Program Objective(s): To support the public sector to deliver government objectives through leadership and provision of strategic advice on employee relations issues and public sector management.

Program Description: Provision of strategic advice on public sector reform and assistance to agencies in resolving complex industrial and employee matters, workforce planning, workforce data collection, superannuation, capability development, executive services, recruitment, ethics, occupational health and safety, redeployment and relocation and, equity and diversity. Provision of advice to Government in the Department's statutory role as employer of public servants for industrial purposes.

|                     |                          | Average Staffing (EFT)  |         |         |  |                |        |         |               |       |       |              |
|---------------------|--------------------------|---|---------|---------|--|----------------|--------|---------|---------------|-------|-------|--------------|
|                     |                          | 2005-06   | 2006-07 |         |  |                |        |         |               |       |       |              |
| <u>Activities</u> : | Public Employment Office | 83  | 85      |         |  |                |        |         |               |       |       |              |
|                     |                          | <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">2005-06</th> <th style="text-align: center; border-bottom: 1px solid black;"><b>2006-07</b></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;"><b>Budget</b></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;"><b>\$000</b></th> </tr> </thead> </table> |         | 2005-06 |  | <b>2006-07</b> | Budget | Revised | <b>Budget</b> | \$000 | \$000 | <b>\$000</b> |
| 2005-06             |                          | <b>2006-07</b>  |         |         |  |                |        |         |               |       |       |              |
| Budget              | Revised                  | <b>Budget</b>   |         |         |  |                |        |         |               |       |       |              |
| \$000               | \$000                    | <b>\$000</b>  |         |         |  |                |        |         |               |       |       |              |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Operating expenses -                      |               |               |               |
| Employee related                          | 7,761         | 7,765         | <b>7,970</b>  |
| Other operating expenses*                 | 4,792         | 7,604         | <b>10,883</b> |
| Depreciation and amortisation             | 207           | 207           | <b>207</b>    |
| Grants and subsidies                      |               |               |               |
| Grants to agencies for recurrent purposes | 302           | 1,701         | <b>1,374</b>  |
| <b>Total Expenses Excluding Losses</b>    | <b>13,062</b> | <b>17,277</b> | <b>20,434</b> |

\* The increase from Budget to Revised for 2005-06 reflects \$2.5 million for consumer research into recruitment of front line public service staff such as teachers and nurses. The increase from the 2005-06 Budget to the 2006-07 Budget reflects a re-allocation of advertising budgets (\$5.8 million per annum) from a number of agencies to Premier's Department for Government infrastructure advertisements and public sector recruitment.

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

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**3.1 Services for Administration of Government**

**3.1.5 Public Employment Office (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|   |     |       |              |
|---|-----|-------|--------------|
| Sales of goods and services                       |     |       |              |
| Fees for services                                 | 250 | 82    | <b>550</b>   |
| Training charges from general government agencies | ... | 529   | <b>531</b>   |
| Grants and contributions                          | 40  | 1,871 | <b>1,163</b> |
| Other revenue                                     | 842 | 130   | <b>130</b>   |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>1,132</b> | <b>2,612</b> | <b>2,374</b> |
|-------------------------------|--------------|--------------|--------------|

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>11,930</b> | <b>14,665</b> | <b>18,060</b> |
|-----------------------------|---------------|---------------|---------------|

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

**3.1 Services for Administration of Government**

**3.1.6 Strategic Projects**

Program Objective(s): To lead and contribute to the resolution of complex issues and projects involving multiple stakeholders through strategic responses for the benefit of citizens and communities at state, regional and local levels.

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

|                     |                    | Average Staffing (EFT) |         |
|---------------------|--------------------|------------------------|---------|
|                     |                    | 2005-06                | 2006-07 |
| <u>Activities</u> : | Strategic Projects | 70                     | 69      |

|  |  | 2005-06         | 2006-07                             |
|--|--|-----------------|-------------------------------------|
|  |  | Budget<br>\$000 | Revised<br>\$000                    |
|  |  |                 | <b>2006-07<br/>Budget<br/>\$000</b> |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |        |       |              |
|---|--------|-------|--------------|
| Operating expenses -                      |        |       |              |
| Employee related                          | 10,449 | 7,210 | <b>7,982</b> |
| Other operating expenses                  | 4,930  | 2,877 | <b>3,223</b> |
| Depreciation and amortisation             | 519    | 530   | <b>519</b>   |
| Grants and subsidies                      |        |       |              |
| Grants to agencies for recurrent purposes | 5,453  | 5,810 | <b>3,832</b> |

|  |               |               |               |
|--|---------------|---------------|---------------|
| <b>Total Expenses Excluding Losses</b> | <b>21,351</b> | <b>16,427</b> | <b>15,556</b> |
|--|---------------|---------------|---------------|

Less:

**Retained Revenue -**

|                             |     |     |            |
|-----------------------------|-----|-----|------------|
| Sales of goods and services |     |     |            |
| Fees for services           | ... | 47  | ...        |
| Grants and contributions    | ... | 646 | ...        |
| Other revenue               | 400 | 20  | <b>524</b> |

|                               |            |            |            |
|-------------------------------|------------|------------|------------|
| <b>Total Retained Revenue</b> | <b>400</b> | <b>713</b> | <b>524</b> |
|-------------------------------|------------|------------|------------|

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>20,951</b> | <b>15,714</b> | <b>15,032</b> |
|-----------------------------|---------------|---------------|---------------|

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

---

**3.1 Services for Administration of Government**

**3.1.7 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 co-ordinate counter-terrorism planning and the response to major emergencies. To provide services in support of State administration. To drive the Premier's agenda with regard to essential State infrastructure, forestry policy and service delivery.

Program Description: Provide 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 delivery and whole-of-government special events co-ordination on behalf of the State Government. Lead and co-ordinate a whole-of-government approach to counter-terrorism and response to major emergencies. Manage departmental administration and provide administrative support to the Office of the Inspector of the ICAC. Facilitate the delivery of essential major infrastructure projects. Formulate forestry policy. Improve service delivery in key areas of Government.

|  | <u>Average Staffing (EFT)</u> |           |
|--|-------------------------------|-----------|
|  | 2005-06                       | 2006-07   |
| <u>Activities:</u>                         |                               |           |
| Office of Protocol and Special Events      | 44                            | 44        |
| Office of the Executive                    | 10                            | 10        |
| Office of the Inspector of the ICAC        | 3                             | 3         |
| Office of the Coordinator General          | 5                             | 5         |
| Counter-Terrorism and Disaster<br>Recovery | 9                             | 9         |
| Management Services                        | 17                            | 17        |
| Infrastructure Implementation Group        | 6                             | 7         |
| Forestry Policy and Review                 | ...                           | 4         |
| Premier's Delivery Unit                    | ...                           | 7         |
|  | <hr/> 94                      | <hr/> 106 |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

**3.1 Services for Administration of Government**

**3.1.7 State Administration Services (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                        |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                |                 |                  |                                     |
| Operating expenses -                              |                 |                  |                                     |
| Employee related                                  | 9,918           | 12,991           | <b>15,679</b>                       |
| Other operating expenses                          | 19,960          | 25,320           | <b>23,781</b>                       |
| Depreciation and amortisation                     | 397             | 1,187            | <b>397</b>                          |
| Grants and subsidies                              |                 |                  |                                     |
| Miscellaneous grants approved by the Premier      | 1,923           | 1,923            | <b>1,977</b>                        |
| Grants to agencies for recurrent purposes         | 4,535           | 6,097            | <b>885</b>                          |
| Regional and rural miscellaneous recurrent grants | 1,000           | 1,000            | <b>1,000</b>                        |
| Other expenses                                    |                 |                  |                                     |
| Expenses involved in protocol                     | 1,153           | 1,214            | <b>1,185</b>                        |
| Australia Day Council                             | 757             | 757              | <b>1,178</b>                        |
| <b>Total Expenses Excluding Losses</b>            | <b>39,643</b>   | <b>50,489</b>    | <b>46,082</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                         |                 |                  |                                     |
| Sales of goods and services                       |                 |                  |                                     |
| Fees for services                                 | ...             | 231              | ...                                 |
| Investment income                                 | 300             | 300              | <b>300</b>                          |
| Grants and contributions                          | 1,492           | 1,761            | <b>2,029</b>                        |
| Other revenue                                     | 398             | 951              | <b>388</b>                          |
| <b>Total Retained Revenue</b>                     | <b>2,190</b>    | <b>3,243</b>     | <b>2,717</b>                        |
| <b>NET COST OF SERVICES</b>                       | <b>37,453</b>   | <b>47,246</b>    | <b>43,365</b>                       |
| <br>  |                 |                  |                                     |
| <b>CAPITAL EXPENDITURE</b>                        | <b>930</b>      | <b>4,217</b>     | <b>1,320</b>                        |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**3 PREMIER'S DEPARTMENT**

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**3.1 Services for Administration of Government**

**3.1.8 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) |         |
|---------------------|------------------|------------------------|---------|
|                     |                  | 2005-06                | 2006-07 |
| <u>Activities</u> : | Office for Women | 14                     | 14      |

|  |  | 2005-06         | 2006-07                             |
|--|--|-----------------|-------------------------------------|
|  |  | Budget<br>\$000 | Revised<br>\$000                    |
|  |  |                 | <b>2006-07<br/>Budget<br/>\$000</b> |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |              |              |              |
|---|--------------|--------------|--------------|
| Operating expenses -                      |              |              |              |
| Employee related                          | 1,265        | 1,265        | <b>1,316</b> |
| Other operating expenses                  | 808          | 808          | <b>832</b>   |
| Depreciation and amortisation             | 52           | 52           | <b>52</b>    |
| Grants and subsidies                      |              |              |              |
| Grants to agencies for recurrent purposes | 150          | 150          | <b>150</b>   |
| <b>Total Expenses Excluding Losses</b>    | <b>2,275</b> | <b>2,275</b> | <b>2,350</b> |
| <b>NET COST OF SERVICES</b>               | <b>2,275</b> | <b>2,275</b> | <b>2,350</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**4 INDEPENDENT COMMISSION AGAINST CORRUPTION**

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating expenses -                   |                 |                  |                 |
| Employee related                       | 12,135          | 11,556           | <b>12,376</b>   |
| Other operating expenses               | 4,150           | 4,184            | <b>4,178</b>    |
| Depreciation and amortisation          | 520             | 545              | <b>568</b>      |
| <b>Total Expenses Excluding Losses</b> | <b>16,805</b>   | <b>16,285</b>    | <b>17,122</b>   |
| Less:                                  |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Sales of goods and services            | 100             | 188              | <b>150</b>      |
| Investment income                      | 21              | 81               | <b>35</b>       |
| Other revenue                          | 24              | 44               | <b>30</b>       |
| <b>Total Retained Revenue</b>          | <b>145</b>      | <b>313</b>       | <b>215</b>      |
| Other gains/(losses)                   | ...             | (43)             | ...             |
| <b>NET COST OF SERVICES</b>            | <b>16,660</b>   | <b>16,015</b>    | <b>16,907</b>   |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**4 INDEPENDENT COMMISSION AGAINST CORRUPTION**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 11,636          | 11,233           | <b>11,602</b>   |
| Other   | 4,750           | 4,802            | <b>4,688</b>    |
| <b>Total Payments</b>                           | <b>16,386</b>   | <b>16,035</b>    | <b>16,290</b>   |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 99              | 188              | <b>150</b>      |
| Interest  | 1               | 75               | <b>36</b>       |
| Other   | 565             | 273              | <b>725</b>      |
| <b>Total Receipts</b>                           | <b>665</b>      | <b>536</b>       | <b>911</b>      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(15,721)</b> | <b>(15,499)</b>  | <b>(15,379)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (240)           | (256)            | <b>(210)</b>    |
| Other   | ...             | (30)             | <b>(30)</b>     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(240)</b>    | <b>(286)</b>     | <b>(240)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 15,773          | 15,773           | <b>15,986</b>   |
| Capital appropriation                           | 240             | 240              | <b>240</b>      |
| Cash transfers to Consolidated Fund             | ...             | (409)            | ...             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>16,013</b>   | <b>15,604</b>    | <b>16,226</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>52</b>       | <b>(181)</b>     | <b>607</b>      |
| Opening Cash and Cash Equivalents               | 406             | 1,039            | <b>858</b>      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>458</b>      | <b>858</b>       | <b>1,465</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (16,660)        | (16,015)         | <b>(16,907)</b> |
| Non cash items added back                       | 1,103           | 1,052            | <b>1,151</b>    |
| Change in operating assets and liabilities      | (164)           | (536)            | <b>377</b>      |
| <b>Net cash flow from operating activities</b>  | <b>(15,721)</b> | <b>(15,499)</b>  | <b>(15,379)</b> |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**4 INDEPENDENT COMMISSION AGAINST CORRUPTION**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 458             | 858              | 1,465           |
| Receivables                          | 290             | 386              | 170             |
| Other                                | 230             | 300              | 310             |
| <b>Total Current Assets</b>          | <b>978</b>      | <b>1,544</b>     | <b>1,945</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 886             | 357              | 313             |
| Plant and equipment                  | 827             | 1,079            | 884             |
| Intangibles                          | ...             | 252              | 163             |
| <b>Total Non Current Assets</b>      | <b>1,713</b>    | <b>1,688</b>     | <b>1,360</b>    |
| <b>Total Assets</b>                  | <b>2,691</b>    | <b>3,232</b>     | <b>3,305</b>    |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 100             | 79               | 104             |
| Provisions                           | 820             | 795              | 941             |
| <b>Total Current Liabilities</b>     | <b>920</b>      | <b>874</b>       | <b>1,045</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 55              | 155              | 155             |
| <b>Total Non Current Liabilities</b> | <b>55</b>       | <b>155</b>       | <b>155</b>      |
| <b>Total Liabilities</b>             | <b>975</b>      | <b>1,029</b>     | <b>1,200</b>    |
| <b>NET ASSETS</b>                    | <b>1,716</b>    | <b>2,203</b>     | <b>2,105</b>    |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 428             | 428              | 428             |
| Accumulated funds                    | 1,288           | 1,775            | 1,677           |
| <b>TOTAL EQUITY</b>                  | <b>1,716</b>    | <b>2,203</b>     | <b>2,105</b>    |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**4 INDEPENDENT COMMISSION AGAINST CORRUPTION**

**4.1 Investigation, Community Education and Prevention of Corruption**

**4.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :   |       |         |         |         |                |
| Matters received from -  |       |         |         |         |                |
| General public   | no.   | 901     | 877     | 830     | <b>n.a.</b>    |
| Employees (protected disclosures)  | no.   | 306     | 257     | 255     | <b>n.a.</b>    |
| Principal officers as defined under section 11 of Independent Commission Against Corruption Act 1988 | no.   | 677     | 516     | 500     | <b>n.a.</b>    |
| Formal investigations commenced  | no.   | 12      | 7       | 8       | <b>n.a.</b>    |
| <u>Average Staffing</u> :  | EFT   | 111     | 113     | 106     | <b>111</b>     |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |  |               |               |               |
|--|--|---------------|---------------|---------------|
| Operating expenses -                   |  |               |               |               |
| Employee related                       |  | 12,135        | 11,556        | <b>12,376</b> |
| Other operating expenses               |  | 4,150         | 4,184         | <b>4,178</b>  |
| Depreciation and amortisation          |  | 520           | 545           | <b>568</b>    |
| <b>Total Expenses Excluding Losses</b> |  | <b>16,805</b> | <b>16,285</b> | <b>17,122</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**4 INDEPENDENT COMMISSION AGAINST CORRUPTION**

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**4.1 Investigation, Community Education and Prevention of Corruption**

**4.1.1 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 | 100           | 188           | <b>150</b>    |
| Investment income                 | 21            | 81            | <b>35</b>     |
| Other revenue                     | 24            | 44            | <b>30</b>     |
| <b>Total Retained Revenue</b>     | <b>145</b>    | <b>313</b>    | <b>215</b>    |
| Other gains/(losses)              | ...           | (43)          | ...           |
| <b>NET COST OF SERVICES</b>       | <b>16,660</b> | <b>16,015</b> | <b>16,907</b> |

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>240</b> | <b>286</b> | <b>240</b> |
|----------------------------|------------|------------|------------|

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**5 OMBUDSMAN'S OFFICE**

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|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>             |               |               |               |
| <b>Expenses Excluding Losses -</b>     |               |               |               |
| Operating expenses -                   |               |               |               |
| Employee related                       | 15,305        | 15,027        | <b>17,410</b> |
| Other operating expenses               | 3,468         | 3,561         | <b>3,530</b>  |
| Depreciation and amortisation          | 747           | 711           | <b>737</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>19,520</b> | <b>19,299</b> | <b>21,677</b> |
| Less:                                  |               |               |               |
| <b>Retained Revenue -</b>              |               |               |               |
| Sales of goods and services            | 54            | 59            | <b>56</b>     |
| Investment income                      | 30            | 30            | <b>31</b>     |
| Grants and contributions               | 32            | 52            | ...           |
| Other revenue                          | ...           | 15            | ...           |
| <b>Total Retained Revenue</b>          | <b>116</b>    | <b>156</b>    | <b>87</b>     |
| <b>NET COST OF SERVICES</b>            | <b>19,404</b> | <b>19,143</b> | <b>21,590</b> |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**5 OMBUDSMAN'S OFFICE**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                         |
| <b>Payments</b>                                 |                 |                  |                         |
| Employee related                                | 14,250          | 14,573           | <b>16,314</b>           |
| Other   | 4,099           | 4,049            | <b>4,085</b>            |
| <b>Total Payments</b>                           | <b>18,349</b>   | <b>18,622</b>    | <b>20,399</b>           |
| <b>Receipts</b>                                 |                 |                  |                         |
| Sale of goods and services                      | 54              | 59               | <b>56</b>               |
| Interest  | 30              | 30               | <b>31</b>               |
| Other   | 552             | 690              | <b>520</b>              |
| <b>Total Receipts</b>                           | <b>636</b>      | <b>779</b>       | <b>607</b>              |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(17,713)</b> | <b>(17,843)</b>  | <b>(19,792)</b>         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                         |
| Purchases of property, plant and equipment      | (715)           | (540)            | <b>(245)</b>            |
| Other   | ...             | (202)            | ...                     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(715)</b>    | <b>(742)</b>     | <b>(245)</b>            |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                         |
| Recurrent appropriation                         | 17,529          | 17,904           | <b>19,654</b>           |
| Capital appropriation                           | 715             | 742              | <b>245</b>              |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>18,244</b>   | <b>18,646</b>    | <b>19,899</b>           |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(184)</b>    | <b>61</b>        | <b>(138)</b>            |
| Opening Cash and Cash Equivalents               | 624             | 539              | <b>600</b>              |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>440</b>      | <b>600</b>       | <b>462</b>              |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                         |
| Net cost of services                            | (19,404)        | (19,143)         | <b>(21,590)</b>         |
| Non cash items added back                       | 1,764           | 1,138            | <b>1,841</b>            |
| Change in operating assets and liabilities      | (73)            | 162              | <b>(43)</b>             |
| <b>Net cash flow from operating activities</b>  | <b>(17,713)</b> | <b>(17,843)</b>  | <b>(19,792)</b>         |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP  
5 OMBUDSMAN'S OFFICE**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 440             | 600              | 462             |
| Receivables  | 85              | 105              | 105             |
| Other  | 147             | 200              | 200             |
| <b>Total Current Assets</b>                            | <b>672</b>      | <b>905</b>       | <b>767</b>      |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Property, plant and equipment -<br>Plant and equipment | 1,911           | 1,106            | 997             |
| Intangibles  | ...             | 870              | 487             |
| <b>Total Non Current Assets</b>                        | <b>1,911</b>    | <b>1,976</b>     | <b>1,484</b>    |
| <b>Total Assets</b>                                    | <b>2,583</b>    | <b>2,881</b>     | <b>2,251</b>    |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 205             | 205              | 215             |
| Provisions   | 1,085           | 1,053            | 1,035           |
| Other  | 34              | 34               | 34              |
| <b>Total Current Liabilities</b>                       | <b>1,324</b>    | <b>1,292</b>     | <b>1,284</b>    |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 275             | 275              | 275             |
| Other  | 46              | 78               | 43              |
| <b>Total Non Current Liabilities</b>                   | <b>321</b>      | <b>353</b>       | <b>318</b>      |
| <b>Total Liabilities</b>                               | <b>1,645</b>    | <b>1,645</b>     | <b>1,602</b>    |
| <b>NET ASSETS</b>                                      | <b>938</b>      | <b>1,236</b>     | <b>649</b>      |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 938             | 1,236            | 649             |
| <b>TOTAL EQUITY</b>                                    | <b>938</b>      | <b>1,236</b>     | <b>649</b>      |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**5 OMBUDSMAN'S OFFICE**

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

**5.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Reports containing recommended changes to law, policy or procedures | %     | 90      | 70      | 70      | <b>70</b>      |
| Written complaints:   |       |         |         |         |                |
| Received  | no.   | 3,565   | 4,179   | 4,000   | <b>4,000</b>   |
| Finalised   | no.   | 3,316   | 4,500   | 4,000   | <b>4,000</b>   |
| Legislative Reviews:  |       |         |         |         |                |
| Reviews in progress   | no.   | 10      | 9       | 10      | <b>8</b>       |
| Final report completed  | no.   | 1       | 5       | 6       | <b>2</b>       |
| Police records audited  | no.   | 7,529   | 6,000   | 8,000   | <b>10,000</b>  |
| Direct investigations or reports                                    | no.   | 25      | 25      | 25      | <b>25</b>      |
| Requests for review as a per cent of total finalised                | %     | 1.3     | 1.4     | 1.2     | <b>1.5</b>     |
| <u>Average Staffing:</u>  | EFT   | 56      | 54      | 57      | <b>65</b>      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 4,608        | 4,609        | <b>5,614</b> |
| Other operating expenses               | 1,038        | 1,024        | <b>1,073</b> |
| Depreciation and amortisation          | 231          | 214          | <b>236</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>5,877</b> | <b>5,847</b> | <b>6,923</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**5 OMBUDSMAN'S OFFICE**

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

**5.1.1 Resolution of Complaints About Police (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|                                   |     |   |     |
|-----------------------------------|-----|---|-----|
| Sales of goods and services       |     |   |     |
| Minor sales of goods and services | 7   | 3 | 7   |
| Investment income                 | 9   | 9 | 10  |
| Other revenue                     | ... | 4 | ... |

|                               |           |           |           |
|-------------------------------|-----------|-----------|-----------|
| <b>Total Retained Revenue</b> | <b>16</b> | <b>16</b> | <b>17</b> |
|-------------------------------|-----------|-----------|-----------|

|                             |              |              |              |
|-----------------------------|--------------|--------------|--------------|
| <b>NET COST OF SERVICES</b> | <b>5,861</b> | <b>5,831</b> | <b>6,906</b> |
|-----------------------------|--------------|--------------|--------------|

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|                            |            |            |           |
|----------------------------|------------|------------|-----------|
| <b>CAPITAL EXPENDITURE</b> | <b>227</b> | <b>223</b> | <b>71</b> |
|----------------------------|------------|------------|-----------|

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**5 OMBUDSMAN'S OFFICE**

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

**5.1.2 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Reports containing recommended changes to law, policy or procedures | %     | 86      | 90      | 83      | <b>80</b>      |
| Written complaints:   |       |         |         |         |                |
| Received  | no.   | 3,373   | 3,554   | 3,365   | <b>3,400</b>   |
| Finalised   | no.   | 3,399   | 3,261   | 3,200   | <b>3,200</b>   |
| Informal investigations   | no.   | 1,711   | 1,552   | 1,750   | <b>1,600</b>   |
| Formal investigations   | no.   | 12      | 11      | 15      | <b>15</b>      |
| Average completion time for complaints:                             |       |         |         |         |                |
| General complaints (other than FOI)                                 | weeks | 5.1     | 5.8     | 4.2     | <b>5.0</b>     |
| Freedom of Information  | weeks | 11.8    | 17.9    | 11.2    | <b>12.0</b>    |
| Telephone complaints/inquiries:                                     |       |         |         |         |                |
| Total received  | thous | 26      | 24      | 22      | <b>23</b>      |
| <u>Average Staffing</u> :   | EFT   | 43      | 42      | 41      | <b>44</b>      |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |  |
|--|--------------|--------------|--------------|--|
| Operating expenses -                   |              |              |              |  |
| Employee related                       | 3,682        | 3,560        | <b>3,846</b> |  |
| Other operating expenses               | 772          | 828          | <b>703</b>   |  |
| Depreciation and amortisation          | 186          | 183          | <b>163</b>   |  |
| <b>Total Expenses Excluding Losses</b> | <b>4,640</b> | <b>4,571</b> | <b>4,712</b> |  |



**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**5 OMBUDSMAN'S OFFICE**

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

**5.1.3 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.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :  |       |         |         |         |                |
| Reports containing recommended changes to law, policy or procedures | %     | 100     | 100     | 100     | <b>100</b>     |
| Inquiries, notifications and complaints:                            |       |         |         |         |                |
| Written notifications   | no.   | 1,620   | 1,892   | 1,805   | <b>1,900</b>   |
| Written complaints  | no.   | 78      | 70      | 68      | <b>65</b>      |
| Agency audits completed   | no.   | 12      | 24      | 30      | <b>25</b>      |
| Average days taken to assess complaints                             | days  | 3       | 3       | 2       | <b>3</b>       |
| Average days taken to assess notifications                          | days  | 5       | 4       | 5       | <b>5</b>       |
| Direct investigations completed                                     | no.   | 3       | 5       | 5       | <b>5</b>       |
| Requests for review as a per cent of total finalised                | %     | 0.2     | 0.2     | 0.2     | <b>0.2</b>     |
| <u>Average Staffing</u> :   | EFT   | 29      | 27      | 28      | <b>29</b>      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 2,571        | 2,522        | <b>2,829</b> |
| Other operating expenses               | 528          | 528          | <b>510</b>   |
| Depreciation and amortisation          | 130          | 121          | <b>120</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>3,229</b> | <b>3,171</b> | <b>3,459</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**5 OMBUDSMAN'S OFFICE**

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

**5.1.3 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            | 2            | 3            |
| Investment income                 | 5            | 5            | 5            |
| Other revenue                     | ...          | 3            | ...          |
| <b>Total Retained Revenue</b>     | <b>8</b>     | <b>10</b>    | <b>8</b>     |
| <b>NET COST OF SERVICES</b>       | <b>3,221</b> | <b>3,161</b> | <b>3,451</b> |

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|                            |            |            |           |
|----------------------------|------------|------------|-----------|
| <b>CAPITAL EXPENDITURE</b> | <b>118</b> | <b>126</b> | <b>44</b> |
|----------------------------|------------|------------|-----------|

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PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP

5 OMBUDSMAN'S OFFICE

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

**5.1.4 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      2003-04    2004-05    2005-06    **2006-07**

Outputs:

|  |      |       |       |       |              |
|--|------|-------|-------|-------|--------------|
| Informal complaints received                             | no.  | 1,209 | 1,184 | 1,200 | <b>1,300</b> |
| Formal complaints received                               | no.  | 531   | 667   | 620   | <b>700</b>   |
| Community visits conducted                               | days | 3,121 | 3,100 | 2,500 | <b>3,100</b> |
| Deaths in care assessed                                  | no.  | 247   | 108   | 71    | <b>70</b>    |
| Reviews of services complaint handling systems           | no.  | 20    | 2     | 2     | <b>20</b>    |
| Child deaths notified                                    | no.  | 600   | 559   | 590   | <b>600</b>   |
| Inquiries, Monitoring, Reviews and Direct investigations | no.  | 6     | 13    | 15    | <b>20</b>    |
| S.13 Reviews of people in care                           | no.  | 67    | 30    | 27    | <b>40</b>    |
| <u>Average Staffing</u> :                                | EFT  | 42    | 45    | 42    | <b>48</b>    |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**5 OMBUDSMAN'S OFFICE**

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

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

|  | 2005-06      |              | 2006-07      |
|--|--------------|--------------|--------------|
|  | Budget       | Revised      | Budget       |
|  | \$000        | \$000        | \$000        |
| <b>OPERATING STATEMENT</b>             |              |              |              |
| <b>Expenses Excluding Losses -</b>     |              |              |              |
| Operating expenses -                   |              |              |              |
| Employee related                       | 4,444        | 4,336        | <b>5,121</b> |
| Other operating expenses               | 1,130        | 1,181        | <b>1,244</b> |
| Depreciation and amortisation          | 200          | 193          | <b>218</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>5,774</b> | <b>5,710</b> | <b>6,583</b> |
| Less:                                  |              |              |              |
| <b>Retained Revenue -</b>              |              |              |              |
| Sales of goods and services            |              |              |              |
| Training charges                       | 9            | 20           | <b>10</b>    |
| Minor sales of goods and services      | 5            | 3            | <b>6</b>     |
| Investment income                      | 8            | 8            | <b>9</b>     |
| Other revenue                          | ...          | 4            | ...          |
| <b>Total Retained Revenue</b>          | <b>22</b>    | <b>35</b>    | <b>25</b>    |
| <b>NET COST OF SERVICES</b>            | <b>5,752</b> | <b>5,675</b> | <b>6,558</b> |
| <hr/>                                  |              |              |              |
| <b>CAPITAL EXPENDITURE</b>             | <b>188</b>   | <b>202</b>   | <b>68</b>    |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**6 STATE ELECTORAL OFFICE**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating expenses -                   |                 |                  |                                     |
| Employee related                       | 3,470           | 3,626            | <b>4,481</b>                        |
| Other operating expenses               | 1,913           | 2,285            | <b>1,903</b>                        |
| Depreciation and amortisation          | 825             | 825              | <b>1,456</b>                        |
| Other expenses                         | 5,982           | 7,427            | <b>50,884</b>                       |
| <b>Total Expenses Excluding Losses</b> | <b>12,190</b>   | <b>14,163</b>    | <b>58,724</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 447             | 366              | <b>462</b>                          |
| Investment income                      | 55              | 81               | <b>57</b>                           |
| Other revenue                          | ...             | 55               | ...                                 |
| <b>Total Retained Revenue</b>          | <b>502</b>      | <b>502</b>       | <b>519</b>                          |
| <b>NET COST OF SERVICES</b>            | <b>11,688</b>   | <b>13,661</b>    | <b>58,205</b>                       |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**6 STATE ELECTORAL OFFICE**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 3,235           | 3,100            | <b>4,257</b>    |
| Other   | 8,303           | 10,584           | <b>53,195</b>   |
| <b>Total Payments</b>                           | <b>11,538</b>   | <b>13,684</b>    | <b>57,452</b>   |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 397             | 276              | <b>462</b>      |
| Interest  | 55              | 70               | <b>57</b>       |
| Other   | 408             | 1,505            | <b>408</b>      |
| <b>Total Receipts</b>                           | <b>860</b>      | <b>1,851</b>     | <b>927</b>      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(10,678)</b> | <b>(11,833)</b>  | <b>(56,525)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (1,500)         | (1,708)          | <b>(1,600)</b>  |
| Other   | ...             | (1,500)          | <b>(1,750)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(1,500)</b>  | <b>(3,208)</b>   | <b>(3,350)</b>  |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 10,667          | 12,188           | <b>55,915</b>   |
| Capital appropriation                           | 1,500           | 3,208            | <b>3,350</b>    |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>12,167</b>   | <b>15,396</b>    | <b>59,265</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(11)</b>     | <b>355</b>       | <b>(610)</b>    |
| Opening Cash and Cash Equivalents               | 2,194           | 1,509            | <b>1,864</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>2,183</b>    | <b>1,864</b>     | <b>1,254</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (11,688)        | (13,661)         | <b>(58,205)</b> |
| Non cash items added back                       | 1,042           | 1,033            | <b>1,680</b>    |
| Change in operating assets and liabilities      | (32)            | 795              | ...             |
| <b>Net cash flow from operating activities</b>  | <b>(10,678)</b> | <b>(11,833)</b>  | <b>(56,525)</b> |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**6 STATE ELECTORAL OFFICE**

|  | ———2005-06———   |                  | <b>2006-07</b>          |
|--|-----------------|------------------|-------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>BALANCE SHEET</b>                                   |                 |                  |                         |
| <b>ASSETS -</b>  |                 |                  |                         |
| <b>Current Assets -</b>                                |                 |                  |                         |
| Cash assets  | 2,183           | 1,864            | <b>1,254</b>            |
| Receivables  | 172             | 609              | <b>3,440</b>            |
| Other  | 39              | ...              | ...                     |
| <b>Total Current Assets</b>                            | <b>2,394</b>    | <b>2,473</b>     | <b>4,694</b>            |
| <b>Non Current Assets -</b>                            |                 |                  |                         |
| Property, plant and equipment -<br>Plant and equipment | 173             | 1,693            | <b>2,516</b>            |
| Intangibles  | 1,768           | 2,009            | <b>3,082</b>            |
| <b>Total Non Current Assets</b>                        | <b>1,941</b>    | <b>3,702</b>     | <b>5,598</b>            |
| <b>Total Assets</b>                                    | <b>4,335</b>    | <b>6,175</b>     | <b>10,292</b>           |
| <b>LIABILITIES -</b>                                   |                 |                  |                         |
| <b>Current Liabilities -</b>                           |                 |                  |                         |
| Payables   | 1,347           | 1,380            | <b>4,211</b>            |
| Provisions   | 201             | 530              | <b>530</b>              |
| Other  | 415             | 412              | <b>412</b>              |
| <b>Total Current Liabilities</b>                       | <b>1,963</b>    | <b>2,322</b>     | <b>5,153</b>            |
| <b>Non Current Liabilities -</b>                       |                 |                  |                         |
| Other  | ...             | 167              | <b>167</b>              |
| <b>Total Non Current Liabilities</b>                   | ...             | <b>167</b>       | <b>167</b>              |
| <b>Total Liabilities</b>                               | <b>1,963</b>    | <b>2,489</b>     | <b>5,320</b>            |
| <b>NET ASSETS</b>                                      | <b>2,372</b>    | <b>3,686</b>     | <b>4,972</b>            |
| <b>EQUITY</b>  |                 |                  |                         |
| Accumulated funds                                      | 2,372           | 3,686            | <b>4,972</b>            |
| <b>TOTAL EQUITY</b>                                    | <b>2,372</b>    | <b>3,686</b>     | <b>4,972</b>            |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**6 STATE ELECTORAL OFFICE**

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**6.1 Electoral Services**

**6.1.1 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) |         |
|---------------------|---|------------------------|---------|
|                     |   | 2005-06                | 2006-07 |
| <u>Activities</u> : | Conduct and Administration of Elections | 39                     | 42      |

| 2005-06         |                  | <b>2006-07</b>          |
|-----------------|------------------|-------------------------|
| Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |               |               |
|--|--------------|---------------|---------------|
| Operating expenses -                   |              |               |               |
| Employee related                       | 3,284        | 3,263         | <b>4,047</b>  |
| Other operating expenses               | 1,802        | 2,086         | <b>1,697</b>  |
| Depreciation and amortisation          | 743          | 742           | <b>1,310</b>  |
| Other expenses                         |              |               |               |
| By-election                            | 349          | 1,010         | ...           |
| General election                       | 533          | 900           | <b>36,376</b> |
| Redistribution                         | ...          | 75            | <b>2,575</b>  |
| Payments to Commonwealth               | 3,060        | 3,402         | <b>3,427</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>9,771</b> | <b>11,478</b> | <b>49,432</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**6 STATE ELECTORAL OFFICE**

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**6.1 Electoral Services**

**6.1.1 Management and Administration of Elections (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                   |              |               |               |
|-----------------------------------|--------------|---------------|---------------|
| Sales of goods and services       |              |               |               |
| Fees for services                 | 406          | 325           | <b>420</b>    |
| Minor sales of goods and services | 41           | 41            | <b>42</b>     |
| Investment income                 | 55           | 81            | <b>57</b>     |
| Other revenue                     | ...          | 55            | ...           |
| <b>Total Retained Revenue</b>     | <b>502</b>   | <b>502</b>    | <b>519</b>    |
| <b>NET COST OF SERVICES</b>       | <b>9,269</b> | <b>10,976</b> | <b>48,913</b> |
| <hr/>                             |              |               |               |
| <b>CAPITAL EXPENDITURE</b>        | <b>1,500</b> | <b>3,208</b>  | <b>3,350</b>  |
| <hr/>                             |              |               |               |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**6 STATE ELECTORAL OFFICE**

**6.1 Electoral Services**

**6.1.2 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) |         |
|---------------------|---|------------------------|---------|
|                     |   | 2005-06                | 2006-07 |
| <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       |

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                       |              |              |              |
| Employee related                           | 186          | 363          | <b>434</b>   |
| Other operating expenses                   | 111          | 199          | <b>206</b>   |
| Depreciation and amortisation              | 82           | 83           | <b>146</b>   |
| Other expenses                             |              |              |              |
| Payments to candidates, groups and parties | 661          | 377          | <b>7,127</b> |
| Political education                        | 1,379        | 1,663        | <b>1,379</b> |
| <b>Total Expenses Excluding Losses</b>     | <b>2,419</b> | <b>2,685</b> | <b>9,292</b> |
| <b>NET COST OF SERVICES</b>                | <b>2,419</b> | <b>2,685</b> | <b>9,292</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**7 INDEPENDENT PRICING AND REGULATORY TRIBUNAL**

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|   | 2005-06         |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                         |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                         |
| Operating expenses -                          |                 |                  |                         |
| Employee related                              | 8,065           | 8,745            | <b>8,817</b>            |
| Other operating expenses                      | 7,695           | 7,446            | <b>7,447</b>            |
| Depreciation and amortisation                 | 317             | 317              | <b>317</b>              |
| <b>Total Expenses Excluding Losses</b>        | <b>16,077</b>   | <b>16,508</b>    | <b>16,581</b>           |
| Less:   |                 |                  |                         |
| <b>Retained Revenue -</b>                     |                 |                  |                         |
| Sales of goods and services                   | 500             | 780              | <b>517</b>              |
| Investment income                             | 200             | 200              | <b>207</b>              |
| <b>Total Retained Revenue</b>                 | <b>700</b>      | <b>980</b>       | <b>724</b>              |
| Gain/(loss) on disposal of non current assets | ...             | 5                | ...                     |
| <b>NET COST OF SERVICES</b>                   | <b>15,377</b>   | <b>15,523</b>    | <b>15,857</b>           |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**7 INDEPENDENT PRICING AND REGULATORY TRIBUNAL**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 7,637           | 8,407            | <b>8,507</b>    |
| Other   | 7,825           | 8,266            | <b>7,447</b>    |
| <b>Total Payments</b>                               | <b>15,462</b>   | <b>16,673</b>    | <b>15,954</b>   |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 500             | 780              | <b>517</b>      |
| Interest  | 200             | 200              | <b>207</b>      |
| Other   | ...             | 825              | ...             |
| <b>Total Receipts</b>                               | <b>700</b>      | <b>1,805</b>     | <b>724</b>      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(14,762)</b> | <b>(14,868)</b>  | <b>(15,230)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | ...             | 7                | ...             |
| Purchases of property, plant and equipment          | (180)           | (185)            | <b>(180)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(180)</b>    | <b>(178)</b>     | <b>(180)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                 |
| Recurrent appropriation                             | 14,752          | 14,752           | <b>15,109</b>   |
| Capital appropriation                               | 180             | 180              | <b>180</b>      |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>14,932</b>   | <b>14,932</b>    | <b>15,289</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(10)</b>     | <b>(114)</b>     | <b>(121)</b>    |
| Opening Cash and Cash Equivalents                   | 3,656           | 4,252            | <b>4,138</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>3,646</b>    | <b>4,138</b>     | <b>4,017</b>    |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Net cost of services                                | (15,377)        | (15,523)         | <b>(15,857)</b> |
| Non cash items added back                           | 615             | 655              | <b>627</b>      |
| <b>Net cash flow from operating activities</b>      | <b>(14,762)</b> | <b>(14,868)</b>  | <b>(15,230)</b> |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**7 INDEPENDENT PRICING AND REGULATORY TRIBUNAL**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 3,646           | 4,138            | 4,017           |
| Receivables  | 643             | 842              | 842             |
| Other  | 21              | ...              | ...             |
| <b>Total Current Assets</b>                            | <b>4,310</b>    | <b>4,980</b>     | <b>4,859</b>    |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Property, plant and equipment -<br>Plant and equipment | 859             | 820              | 699             |
| Intangibles  | ...             | 20               | 4               |
| <b>Total Non Current Assets</b>                        | <b>859</b>      | <b>840</b>       | <b>703</b>      |
| <b>Total Assets</b>                                    | <b>5,169</b>    | <b>5,820</b>     | <b>5,562</b>    |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 1,147           | 1,075            | 1,075           |
| Provisions   | 818             | 865              | 865             |
| <b>Total Current Liabilities</b>                       | <b>1,965</b>    | <b>1,940</b>     | <b>1,940</b>    |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 102             | 115              | 115             |
| <b>Total Non Current Liabilities</b>                   | <b>102</b>      | <b>115</b>       | <b>115</b>      |
| <b>Total Liabilities</b>                               | <b>2,067</b>    | <b>2,055</b>     | <b>2,055</b>    |
| <b>NET ASSETS</b>                                      | <b>3,102</b>    | <b>3,765</b>     | <b>3,507</b>    |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 3,102           | 3,765            | 3,507           |
| <b>TOTAL EQUITY</b>                                    | <b>3,102</b>    | <b>3,765</b>     | <b>3,507</b>    |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**7 INDEPENDENT PRICING AND REGULATORY TRIBUNAL**

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**7.1 Pricing Regulation**

**7.1.1 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 online registry to permit the creation and trading of greenhouse gas abatement certificates.

|                     |                       | Average Staffing (EFT) |          |
|---------------------|-----------------------|------------------------|----------|
|                     |                       | 2005-06                | 2006-07  |
| <u>Activities</u> : | Administration        | 8                      | 8        |
|                     | Research and analysis | 66                     | 64       |
|                     |                       | <hr/> 74               | <hr/> 72 |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**7 INDEPENDENT PRICING AND REGULATORY TRIBUNAL**

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**7.1 Pricing Regulation**

**7.1.1 Pricing Regulation (cont)**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating expenses -                          |                 |                  |                 |
| Employee related                              | 8,065           | 8,745            | <b>8,817</b>    |
| Other operating expenses                      | 7,695           | 7,446            | <b>7,447</b>    |
| Depreciation and amortisation                 | 317             | 317              | <b>317</b>      |
| <b>Total Expenses Excluding Losses</b>        | <b>16,077</b>   | <b>16,508</b>    | <b>16,581</b>   |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   |                 |                  |                 |
| Minor sales of goods and services             | 500             | 780              | <b>517</b>      |
| Investment income                             | 200             | 200              | <b>207</b>      |
| <b>Total Retained Revenue</b>                 | <b>700</b>      | <b>980</b>       | <b>724</b>      |
| Gain/(loss) on disposal of non current assets | ...             | 5                | ...             |
| <b>NET COST OF SERVICES</b>                   | <b>15,377</b>   | <b>15,523</b>    | <b>15,857</b>   |
| <hr/>   |                 |                  |                 |
| <b>CAPITAL EXPENDITURE</b>                    | <b>180</b>      | <b>180</b>       | <b>180</b>      |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**8 NATURAL RESOURCES COMMISSION**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Employee related                              | 1,515           | 1,996            | <b>2,673</b>                        |
| Other operating expenses                      | 2,666           | 2,697            | <b>1,712</b>                        |
| Depreciation and amortisation                 | 110             | 281              | <b>282</b>                          |
| <b>Total Expenses Excluding Losses</b>        | <b>4,291</b>    | <b>4,974</b>     | <b>4,667</b>                        |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Investment income                             | 20              | 20               | <b>20</b>                           |
| <b>Total Retained Revenue</b>                 | <b>20</b>       | <b>20</b>        | <b>20</b>                           |
| Gain/(loss) on disposal of non current assets | ...             | 1                | ...                                 |
| <b>NET COST OF SERVICES</b>                   | <b>4,271</b>    | <b>4,953</b>     | <b>4,647</b>                        |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**8 NATURAL RESOURCES COMMISSION**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 1,463           | 1,917            | <b>2,543</b>    |
| Other   | 2,627           | 2,645            | <b>1,690</b>    |
| <b>Total Payments</b>                               | <b>4,090</b>    | <b>4,562</b>     | <b>4,233</b>    |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | ...             | 22               | ...             |
| Interest  | 20              | (2)              | <b>20</b>       |
| Other   | (10)            | ...              | ...             |
| <b>Total Receipts</b>                               | <b>10</b>       | <b>20</b>        | <b>20</b>       |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(4,080)</b>  | <b>(4,542)</b>   | <b>(4,213)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | ...             | 6                | ...             |
| Purchases of property, plant and equipment          | ...             | (16)             | <b>(300)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>...</b>      | <b>(10)</b>      | <b>(300)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                 |
| Recurrent appropriation                             | 4,269           | 4,764            | <b>4,373</b>    |
| Capital appropriation                               | ...             | ...              | <b>300</b>      |
| Cash transfers to Consolidated Fund                 | ...             | (545)            | ...             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>4,269</b>    | <b>4,219</b>     | <b>4,673</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>189</b>      | <b>(333)</b>     | <b>160</b>      |
| Opening Cash and Cash Equivalents                   | 348             | 530              | <b>197</b>      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>537</b>      | <b>197</b>       | <b>357</b>      |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Net cost of services                                | (4,271)         | (4,953)          | <b>(4,647)</b>  |
| Non cash items added back                           | 162             | 360              | <b>397</b>      |
| Change in operating assets and liabilities          | 29              | 51               | <b>37</b>       |
| <b>Net cash flow from operating activities</b>      | <b>(4,080)</b>  | <b>(4,542)</b>   | <b>(4,213)</b>  |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**8 NATURAL RESOURCES COMMISSION**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 537             | 197              | 357             |
| Receivables  | 59              | 106              | 106             |
| Other  | ...             | 14               | 14              |
| <b>Total Current Assets</b>                            | <b>596</b>      | <b>317</b>       | <b>477</b>      |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Receivables  | ...             | 44               | 44              |
| Property, plant and equipment -<br>Plant and equipment | 892             | 635              | 656             |
| Intangibles  | ...             | 3                | ...             |
| <b>Total Non Current Assets</b>                        | <b>892</b>      | <b>682</b>       | <b>700</b>      |
| <b>Total Assets</b>                                    | <b>1,488</b>    | <b>999</b>       | <b>1,177</b>    |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 308             | 381              | 432             |
| Provisions   | 36              | 121              | 107             |
| <b>Total Current Liabilities</b>                       | <b>344</b>      | <b>502</b>       | <b>539</b>      |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 3               | 50               | 50              |
| <b>Total Non Current Liabilities</b>                   | <b>3</b>        | <b>50</b>        | <b>50</b>       |
| <b>Total Liabilities</b>                               | <b>347</b>      | <b>552</b>       | <b>589</b>      |
| <b>NET ASSETS</b>                                      | <b>1,141</b>    | <b>447</b>       | <b>588</b>      |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 1,141           | 447              | 588             |
| <b>TOTAL EQUITY</b>                                    | <b>1,141</b>    | <b>447</b>       | <b>588</b>      |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**8 NATURAL RESOURCES COMMISSION**

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**8.1 Natural Resources Commission**

**8.1.1 Natural Resources Commission**

Program Objective(s): To provide independent advice on natural resource management issues; to recommend State-wide standards and targets; to review and 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 and 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) |         |
|---------------------|---------------------------------------|------------------------|---------|
|                     |                                       | 2005-06                | 2006-07 |
| <u>Activities</u> : | Research, analysis and administration | 19                     | 24      |

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 1,515        | 1,996        | <b>2,673</b> |
| Other operating expenses               | 2,666        | 2,697        | <b>1,712</b> |
| Depreciation and amortisation          | 110          | 281          | <b>282</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>4,291</b> | <b>4,974</b> | <b>4,667</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**8 NATURAL RESOURCES COMMISSION**

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**8.1 Natural Resources Commission**

**8.1.1 Natural Resources Commission (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|   |              |              |              |
|---|--------------|--------------|--------------|
| Investment income                             | 20           | 20           | 20           |
| <b>Total Retained Revenue</b>                 | <b>20</b>    | <b>20</b>    | <b>20</b>    |
| Gain/(loss) on disposal of non current assets | ...          | 1            | ...          |
| <b>NET COST OF SERVICES</b>                   | <b>4,271</b> | <b>4,953</b> | <b>4,647</b> |

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|                            |     |     |            |
|----------------------------|-----|-----|------------|
| <b>CAPITAL EXPENDITURE</b> | ... | ... | <b>300</b> |
|----------------------------|-----|-----|------------|

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**9 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating expenses -                   |                 |                  |                                     |
| Employee related                       | 43,831          | 44,287           | <b>45,672</b>                       |
| Other operating expenses               | 49,034          | 52,152           | <b>53,264</b>                       |
| Depreciation and amortisation          | 2,163           | 2,166            | <b>1,031</b>                        |
| Grants and subsidies                   | 27,558          | 42,994           | <b>47,438</b>                       |
| Other expenses                         | 37,999          | 34,029           | <b>33,973</b>                       |
| <b>Total Expenses Excluding Losses</b> | <b>160,585</b>  | <b>175,628</b>   | <b>181,378</b>                      |
| Less:                                  |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 1,104           | 1,023            | <b>1,009</b>                        |
| Investment income                      | 863             | 1,137            | <b>922</b>                          |
| Grants and contributions               | 7,085           | 7,650            | <b>6,365</b>                        |
| Other revenue                          | 772             | 531              | <b>707</b>                          |
| <b>Total Retained Revenue</b>          | <b>9,824</b>    | <b>10,341</b>    | <b>9,003</b>                        |
| <b>NET COST OF SERVICES</b>            | <b>150,761</b>  | <b>165,287</b>   | <b>172,375</b>                      |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**9 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

|   | ———2005-06———    |                  | <b>2006-07</b>          |
|---|------------------|------------------|-------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                  |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                  |                  |                         |
| <b>Payments</b>                                 |                  |                  |                         |
| Employee related                                | 41,518           | 40,923           | <b>42,555</b>           |
| Grants and subsidies                            | 32,372           | 47,808           | <b>52,438</b>           |
| Other   | 89,359           | 91,450           | <b>89,658</b>           |
| <b>Total Payments</b>                           | <b>163,249</b>   | <b>180,181</b>   | <b>184,651</b>          |
| <b>Receipts</b>                                 |                  |                  |                         |
| Sale of goods and services                      | 1,173            | 993              | <b>1,007</b>            |
| Interest  | 863              | 958              | <b>932</b>              |
| Other   | 13,892           | 16,281           | <b>14,336</b>           |
| <b>Total Receipts</b>                           | <b>15,928</b>    | <b>18,232</b>    | <b>16,275</b>           |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(147,321)</b> | <b>(161,949)</b> | <b>(168,376)</b>        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                  |                  |                         |
| Advance repayments received                     | 130              | ...              | ...                     |
| Purchases of property, plant and equipment      | (113)            | (4,948)          | <b>(1,667)</b>          |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>17</b>        | <b>(4,948)</b>   | <b>(1,667)</b>          |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                  |                  |                         |
| Recurrent appropriation                         | 146,880          | 159,682          | <b>168,023</b>          |
| Capital appropriation                           | 113              | 3,813            | <b>1,667</b>            |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>146,993</b>   | <b>163,495</b>   | <b>169,690</b>          |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(311)</b>     | <b>(3,402)</b>   | <b>(353)</b>            |
| Opening Cash and Cash Equivalents               | 26,884           | 22,499           | <b>19,097</b>           |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>26,573</b>    | <b>19,097</b>    | <b>18,744</b>           |
| <b>CASH FLOW RECONCILIATION</b>                 |                  |                  |                         |
| Net cost of services                            | (150,761)        | (165,287)        | <b>(172,375)</b>        |
| Non cash items added back                       | 4,766            | 4,986            | <b>3,991</b>            |
| Change in operating assets and liabilities      | (1,326)          | (1,648)          | <b>8</b>                |
| <b>Net cash flow from operating activities</b>  | <b>(147,321)</b> | <b>(161,949)</b> | <b>(168,376)</b>        |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**9 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 26,573          | 19,097           | 18,744          |
| Receivables                          | 5,427           | 5,576            | 5,714           |
| Other financial assets               | 130             | 130              | 130             |
| Other                                | 1,952           | 1,733            | 1,733           |
| <b>Total Current Assets</b>          | <b>34,082</b>   | <b>26,536</b>    | <b>26,321</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Other financial assets               | 832             | 918              | 918             |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 3,400           | 4,514            | 4,417           |
| Plant and equipment                  | 3,191           | 6,314            | 7,047           |
| Other                                | ...             | 45               | 45              |
| <b>Total Non Current Assets</b>      | <b>7,423</b>    | <b>11,791</b>    | <b>12,427</b>   |
| <b>Total Assets</b>                  | <b>41,505</b>   | <b>38,327</b>    | <b>38,748</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 12,548          | 6,124            | 6,188           |
| Provisions                           | 4,083           | 4,360            | 4,432           |
| Other                                | 441             | 494              | 494             |
| <b>Total Current Liabilities</b>     | <b>17,072</b>   | <b>10,978</b>    | <b>11,114</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | 130             | ...              | ...             |
| Provisions                           | 571             | 853              | 863             |
| Other                                | ...             | 45               | 45              |
| <b>Total Non Current Liabilities</b> | <b>701</b>      | <b>898</b>       | <b>908</b>      |
| <b>Total Liabilities</b>             | <b>17,773</b>   | <b>11,876</b>    | <b>12,022</b>   |
| <b>NET ASSETS</b>                    | <b>23,732</b>   | <b>26,451</b>    | <b>26,726</b>   |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 17              | 17               | 17              |
| Accumulated funds                    | 23,715          | 26,434           | 26,709          |
| <b>TOTAL EQUITY</b>                  | <b>23,732</b>   | <b>26,451</b>    | <b>26,726</b>   |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**9 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

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**9.1 Development of the New South Wales Economy**

**9.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Metropolitan projects facilitated or financially assisted -                   |       |         |         |         |                |
| Investment committed  | \$m   | 393     | 794     | 280     | <b>400</b>     |
| Employment Impact   | no.   | 2,193   | 2,928   | 1,550   | <b>2,000</b>   |
| Regional projects facilitated or financially assisted -                       |       |         |         |         |                |
| Investment committed  | \$m   | 876     | 773     | 1,875   | <b>850</b>     |
| Employment Impact   | no.   | 3,715   | 3,096   | 4,800   | <b>4,000</b>   |
| Small and medium business clients -   |       |         |         |         |                |
| Employment growth in firms assisted   | no.   | 4,374   | 1,195   | 1,250   | <b>1,350</b>   |
| Export growth in firms assisted   | no.   | 184     | 180     | 220     | <b>260</b>     |
| Micro and Start Up business clients -   |       |         |         |         |                |
| New Employment Impact reported by Business Advisory Service Centres           | no.   | 5,743   | 4,307   | 3,700   | <b>4,500</b>   |
| Industry Capability Network (NSW) Ltd - value of local industry participation | \$m   | 110     | 110     | 190     | <b>110</b>     |

Outputs:

|   |     |    |    |    |           |
|---|-----|----|----|----|-----------|
| Metropolitan projects facilitated or financially assisted - |     |    |    |    |           |
| Investment projects assisted                                | no. | 17 | 16 | 13 | <b>25</b> |
| Funding to assist investment projects                       | \$m | 9  | 1  | 4  | <b>7</b>  |

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**9 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

**9.1 Development of the New South Wales Economy**

**9.1.1 Development of the New South Wales Economy (cont)**

|   |      |         |         |         |                |
|---|------|---------|---------|---------|----------------|
| Regional projects facilitated or financially assisted -           |      |         |         |         |                |
| Investment projects assisted                                      | no.  | 127     | 110     | 130     | <b>130</b>     |
| Funding to assist investment projects                             | \$m  | 9       | 8       | 11      | <b>8</b>       |
| Visits to NSW Trade and Investment Centre and the Country Embassy | no.  | 32,000  | 32,000  | 30,000  | <b>25,000</b>  |
| Internet access to DSRD's web pages (sessions)                    | mill | 1.2     | 1.3     | 1.7     | <b>1.5</b>     |
| Small and medium business clients - Clients assisted              | no.  | 2,758   | 2,372   | 2,300   | <b>2,300</b>   |
| Micro and Start Up business clients - Enquiries reported          | no.  | 136,902 | ...     | ...     | ...            |
| Businesses assisted   | no.  | 4,698   | ...     | ...     | ...            |
| Total services provided   | no.  | ...     | 139,199 | 125,000 | <b>135,000</b> |
| <u>Average Staffing:</u>  | EFT  | 280     | 272     | 240     | <b>245</b>     |

|  |               |         |                |
|--|---------------|---------|----------------|
|  | ———2005-06——— |         | <b>2006-07</b> |
|  | Budget        | Revised | Budget         |
|  | \$000         | \$000   | \$000          |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |        |        |               |
|---|--------|--------|---------------|
| Operating expenses -  |        |        |               |
| Employee related  | 25,525 | 25,525 | <b>26,633</b> |
| Other operating expenses  | 15,702 | 17,857 | <b>16,328</b> |
| Depreciation and amortisation                                   | 1,120  | 1,069  | <b>400</b>    |
| Grants and subsidies  |        |        |               |
| Recurrent grants to non-profit organisations                    | 9,885  | 9,885  | <b>9,793</b>  |
| Regional headquarters tax concessions                           | 200    | 200    | ...           |
| Katoomba/Echo Point Development -capital grant to public sector | 3,700  | 1,526  | <b>2,925</b>  |
| Hunter Advantage Fund   | 529    | 800    | <b>593</b>    |
| Illawarra Advantage Fund  | 2,994  | 1,300  | <b>1,000</b>  |
| Science Leveraging Fund   | ...    | ...    | <b>10,000</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
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**9 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

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**9.1 Development of the New South Wales Economy**

**9.1.1 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           | ...           | ...            |
| Assistance to industry   | 9,566         | 8,596         | <b>8,100</b>   |
| Biotechnology strategies   | 4,814         | 4,814         | <b>5,000</b>   |
| Payroll Tax Incentive Scheme   | ...           | ...           | <b>300</b>     |
| Small Business Development   | 5,069         | 5,069         | <b>5,969</b>   |
| Regional development assistance  | 17,350        | 14,500        | <b>13,554</b>  |
| NSW High Growth Business   | 1,050         | 1,050         | <b>1,050</b>   |
| <b>Total Expenses Excluding Losses</b>   | <b>97,654</b> | <b>92,191</b> | <b>101,645</b> |
| Less:  |               |               |                |
| <b>Retained Revenue -</b>  |               |               |                |
| Sales of goods and services  |               |               |                |
| Minor sales of goods and services  | 400           | 400           | <b>414</b>     |
| Investment income  | 750           | 750           | <b>672</b>     |
| Grants and contributions   | 300           | 300           | ...            |
| Other revenue  | 220           | 235           | <b>207</b>     |
| <b>Total Retained Revenue</b>  | <b>1,670</b>  | <b>1,685</b>  | <b>1,293</b>   |
| <b>NET COST OF SERVICES</b>  | <b>95,984</b> | <b>90,506</b> | <b>100,352</b> |
| <hr/>  |               |               |                |
| <b>CAPITAL EXPENDITURE</b>   | <b>113</b>    | <b>3,813</b>  | <b>1,367</b>   |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
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**9 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

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**9.2 Development of the Tourism Industry**

**9.2.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Non-Tourism New South Wales income   |       |         |         |         |                |
| In-kind  | \$m   | 2.5     | 1.5     | 1.5     | <b>1.5</b>     |
| cash   | \$m   | 8.7     | 5.6     | 4.9     | <b>4.9</b>     |
| Value of publicity generated through media and visiting journalist program activities                        |       |         |         |         |                |
| International  | \$m   | 64      | 82      | 60      | <b>60</b>      |
| Domestic   | \$m   | 14.5    | 9.5     | 30.0    | <b>30.0</b>    |
| Conference bids won for Sydney (SCVB) Events   | no.   | 45      | 35      | 39      | <b>40</b>      |
| <br><u>Outputs</u> :   |       |         |         |         |                |
| Consumer website (visitnsw)  | thous | 1,800   | 1,800   | 1,800   | <b>2,000</b>   |
| Regional events marketed   | no.   | 24      | 21      | 21      | <b>21</b>      |
| Sydney events marketed   | no.   | 44      | 30      | 30      | <b>30</b>      |
| Key Government agencies implementing strategies which are consistent with Tourism Masterplan recommendations | no.   | 36      | 20      | 20      | <b>20</b>      |
| Regional tourism plans completed   | no.   | 5       | 3       | 1       | ...            |
| Major events acquired, supported or assisted   | no.   | n.a.    | 8       | 16      | <b>15</b>      |
| <u>Average Staffing</u> :  | EFT   | 180     | 176     | 179     | <b>180</b>     |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
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**9 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

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**9.2 Development of the Tourism Industry**

**9.2.1 Growing a Sustainable Tourism Economy (cont)**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating expenses -                   |                 |                  |                 |
| Employee related                       | 15,938          | 16,174           | <b>16,830</b>   |
| Other operating expenses               | 32,561          | 32,486           | <b>35,318</b>   |
| Depreciation and amortisation          | 956             | 833              | <b>367</b>      |
| <b>Total Expenses Excluding Losses</b> | <b>49,455</b>   | <b>49,493</b>    | <b>52,515</b>   |
| Less:                                  |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Sales of goods and services            |                 |                  |                 |
| Rents and leases                       | 75              | 75               | <b>75</b>       |
| Travel Centre commissions              | 600             | 548              | <b>520</b>      |
| Minor sales of goods and services      | 29              | ...              | ...             |
| Investment income                      | 63              | 187              | <b>150</b>      |
| Grants and contributions               | 6,785           | 7,350            | <b>6,365</b>    |
| Other revenue                          | 552             | 296              | <b>300</b>      |
| <b>Total Retained Revenue</b>          | <b>8,104</b>    | <b>8,456</b>     | <b>7,410</b>    |
| <b>NET COST OF SERVICES</b>            | <b>41,351</b>   | <b>41,037</b>    | <b>45,105</b>   |
| <hr/>                                  |                 |                  |                 |
| <b>CAPITAL EXPENDITURE</b>             | ...             | <b>1,135</b>     | <b>300</b>      |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
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**9 DEPARTMENT OF STATE AND REGIONAL DEVELOPMENT**

**9.3 Science and Medical Research**

**9.3.1 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.

|                                |         |         |
|--------------------------------|---------|---------|
| <u>Average Staffing (EFT):</u> | 2005-06 | 2006-07 |
|                                | 21      | 21      |

|        | 2005-06 |                |
|--------|---------|----------------|
| Budget | Revised | <b>2006-07</b> |
| \$000  | \$000   | <b>Budget</b>  |
|        |         | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |        |        |               |
|--|--------|--------|---------------|
| Operating expenses -                         |        |        |               |
| Employee related                             | 2,368  | 2,588  | <b>2,209</b>  |
| Other operating expenses                     | 771    | 1,809  | <b>1,618</b>  |
| Depreciation and amortisation                | 87     | 264    | <b>264</b>    |
| Grants and subsidies                         |        |        |               |
| Recurrent grants to non-profit organisations | ...    | 20,000 | <b>17,373</b> |
| Grants to agencies for recurrent purposes    | 10,250 | 9,283  | <b>5,754</b>  |

|  |               |               |               |
|--|---------------|---------------|---------------|
| <b>Total Expenses Excluding Losses</b> | <b>13,476</b> | <b>33,944</b> | <b>27,218</b> |
|--|---------------|---------------|---------------|

Less:

**Retained Revenue -**

|                   |     |     |            |
|-------------------|-----|-----|------------|
| Investment income | 50  | 200 | <b>100</b> |
| Other revenue     | ... | ... | <b>200</b> |

|                               |           |            |            |
|-------------------------------|-----------|------------|------------|
| <b>Total Retained Revenue</b> | <b>50</b> | <b>200</b> | <b>300</b> |
|-------------------------------|-----------|------------|------------|

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>13,426</b> | <b>33,744</b> | <b>26,918</b> |
|-----------------------------|---------------|---------------|---------------|

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**10 COMMUNITY RELATIONS COMMISSION**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating expenses -                   |                 |                  |                                     |
| Employee related                       | 10,683          | 11,233           | <b>11,283</b>                       |
| Other operating expenses               | 2,339           | 2,339            | <b>2,360</b>                        |
| Depreciation and amortisation          | 650             | 650              | <b>354</b>                          |
| Grants and subsidies                   | 1,546           | 1,546            | <b>1,546</b>                        |
| <b>Total Expenses Excluding Losses</b> | <b>15,218</b>   | <b>15,768</b>    | <b>15,543</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 3,090           | 3,390            | <b>3,586</b>                        |
| Investment income                      | 80              | 80               | <b>80</b>                           |
| Grants and contributions               | 200             | 380              | ...                                 |
| Other revenue                          | ...             | 70               | ...                                 |
| <b>Total Retained Revenue</b>          | <b>3,370</b>    | <b>3,920</b>     | <b>3,666</b>                        |
| <b>NET COST OF SERVICES</b>            | <b>11,848</b>   | <b>11,848</b>    | <b>11,877</b>                       |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
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**10 COMMUNITY RELATIONS COMMISSION**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                         |
| <b>Payments</b>                                 |                 |                  |                         |
| Employee related                                | 9,827           | 11,516           | <b>10,512</b>           |
| Grants and subsidies                            | 1,546           | 1,546            | <b>1,546</b>            |
| Other   | 2,358           | 1,525            | <b>2,941</b>            |
| <b>Total Payments</b>                           | <b>13,731</b>   | <b>14,587</b>    | <b>14,999</b>           |
| <b>Receipts</b>                                 |                 |                  |                         |
| Sale of goods and services                      | 3,064           | 3,319            | <b>3,581</b>            |
| Interest  | 80              | 33               | <b>80</b>               |
| Other   | 350             | 484              | <b>450</b>              |
| <b>Total Receipts</b>                           | <b>3,494</b>    | <b>3,836</b>     | <b>4,111</b>            |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(10,237)</b> | <b>(10,751)</b>  | <b>(10,888)</b>         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                         |
| Purchases of property, plant and equipment      | ...             | ...              | <b>(150)</b>            |
| Other   | ...             | (20)             | ...                     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | ...             | <b>(20)</b>      | <b>(150)</b>            |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                         |
| Recurrent appropriation                         | 10,914          | 11,733           | <b>11,232</b>           |
| Capital appropriation                           | ...             | ...              | <b>150</b>              |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>10,914</b>   | <b>11,733</b>    | <b>11,382</b>           |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>677</b>      | <b>962</b>       | <b>344</b>              |
| Opening Cash and Cash Equivalents               | 1,985           | 1,544            | <b>2,506</b>            |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>2,662</b>    | <b>2,506</b>     | <b>2,850</b>            |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                         |
| Net cost of services                            | (11,848)        | (11,848)         | <b>(11,877)</b>         |
| Non cash items added back                       | 1,274           | 1,274            | <b>993</b>              |
| Change in operating assets and liabilities      | 337             | (177)            | <b>(4)</b>              |
| <b>Net cash flow from operating activities</b>  | <b>(10,237)</b> | <b>(10,751)</b>  | <b>(10,888)</b>         |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**10 COMMUNITY RELATIONS COMMISSION**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 2,662           | 2,506            | <b>2,850</b>    |
| Receivables                          | 972             | 972              | <b>977</b>      |
| Other                                | 10              | 10               | <b>10</b>       |
| <b>Total Current Assets</b>          | <b>3,644</b>    | <b>3,488</b>     | <b>3,837</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 616             | 633              | <b>411</b>      |
| Plant and equipment                  | 377             | 55               | <b>73</b>       |
| Intangibles                          | ...             | 329              | <b>329</b>      |
| <b>Total Non Current Assets</b>      | <b>993</b>      | <b>1,017</b>     | <b>813</b>      |
| <b>Total Assets</b>                  | <b>4,637</b>    | <b>4,505</b>     | <b>4,650</b>    |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 2,004           | 2,001            | <b>1,868</b>    |
| Provisions                           | 599             | 601              | <b>735</b>      |
| Other                                | 251             | 255              | <b>255</b>      |
| <b>Total Current Liabilities</b>     | <b>2,854</b>    | <b>2,857</b>     | <b>2,858</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | ...             | 58               | <b>58</b>       |
| <b>Total Non Current Liabilities</b> | <b>...</b>      | <b>58</b>        | <b>58</b>       |
| <b>Total Liabilities</b>             | <b>2,854</b>    | <b>2,915</b>     | <b>2,916</b>    |
| <b>NET ASSETS</b>                    | <b>1,783</b>    | <b>1,590</b>     | <b>1,734</b>    |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 1,783           | 1,590            | <b>1,734</b>    |
| <b>TOTAL EQUITY</b>                  | <b>1,783</b>    | <b>1,590</b>     | <b>1,734</b>    |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**10 COMMUNITY RELATIONS COMMISSION**

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**10.1 Services for Ethnic Communities**

**10.1.1 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.

| <u>Activities</u> :        | Average Staffing (EFT) |         |
|----------------------------|------------------------|---------|
|                            | 2005-06                | 2006-07 |
| Research and policy advice | 21                     | 22      |
| Administration of grants   | 2                      | 2       |
| Administration             | 18                     | 17      |
| Community Projects         | 3                      | 1       |
|                            | 44                     | 42      |

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 4,517        | 4,688        | <b>4,684</b> |
| Other operating expenses               | 1,856        | 1,839        | <b>1,860</b> |
| Depreciation and amortisation          | 650          | 650          | <b>354</b>   |
| Grants and subsidies                   |              |              |              |
| Grants and community outreach          | 1,546        | 1,546        | <b>1,546</b> |
| <b>Total Expenses Excluding Losses</b> | <b>8,569</b> | <b>8,723</b> | <b>8,444</b> |

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**10 COMMUNITY RELATIONS COMMISSION**

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**10.1 Services for Ethnic Communities**

**10.1.1 Community Support Services (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

Sales of goods and services

Minor sales of goods and services

90 90 **90**

Investment income

80 80 **80**

Grants and contributions

200 380 ...

Other revenue

... 70 ...

**Total Retained Revenue**

**370 620 170**

**NET COST OF SERVICES**

**8,199 8,103 8,274**

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**CAPITAL EXPENDITURE**

**... 20 150**

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**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**10 COMMUNITY RELATIONS COMMISSION**

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**10.1 Services for Ethnic Communities**

**10.1.2 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.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |       |         |         |         |                |
| Interpreting services booked<br>(including cancellations)              | thous | 23.6    | 24.0    | 25.0    | <b>25.0</b>    |
| Interpreting assignments performed on<br>a fee-for-service basis       | thous | 7.7     | 8.0     | 8.5     | <b>8.5</b>     |
| Interpreting assignments performed<br>without charge                   | thous | 11.4    | 11.5    | 11.5    | <b>11.5</b>    |
| Words booked for translation<br>(including cancellations)              | thous | 2,980   | 3,000   | 3,200   | <b>3,200</b>   |
| Words translated on a fee-for-service<br>basis                         | thous | 2,500   | 2,500   | 2,500   | <b>2,700</b>   |
| Words translated without charge  | thous | 260     | 260     | 260     | <b>250</b>     |
| Words translated within 24 hours                                       | thous | 260     | 250     | 260     | <b>250</b>     |
| Languages provided by the Interpreting<br>and Translation Unit Service | no.   | 75      | 75      | 75      | <b>75</b>      |
| Multi-lingual documents translated                                     | no.   | 872     | 850     | 850     | <b>1,000</b>   |
| <u>Average Staffing:</u>   | EFT   | 72      | 72      | 72      | <b>72</b>      |

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PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP

10 COMMUNITY RELATIONS COMMISSION

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**10.1 Services for Ethnic Communities**

**10.1.2 Interpreting and Translation Services (cont)**

|  | 2005-06      |              | 2006-07      |
|--|--------------|--------------|--------------|
|  | Budget       | Revised      | Budget       |
|  | \$000        | \$000        | \$000        |
| <b>OPERATING STATEMENT</b>             |              |              |              |
| <b>Expenses Excluding Losses -</b>     |              |              |              |
| Operating expenses -                   |              |              |              |
| Employee related                       | 6,166        | 6,545        | <b>6,599</b> |
| Other operating expenses               | 483          | 500          | <b>500</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>6,649</b> | <b>7,045</b> | <b>7,099</b> |
| Less:                                  |              |              |              |
| <b>Retained Revenue -</b>              |              |              |              |
| Sales of goods and services            |              |              |              |
| Language services                      | 3,000        | 3,300        | <b>3,496</b> |
| <b>Total Retained Revenue</b>          | <b>3,000</b> | <b>3,300</b> | <b>3,496</b> |
| <b>NET COST OF SERVICES</b>            | <b>3,649</b> | <b>3,745</b> | <b>3,603</b> |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**AUDIT OFFICE OF NEW SOUTH WALES**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 29,630          | 28,512           | <b>28,845</b>                       |
| Investment income                      | 100             | 142              | <b>120</b>                          |
| <b>Total Retained Revenue</b>          | <b>29,730</b>   | <b>28,654</b>    | <b>28,965</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating Expenses -                   |                 |                  |                                     |
| Employee related                       | 23,701          | 23,202           | <b>23,911</b>                       |
| Other operating expenses               | 4,246           | 4,320            | <b>4,306</b>                        |
| Depreciation and amortisation          | 702             | 479              | <b>746</b>                          |
| Other expenses                         | 44              | 17               | <b>18</b>                           |
| <b>Total Expenses Excluding Losses</b> | <b>28,693</b>   | <b>28,018</b>    | <b>28,981</b>                       |
| <b>SURPLUS/(DEFICIT)</b>               | <b>1,037</b>    | <b>636</b>       | <b>(16)</b>                         |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**AUDIT OFFICE OF NEW SOUTH WALES**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                         |
| <b>Receipts</b>                                 |                 |                  |                         |
| Sale of goods and services                      | 29,630          | 29,603           | <b>28,845</b>           |
| Interest  | 100             | 142              | <b>120</b>              |
| Other   | 2,100           | 2,100            | <b>2,100</b>            |
| <b>Total Receipts</b>                           | <b>31,830</b>   | <b>31,845</b>    | <b>31,065</b>           |
| <b>Payments</b>                                 |                 |                  |                         |
| Employee related                                | 23,701          | 23,416           | <b>23,911</b>           |
| Other   | 5,986           | 6,437            | <b>6,424</b>            |
| <b>Total Payments</b>                           | <b>29,687</b>   | <b>29,853</b>    | <b>30,335</b>           |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>2,143</b>    | <b>1,992</b>     | <b>730</b>              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                         |
| Purchases of property, plant and equipment      | (1,048)         | (731)            | <b>(56)</b>             |
| Other   | ...             | (125)            | <b>(1,151)</b>          |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(1,048)</b>  | <b>(856)</b>     | <b>(1,207)</b>          |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>1,095</b>    | <b>1,136</b>     | <b>(477)</b>            |
| Opening Cash and Cash Equivalents               | 2,377           | 867              | <b>2,003</b>            |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>3,472</b>    | <b>2,003</b>     | <b>1,526</b>            |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                         |
| Surplus/(deficit)                               | 1,037           | 636              | <b>(16)</b>             |
| Non cash items added back                       | 702             | 479              | <b>746</b>              |
| Change in operating assets and liabilities      | 404             | 877              | ...                     |
| <b>Net cash flow from operating activities</b>  | <b>2,143</b>    | <b>1,992</b>     | <b>730</b>              |

**PREMIER, MINISTER FOR STATE DEVELOPMENT, AND MINISTER  
FOR CITIZENSHIP**

**AUDIT OFFICE OF NEW SOUTH WALES**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 3,472           | 2,003            | 1,526           |
| Receivables                          | 4,832           | 3,885            | 3,885           |
| Other                                | 1,933           | 1,105            | 1,105           |
| <b>Total Current Assets</b>          | <b>10,237</b>   | <b>6,993</b>     | <b>6,516</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 1,920           | 1,778            | 1,601           |
| Plant and equipment                  | 865             | 990              | 672             |
| Intangibles                          | ...             | 231              | 1,187           |
| Other                                | 5,097           | 5,275            | 5,275           |
| <b>Total Non Current Assets</b>      | <b>7,882</b>    | <b>8,274</b>     | <b>8,735</b>    |
| <b>Total Assets</b>                  | <b>18,119</b>   | <b>15,267</b>    | <b>15,251</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 1,720           | 1,491            | 1,491           |
| Provisions                           | 3,544           | 2,651            | 2,651           |
| Other                                | 632             | 194              | 194             |
| <b>Total Current Liabilities</b>     | <b>5,896</b>    | <b>4,336</b>     | <b>4,336</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 8,103           | 8,559            | 8,559           |
| Other                                | 404             | 300              | 300             |
| <b>Total Non Current Liabilities</b> | <b>8,507</b>    | <b>8,859</b>     | <b>8,859</b>    |
| <b>Total Liabilities</b>             | <b>14,403</b>   | <b>13,195</b>    | <b>13,195</b>   |
| <b>NET ASSETS</b>                    | <b>3,716</b>    | <b>2,072</b>     | <b>2,056</b>    |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 3,716           | 2,072            | 2,056           |
| <b>TOTAL EQUITY</b>                  | <b>3,716</b>    | <b>2,072</b>     | <b>2,056</b>    |



# ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND MINISTER FOR THE ARTS

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## OVERVIEW

| <i>Agency</i>  | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| <b>Attorney General's Department</b>                 |                                   |                                   |                        |
| Total Expenses .....                                 | 602.9                             | 630.4                             | 4.6                    |
| Capital Expenditure .....                            | 95.4                              | 123.3                             | 29.2                   |
| <b>Judicial Commission of New South Wales</b>        |                                   |                                   |                        |
| Total Expenses .....                                 | 4.8                               | 4.9                               | 2.2                    |
| Capital Expenditure .....                            | 0.2                               | 0.2                               | ...                    |
| <b>Legal Aid Commission of New South Wales</b>       |                                   |                                   |                        |
| Total Expenses .....                                 | 155.2                             | 170.4                             | 9.8                    |
| Capital Expenditure .....                            | 5.3                               | 6.4                               | 20.5                   |
| <b>Office of the Director of Public Prosecutions</b> |                                   |                                   |                        |
| Total Expenses .....                                 | 92.4                              | 97.7                              | 5.7                    |
| Capital Expenditure .....                            | 4.5                               | 1.3                               | -71.9                  |
| <b>Department of Environment and Conservation</b>    |                                   |                                   |                        |
| Total Expenses .....                                 | 506.6                             | 504.8                             | -0.4                   |
| Capital Expenditure .....                            | 43.8                              | 56.6                              | 29.2                   |
| <b>Environmental Trust</b>                           |                                   |                                   |                        |
| Total Expenses .....                                 | 30.8                              | 94.1                              | 205.8                  |
| Capital Expenditure .....                            | ...                               | ...                               | ...                    |
| <b>Royal Botanic Gardens and Domain Trust</b>        |                                   |                                   |                        |
| Total Expenses .....                                 | 31.3                              | 32.0                              | 2.2                    |
| Capital Expenditure .....                            | 4.2                               | 6.0                               | 42.2                   |
| <b>Department of the Arts, Sport and Recreation</b>  |                                   |                                   |                        |
| Total Expenses .....                                 | 408.7                             | 421.2                             | 3.1                    |
| Capital Expenditure .....                            | 31.0                              | 32.8                              | 5.8                    |
| <b>Public Trustee NSW</b>                            |                                   |                                   |                        |
| Total Expenses .....                                 | 30.8                              | 32.7                              | 6.0                    |
| Capital Expenditure .....                            | 3.2                               | 3.0                               | -5.9                   |

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Registry of Births, Deaths and Marriages</b>   |                                   |                                   |                        |
| Total Expenses .....  | 20.3                              | 21.9                              | 7.6                    |
| Capital Expenditure .....   | 6.0                               | 4.8                               | -19.7                  |
| <b>State Library of New South Wales</b>   |                                   |                                   |                        |
| Total Expenses .....  | 79.2                              | 84.6                              | 6.8                    |
| Capital Expenditure .....   | 10.8                              | 12.9                              | 19.8                   |
| <b>Australian Museum</b>  |                                   |                                   |                        |
| Total Expenses .....  | 35.3                              | 34.6                              | -2.0                   |
| Capital Expenditure .....   | 6.5                               | 20.3                              | 211.5                  |
| <b>Museum of Applied Arts and Sciences</b>  |                                   |                                   |                        |
| Total Expenses .....  | 44.6                              | 46.2                              | 3.5                    |
| Capital Expenditure .....   | 5.4                               | 7.8                               | 44.7                   |
| <b>Historic Houses Trust of New South Wales</b>   |                                   |                                   |                        |
| Total Expenses .....  | 23.8                              | 23.9                              | 0.3                    |
| Capital Expenditure .....   | 0.5                               | 1.9                               | 301.9                  |
| <b>Art Gallery of New South Wales</b>   |                                   |                                   |                        |
| Total Expenses .....  | 32.7                              | 37.6                              | 15.0                   |
| Capital Expenditure .....   | 2.8                               | 2.8                               | ...                    |
| <b>State Records Authority</b>  |                                   |                                   |                        |
| Total Expenses .....  | 14.6                              | 15.3                              | 4.9                    |
| Capital Expenditure .....   | 2.8                               | 1.9                               | -31.6                  |
| <b>New South Wales Film and Television Office</b>   |                                   |                                   |                        |
| Total Expenses .....  | 10.1                              | 10.1                              | ...                    |
| Capital Expenditure .....   | ...                               | ...                               | ...                    |
| <b>Total, Attorney General, Minister for the<br/>Environment, and Minister for the Arts</b> |                                   |                                   |                        |
| Total Expenses <sup>(a)</sup> .....   | <b>1,941.1</b>                    | <b>2,055.5</b>                    | <b>5.9</b>             |
| Capital Expenditure .....   | <b>222.4</b>                      | <b>282.0</b>                      | <b>26.8</b>            |

(a) The Ministerial totals have been reduced to exclude recurrent and capital grant payments from the Department of the Arts, Sport and Recreation to the cultural entities.

## ATTORNEY GENERAL'S DEPARTMENT

The Attorney General's Department has a crucial role in access to justice, protection of rights and public 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.

## **RESULTS AND SERVICES**

The Department's principal business is to administer courts and justice services. The Department is working towards the following results:

- ◆ Crime and criminal recidivism are reduced.
- ◆ Timely and cost effective court and justice services are delivered.
- ◆ Impacts on sexual assault victims and mental health patients and their carers are reduced.
- ◆ Access to alternative dispute resolution is increased to reduce costs to clients and the community.
- ◆ Technology for access to services and operational efficiency is improved.
- ◆ Reducing the representation of indigenous people in court processes.
- ◆ Court security is increased.

Key services provided by the Department to contribute to these results include:

- ◆ providing courts and tribunals;
- ◆ advising Government on law, justice and legal reforms;
- ◆ providing Aboriginal justice programs;
- ◆ delivering crime prevention and criminal diversion programs;
- ◆ providing legal, professional and regulatory services;
- ◆ providing alternative dispute resolution;
- ◆ supporting victims of violent crime, including counselling; and
- ◆ providing business services including the Registry of Births, Deaths and Marriages, Crown Solicitor, Public Trustee, and Office of the Public Guardian/Protective Commissioner.

## RECENT DEVELOPMENTS

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

Key achievements in 2005-06 included:

- ◆ passing tough anti-terrorism legislation;
- ◆ introduction of majority verdicts to prevent courts being held up by one rogue juror;
- ◆ toughened up bail laws to keep criminals off the streets;
- ◆ introduction of criminal case processing reforms to improve case management, resulting in more victim-friendly outcomes;
- ◆ increased usage of video-conferencing equipment with systems now operating in more than 20 courthouses across the State. The technology allows for reductions in the movements of prisoners on remand from correctional centres to courts, and is also ideal both for witnesses unable to physically attend court and for vulnerable witnesses such as children and victims of sex offences;
- ◆ completion of new courthouse facilities at Blacktown, Mt Druitt, Bankstown, and the Children's Court of New South Wales at Broadmeadow. In total, an additional eight new court rooms have been established for western Sydney and Newcastle. The projects include interview rooms, enhanced security, improved holding facilities and remote witness technology;
- ◆ commencement of the *Civil Procedure Act 2005* and the Uniform Civil Procedure Rules to rationalise and simplify civil court rules resulting in common procedures for the Supreme, District and Local Courts. This will contribute to efficiency for both courts and legal practitioners and reduce the cost of litigation;
- ◆ implementation of eFiling for some Supreme Court civil matters as part of the CourtLink project's online services. The system allows law firms to electronically file an originating process, paying by credit card;
- ◆ ensured NSW Courts are among the most efficient in the country;
- ◆ opening of the new joint call centre for LawAccess NSW and the NSW Registry of Births, Deaths and Marriages. The call centre assists over 1,800 customers per day;

- ◆ commencement of building works for the Parramatta Justice Precinct following successful tender for design and construction. The precinct will include six specialist Children's Courts, nine criminal trial courts and consolidated offices with about 1,100 staff to be relocated from the Sydney Central Business District. The precinct is expected to operate from 2008;
- ◆ commencement of a trial program of conferencing for young adult offenders at Tweed Heads and Liverpool Local Courts. The program enables young adult offenders (18 to 24 years) to participate in a conference with victims of crime and support people as part of sentencing;
- ◆ further implementation of court perimeter security at John Maddison Tower and Queanbeyan Courthouse. The program provides perimeter security including security scanning, walk-through magnetometers and X-ray screening for baggage;
- ◆ 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 held at Nowra, Dubbo, Walgett, Brewarrina, Bourke, Lismore, Armidale, and Kempsey;
- ◆ opening of the Tirkandi Inaburra Cultural and Development Centre for Aboriginal boys at risk in the State's central south. The Centre is a residential facility that aims to reduce indigenous over-representation in the criminal justice system. Sixteen indigenous youths aged 12-15 voluntarily reside at the Centre for three to six months where they are mentored by Elders and take part in educational, vocational and cultural programs;
- ◆ further development of the Towards 2010 strategy to strengthen customer service, leadership and communication. The strategy includes an annual commitment of work-related training for every employee and programs for management development; and
- ◆ launch of a new website for the Office of the Coroner. The website assists families and friends of persons who die and whose deaths are reported to the Coroner. The site contains information about the jurisdiction including findings and recommendations made by coroners.

## STRATEGIC DIRECTIONS

Key priorities of the Department include:

- ◆ reducing crime and recidivism through increased powers for police and a range of rehabilitation programs;
- ◆ continuation and improvement of effective crime-prevention programs;
- ◆ providing support for victims of crime through programs, funding, technology and new legislation;
- ◆ improving the court procedures for the victims of sexual assault including closed circuit television, video link or segregated seating, audiovisual recording of complainants' evidence and new processes to protect complainants from unfair processes;
- ◆ continued development of the Parramatta Justice Precinct. The Precinct will enhance business consolidation and collaboration with other agencies by bringing together judicial, police, custodial and justice administration functions, along with professional services, in a highly accessible location;
- ◆ continued development of courts, tribunals and legal processes to resolve civil disputes and criminal matters. This includes improvements in security, and the development of business processes and systems;
- ◆ continued development of the CourtLink system to provide an integrated multi-jurisdiction court administration system supporting NSW Supreme, District and Local Courts, Coroner's Court, Children's Court and the NSW Sheriff's Office;
- ◆ introducing a range of anti-graffiti programs and laws to reduce graffiti and save taxpayer money currently spent on cleaning graffiti;
- ◆ improving the performance of service delivery channels to increase 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;
- ◆ reducing the representation of Aboriginal people in legal processes, particularly through mediation and diversionary programs and the further extension of Circle Sentencing Courts;

- ◆ continuing to increase efficiency through consolidation of corporate services and implementation of improved governance, procurement and debt recovery systems;
- ◆ expanding *LawAccess* information services;
- ◆ continued implementation of the Towards 2010 organisational change strategy to improve the Department's culture and professionalism. The strategy aims to improve client service and leadership skills, develop a multi-skilled workforce and improve workplace behaviour through more flexible work arrangements, enhanced recruitment procedures and increased training opportunities. The strategy also targets increasing the number of young people and encouraging more women into senior roles to lift the overall performance of the Department;
- ◆ increasing collaboration within the justice sector particularly in the areas of information technology, asset management and business processes; and
- ◆ improving performance measurement and reporting including more consistent national indicators for courts.

## **2006-07 BUDGET**

### **Total Expenses**

In 2006-07 total expenses of the Attorney General's Department are estimated to be \$630.4 million, an increase of \$27.5 million on the Department's 2005-06 Budget. Included in this increase are:

- ◆ \$1.6 million for the Office of the Sheriff;
- ◆ \$1.5 million in additional funding for fees for inquests and post mortems;
- ◆ \$1.5 million for stage 2 of the Video Conferencing project;
- ◆ \$0.2 million increase in funding for the Adult Drug Court; and
- ◆ \$0.2 million for the Compulsory Drug Treatment Correctional Centre.

### **Capital Expenditure**

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

Funding of \$123.3 million has been provided in 2006-07 for several projects including:

- ◆ the continued upgrading of court facilities under the Strategic Court Upgrade program. The program aims to improve court buildings for service delivery. A total of \$14.8 million has been allocated in 2006-07 for improvements to 40 courthouses across New South Wales. Works include:
  - construction of an Alternative Dispute Resolution suite and improvements to the historic King Street Court complex; and
  - increased access for jurors with a disability;
- ◆ implementation of recent re-design of Nowra courthouse to better meet community needs;
- ◆ the completion of the program of backlog building works 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. The estimated total cost for these works is \$6.5 million in 2006-07;
- ◆ continued development and implementation of CourtLink, the new case management system for which \$7.1 million has been allocated in 2006-07. These funds will be applied to the progressive rollout of Crime and Civil business process modules commencing with the Supreme and District Courts;
- ◆ the Justice Agency Video Conferencing project which will extend the sector video conferencing network to further sites in courts, Legal Aid offices and corrections facilities in rural and regional centres. The allocation in 2006-07 is \$3.8 million; and
- ◆ continued development of the Parramatta Justice Precinct in co-operation with the Department of Commerce. Expenditure in 2006-07 is estimated to be \$74.7 million.

## **JUDICIAL COMMISSION OF NEW SOUTH WALES**

The Judicial Commission of New South Wales is an independent statutory corporation established under the *Judicial Officers Act 1986*. The objective of the Commission is to increase the efficiency and effectiveness of the use of judicial resources.

## **RESULTS AND SERVICES**

The Commission meets this objective by working towards the following results:

- ◆ A better informed and professional judiciary.
- ◆ Consistency in sentencing.
- ◆ Examination of complaints in accordance with statutory provisions.

Key services provided by the Commission which contribute to these results include:

- ◆ offering an extensive conference and seminar program for judicial officers;
- ◆ publishing professional reference material including bench books, bulletins and journals, education monographs, training DVDs and conference papers;
- ◆ providing online statistical and legal information through the Judicial Information Research System (JIRS), including training and support;
- ◆ maintaining and developing the Lawcodes database;
- ◆ undertaking original research and analysis of aspects of sentencing;
- ◆ examining complaints against judicial officers in a timely and efficient manner; and
- ◆ providing advice to the public about the Commission's complaint function.

## **RECENT DEVELOPMENTS**

The Government has announced changes to the Judicial Commission's powers to improve support for judges, change complaint handling procedures and order medical tests for judges.

## **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 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. This will include the publication of an Equality Before the Law bench book for judicial officers.

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.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses of the Commission are projected to be \$4.9 million in 2006-07.

An amount of \$0.2 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 \$0.1 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 Commission is a statutory body established by the *Legal Aid Commission Act 1979*, funded by the State Government and the Public Purpose Fund to provide legal aid and other legal services in accordance with the provisions of the Act. The Commission also receives funding from the Commonwealth Government to provide legal assistance in matters arising under Commonwealth law.

The Commission's vision focusses on ensuring that people who are economically and socially disadvantaged can understand, protect and enforce their legal rights and interests.

## **RESULTS AND SERVICES**

The Commission aims to achieve a fair, equitable and efficient justice system by working towards the following results:

- ◆ The community has access to legal information and advice, and awareness of legal rights and responsibilities is increased.
- ◆ People take action to protect their legal rights and comply with responsibilities.
- ◆ Equality before the courts for socially and economically disadvantaged community members is achieved.
- ◆ Representation is conducted by qualified and experienced practitioners.

Key services provided by the Commission which contribute to these results include:

- ◆ providing free legal advice, information and minor assistance services to member of the community through face to face, telephone, internet services and publications;
- ◆ providing legal representation and alternative dispute resolution services to eligible members of the community delivered by in-house lawyers and through grants of aid to private legal practitioners;
- ◆ designing educational programs to promote an understanding of individual rights, powers, privileges and duties under the laws of New South Wales; and
- ◆ contributing to law and order policy development and research into all aspects of legal aid.

The community is able to access the Commission's services at its 21 offices located in city and regional centres and through outreach services to remote communities. The Commission also uses private practitioners to provide legal representation to clients on behalf of the Commission in locations where the Commission does not have a presence. As a result the Commission is able to provide legal services to all sittings of NSW courts across the State. The Commission also works closely with other legal service providers to co-ordinate the effective and efficient delivery of legal services to the community.

## **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 Government to provide legal assistance in matters arising under Commonwealth law in line with the priorities and guidelines set by the Commonwealth.

The demand on Commission services continues to be impacted by initiatives introduced by other justice system agencies and by changes in Government policy and court rules. Some of the most recent developments include:

- ◆ increased resources committed by the Department of Community Services to investigation and litigation of cases involving the care and protection of children; and
- ◆ announcement of an increase in police numbers by 750 in 2007.

The Commission must be in a position to respond to the implementation of new technology within the justice system and to put in place improved case management systems. The development of Courtlink as a case management system within the courts requires the Commission to develop its technology to electronically exchange data with the courts and other justice agencies. The Commission is currently trialling a new case management system with a view to implementation over the next 12-18 months.

The Commission continues to drive the co-ordination of legal services across rural and regional New South Wales through its Co-ordinated Legal Service Delivery Model program. Following a successful pilot of the model and a supportive evaluation report, the Commission has committed to further expansion of the model in additional regions over the next two years.

## **STRATEGIC DIRECTIONS**

In 2006-07, the Commission will focus on:

- ◆ improving the quality, range, responsiveness and accessibility of client services;
- ◆ building a professionally and personally rewarding workplace in which staff are highly skilled, responsive, innovative and flexible team members;
- ◆ continuing to improve systems and processes to work more effectively and make sound business directions; and
- ◆ policy development and innovation in the justice system.

The Commission's strategic directions are supported by the following business strategies:

- ◆ identify and implement innovative and flexible ways to more effectively meet client and community needs;
- ◆ ensure policies allow for the widest range of people in need to access the Commission's services;
- ◆ develop policies and procedures that support the early resolution of disputes and the use of diversionary programs;
- ◆ ensure the co-ordinated delivery of legal services through effective partnerships with other legal service providers across the State;
- ◆ work with the private profession to ensure legal aid clients receive quality legal services in all areas of the State;
- ◆ be a leading legal firm by attracting skilled people to rewarding jobs; and
- ◆ target opportunities to bring about procedural reform in the justice system.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses of the Commission are projected to increase from \$155.2 million in 2005-06 to \$170.4 million in 2006-07.

The Criminal Law Program has been allocated \$2.8 million in 2006-07 to fund the Commission's first full year of participation in the reform of criminal case processing. This whole of justice sector initiative will ultimately significantly reduce the number of cases committed to the District Court for trial.

In 2005 the Commission signed a new agreement with the Commonwealth Government for the provision of legal assistance in matters under Commonwealth Law. The Agreement has given the Commission access to the Commonwealth's Criminal Law Expensive Cases fund and it will also enable the Commission to expand its Family Law duty service across the State. Additional Commonwealth funding of \$2.6 million has been provided in 2006-07.

Additional funding of \$7.8 million has also been provided in 2006-07 from the Public Purpose Fund of the New South Wales Law Society. The funding will enable the Commission to:

- ◆ increase the hourly rate paid to private legal practitioners who undertake work on behalf of the Commission. These rates remain significantly below commercial rates for similar work;
- ◆ accept applicants who are in receipt of full Centrelink benefits as satisfying the Commission's means test eligibility for granting of legal aid; and
- ◆ meet the demand created by the opening of additional Local Courts and sittings of additional District Court judges in criminal cases.

### **Capital Expenditure**

The Commission's capital expenditure of \$6.4 million in 2006-07 will enable:

- ◆ the ongoing replacement of its core business system, LA Office; 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 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. The Office was established by the *Director of Public Prosecutions Act 1986* and commenced operation on 13 July 1987.

### **RESULTS AND SERVICES**

The Office aims to provide a criminal prosecution system that is accepted by the community as being equitable and acting in the public interest by working towards the following results:

- ◆ Achievement of justice.
- ◆ Increased public confidence.
- ◆ Speedy resolution of matters.
- ◆ Greater sense of confidence by victims and witnesses.
- ◆ A more effective and efficient criminal justice system.

Key services provided by the Office to contribute to these results include:

- ◆ reviewing, evaluating and improving standards for prosecutions;
- ◆ improving timeliness and quality of prosecution briefs;
- ◆ conducting prosecutions within relevant time standards;
- ◆ providing assistance and information to victims and witnesses;
- ◆ participating in inter-agency forums;
- ◆ developing solutions, in partnership with stakeholders, to streamline and improve court listing systems; and
- ◆ initiating and contributing to law reform to improve the criminal justice system.

## **RECENT DEVELOPMENTS**

Since 1999-2000, the Office has received additional recurrent funding of \$14 million 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 received continued funding in 2005-06 included:

- ◆ 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 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 have been appointed. The Office contributed to a review of the longer-term 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 assisted in the program's evaluation that was conducted during 2005-06.

Criminal Case Processing reforms began in the Downing Centre from November 2005 and State-wide from 1 January 2006. These reforms are expected to provide enhanced justice outcomes through greater charge and sentencing certainty and to significantly reduce the costs associated with late pleas of guilty.

A major feature of the reforms involves face-to-face conferences between prosecutors and defence representatives during the committal process in the Local Court. The Office now also provides an advising service to police in their investigation of indictable offences and in relation to the sufficiency of evidence and the appropriateness of charges. These features will enhance the quality and timeliness of briefs and provide for improved disclosure to the defence and enhance the prospects of meaningful discussions at case conferences.

The Chief Magistrate has supported these administrative reforms and has established a monitoring committee to oversee the implementation of the processes. Recurrent funding of \$5.5 million per annum has been allocated in 2005-06 and 2006-07 for the implementation of the criminal cases processing reform.

## **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 the criminal case processing reforms, will continue to work towards the speedier and more efficient use of resources and a more effective criminal justice system. These reforms are predominantly aimed at a reduction in the number of cases that are presently listed (and therefore prepared) for trial and then plead guilty on the day of trial.

The Office is 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 that are included in the Information Communication Technology Infrastructure Upgrade Program. It is expected that the upgrade will be completed in June 2006. 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.

During 2006-07, 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, through participation in various interagency committees and involvement in proposals for law reform.

## **2006-07 BUDGET**

### **Total Expenses**

In 2006-07, the Office's total expenses are estimated at \$97.7 million, which includes:

- ◆ \$3.2 million for the reimbursement of witnesses' expenses;
- ◆ \$5.5 million for the implementation of the criminal case processing reforms; and
- ◆ \$2.9 million for the continuation of the pre-trial disclosure regime.

The Office will continue its commitment to the Drug Court program that commenced in 1999 in Parramatta.

## Capital Expenditure

The Office will spend its 2006-07 minor works allocation of \$1.3 million on various ongoing plant and equipment replacement, furniture and fittings, acquisitions for the law library and purchase of information technology.

## 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 eight percent of all land in New South Wales.

DEC has responsibilities and powers under the *National Parks and Wildlife Act 1974*; *Threatened Species Conservation Act 1995*; *Environmentally Hazardous Chemicals Act 1985*; *Protection of the Environment Operations Act 1997*; *Waste Avoidance and Resource Recovery Act 2001*; *Contaminated Land Management Act 1997* and 28 other Acts.

Although DEC incorporates the staff of the 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.

## RESULTS AND SERVICES

DEC contributes to a healthier and cleaner environment protecting both ecological and human health; the conservation of natural and cultural values across the landscape; and sustainable consumption and production, and waste reduction.

To these ends, DEC is working towards the following results:

- ◆ Pollution and other adverse environmental impacts are prevented, reduced or mitigated.
- ◆ Degraded environments are remediated or restored.
- ◆ Biodiversity is protected and restored.
- ◆ Aboriginal cultural heritage is protected and revitalised.
- ◆ National parks, marine parks and botanic gardens are managed for conservation, education and public enjoyment.
- ◆ Waste is managed and recovery of resources is increased.
- ◆ Business and government decisions and operations are carried out under principles of environmental sustainability.

Key services provided by the Department to contribute to these results include:

- ◆ delivering regulation, enforcement and market-based programs for industry and local government to reduce air, water, waste and noise pollution and control impacts on threatened species and Aboriginal cultural heritage;
- ◆ managing national parks and reserves, including fire, pest animals and weeds;
- ◆ providing opportunities for people to enjoy the park system and at the same time ensuring that any impact on conservation values is minimised;
- ◆ involving communities in park management, including forming co-management partnerships with Aboriginal communities;
- ◆ working with Aboriginal communities and private and public landowners to protect and conserve Aboriginal heritage;
- ◆ managing the Waste Avoidance and Resource Recovery Strategy and Extended Producer Responsibility initiatives and co-ordinating and funding research, projects, education programs and partnerships to improve sustainability; and
- ◆ developing policy, programs and tools and undertaking research to improve understanding and management of environmental issues.

## **RECENT DEVELOPMENTS**

Total expenditure for 2005-06 is estimated at \$484.3 million.

Recent developments include:

- ◆ the creation of major new national parks and reserves in northern and western New South Wales and additions along the coast, increasing the number of new national parks and reserves to more than 350 (an addition of nearly 2.6 million hectares) since 1995-96. The total national park estate now approaches 6.6 million hectares, with more than 700 national parks, marine parks and other reserves;
- ◆ the establishment of the City and Country Environmental Restoration Program which includes Riverbank, new waste enforcement programs, purchase of high conservation value lands and the development of marine parks;

- ◆ the Government's water and natural resources reform package covering water quality management, river flows, biodiversity conservation and Aboriginal cultural heritage and including the Wetlands Recovery Project and the Ramsar Wetlands Manager Network;
- ◆ working with Catchment Management Authorities in the delivery of the Natural Resources Reform Program;
- ◆ the reform of threatened species laws and development of programs including biodiversity certification to protect native plants and animals;
- ◆ implementation of conservation programs associated with planning reforms including the Metropolitan Strategy, development of Regional Planning Strategies and Regional Conservation Plans;
- ◆ integration of regulation with economic tools, such as through salinity and nutrient pollution off-sets, to improve the environmental performance of industry, reduce compliance costs and stimulate resource recovery and recycling;
- ◆ implementation of a Household Chemical Guide and community based education program;
- ◆ issuing the 2005-06 Extended Producer Responsibility Priority Statement for priority wastes in New South Wales;
- ◆ implementation of the Government's Aboriginal Affairs Policy 2003-10 *Two Ways Together* including chairing the Culture and Heritage Cluster;
- ◆ establishment of the Aboriginal Cultural Heritage Advisory Committee to advise the Minister and the Director-General about the identification, assessment and management of Aboriginal cultural heritage in New South Wales;
- ◆ development of an integrated suite of tools for local government based on improved practice in resource recovery; and
- ◆ signing of Sustainability Compacts with businesses, including Hewlett Packard Australia and Sensis, that focus on long term sustainability behaviour.

## STRATEGIC DIRECTIONS

DEC works with key stakeholders and the community to:

- ◆ reduce harmful emissions to air, land and water;
- ◆ reduce the number of significantly contaminated sites;
- ◆ reduce the exposure of the community and the environment to chemicals, radiation, noise, dust, waste, odour and vibration;
- ◆ encourage the community to connect with, and enjoy, the environment;
- ◆ arrest the decline in biodiversity across New South Wales;
- ◆ build an integrated protected area system consisting of national parks, reserves and other public and private lands managed for conservation;
- ◆ work with Aboriginal communities to conserve and protect objects, places and landscapes of Aboriginal cultural significance;
- ◆ conserve and protect nature and cultural heritage in terrestrial and marine reserves and botanic gardens;
- ◆ manage key pressures on the reserve system;
- ◆ provide opportunities for visitors to enjoy national parks, reserves and botanic gardens, and to build community support for conservation;
- ◆ support individuals and businesses in minimising resource use, improving resource recovery and appropriately disposing of harmful waste;
- ◆ promote the adoption and practice of sustainability as a core value by business; and
- ◆ make government a recognised leader in the sustainable management of its processes, operations and public assets.

## 2006-07 BUDGET

### Total Expenses

Total expenses for 2006-07 are estimated at \$504.8 million and include:

- ◆ a \$13.8 million reduction in wildfire related insurance premium expenses over 2005-06, due to extensive investment in fire management programs within DEC over the last few years; and
- ◆ a \$29.6 million reduction over the 2005-06 initial budget in total expenses of the Sustainability Programs service delivery area of DEC, due to the transfer of the Waste Fund to the Environmental Trust.

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, increasing efficiency of regulation and promoting ecologically sustainable development;
- ◆ waste avoidance and resource recovery initiatives;
- ◆ park establishment and management programs;
- ◆ fire management and pest animal and weed management; and
- ◆ maintenance of essential infrastructure to facilitate management, access and enjoyment of the reserve system by the community.

A key focus in 2006-07 will be the delivery (through DEC and the Environmental Trust) of the City and Country Environment Restoration Program which provides new funding of \$439 million over five years. The Program will allow the Government to tackle the State's most significant environmental challenges including restoring icon wetlands; protecting the marine environment; securing the high conservation values of crown lands; and reducing the ecological footprint of urban centres in New South Wales. The Program will also send a strong economic signal about the importance of avoiding the creation of waste and the need to recover, reuse and recycle our valuable resources.

Following the Government's decision to protect an additional 352,000 hectares in the Brigalow Belt South and Nandewar regions, DEC received additional funding of \$3 million in 2005-06 for management and establishment of the park areas. In 2006-07, recurrent management funding of \$4.5 million (progressively rising to \$8 million by 2008-09) has been allocated, along with \$6 million in capital related park establishment and acquisition expenditure.

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

To support the Government's fiscal targets in 2006-07, DEC aims to maximise departmental efficiencies, continue the close collaboration with CMAs and continue to improve co-ordination of DEC's operations with those of the Departments of Planning, Natural Resources and Primary Industries.

The main areas of additional expenditure include:

- ◆ \$16 million out of a total five year program of \$105 million to secure water rights, sustainable water flows, and other water saving projects for key conservation areas, through grants from the Environmental Trust;
- ◆ \$4.8 million to provide for waste related rebates to local councils;
- ◆ \$4 million for park management costs associated with recently acquired lands, predominantly relating to northern and western New South Wales, including Brigalow/Nandewar and Yanga;
- ◆ \$3 million to enhance the Department's waste levy audit, assessment capacity and enforcement capacity related to illegal dumping;
- ◆ \$1 million for regional parks as part of the Green Cities concept in the greater metropolitan area;
- ◆ \$1 million for Aboriginal joint management of national parks to fund commitments for Aboriginal-owned reserves and other co-management arrangements;
- ◆ \$0.3 million to complete the circle of reserves around Sydney; and
- ◆ \$0.5 million to better manage the national park system in the Hunter as part of the Hunter Reserves Strategy.

Other expenditures include:

- ◆ \$3.1 million to continue the road and bridges maintenance program in the Kosciuszko National Park;
- ◆ \$2.4 million to address maintenance liabilities in park infrastructure as part of revitalising Sydney's national parks;
- ◆ \$0.9 million for the management of high conservation value areas on the Illawarra Escarpment;

- ◆ \$0.6 million to maintain and improve the modelling capacity and maintenance of the air quality monitoring network; and
- ◆ a contribution of \$35 million (\$14.7 million in recurrent and \$20.3 million in capital funding) to the Zoological Parks Board NSW for the continuation of a comprehensive program to upgrade or enhance facilities, research capability and public education.

## **Capital Expenditure**

Total capital expenditure in 2006-07 is estimated at \$56.6 million.

Allocated capital expenditure includes:

- ◆ \$4.7 million for Kosciuszko National Park, including \$3.5 million to upgrade essential public infrastructure;
- ◆ a further \$9.3 million to upgrade visitor facilities and other infrastructure as part of revitalising Sydney's national parks;
- ◆ \$10.4 million for park establishment costs associated with recently acquired lands, including \$6.7 million for acquired lands in northern and western New South Wales;
- ◆ \$2 million for regional parks as part of the Green Cities concept in the greater metropolitan area;
- ◆ \$2.1 million for building rectification works at the North Head Quarantine Station;
- ◆ \$4.8 million for land acquisitions, including \$2.5 million to consolidate the Brigalow/Nandewar Community Conservation Area;
- ◆ \$2.1 million to finalise the implementation of the Department's information technology infrastructure integration;
- ◆ \$1.5 million to establish new parks in the Hunter as part of the Hunter Reserves Strategy; and
- ◆ \$3.4 million in 2006-07 and \$1.6 million in 2007-08 for an upgrade of the Department's scientific facilities, including secure handling and storage of radiological materials.

## 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 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.

In 2005, the Trust's objects were expanded to include the following:

- ◆ encourage and support restoration and rehabilitation projects that reduce pollution, the waste stream or environmental degradation;
- ◆ promote research into environmental problems;
- ◆ promote environmental education and increase the awareness of environmental issues;
- ◆ fund acquisition of land for national parks;
- ◆ fund the declaration of areas for marine parks and for related purposes;
- ◆ promote waste avoidance, resource recovery and waste management (including funding enforcement and regulation and local government programs);
- ◆ fund environmental community groups; and
- ◆ fund the purchase of water entitlements for the purpose of increasing environmental flows for the State's rivers and restoring or rehabilitating major wetlands.

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.

## RESULTS AND SERVICES

The Environmental Trust seeks to invest in high priority projects and programs to accelerate the rate of environmental improvement and community participation across New South Wales by working towards the following results:

- ◆ Community participation in addressing environmental issues is increased.
- ◆ The area of bushland rehabilitated and polluted sites cleaned up is increased.
- ◆ Scientifically sound knowledge of environmental condition, problems and solutions is increased.
- ◆ Conservation of high value land is increased in the National Parks and reserve system through acquisitions and conservation agreements.
- ◆ The value and quantity of water available for the environment is increased.
- ◆ An increased area of high conservation value marine environment is protected.
- ◆ Resource recovery and waste avoidance is increased.
- ◆ Peak environmental groups are financially secure.
- ◆ Clearing of native vegetation is reduced.

Key services provided by the Trust to contribute to these results include:

- ◆ funding the restoration and rehabilitation of priority locations to improve environmental health;
- ◆ funding of environmental education programs;
- ◆ funding research into priority environmental issues;
- ◆ funding programs that support the delivery of the NSW Waste Avoidance and Resource Recovery Strategy;
- ◆ funding the buyout of commercial fishing licences to support conservation in key marine parks;
- ◆ funding the purchase of water for the environment;
- ◆ disseminating information on highly successful environmental projects;

- ◆ funding and supporting Aboriginal communities, schools and community organisations to conduct environmental projects;
- ◆ funding support for administration of peak environmental groups;
- ◆ funding exit assistance in farming and forestry industries; and
- ◆ funding sustainable industry development in farming and forestry industries.

## **RECENT DEVELOPMENTS**

Under the *Environmental Trust Act 1998*, the Trust receives a standing indexed appropriation from the Consolidated Fund to fund its programs (\$17.5 million in 2006-07).

In July 2005, the Trust took on the funding of Waste Programs formerly funded by the Waste Fund (the Waste Fund was closed). The Trust also took responsibility for the funding of forestry restructure and assistance schemes and programs in the Brigalow Belt South and the Nandewar regions, including business exit assistance, timber worker assistance and industry development assistance.

As a result, in 2005-06 funds under management increased from \$30.8 million to \$64.5 million.

In December 2005, the Premier announced the City and Country Environment Restoration package. As part of the package, the Trust will administer a range of new grant programs, valued at \$316.5 million over five years, in line with the expanded Trust objects.

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 have changed from year to year but the overall funding for the grants programs has remained at approximately the same level. The Trust has awarded approximately 200 new grants each year, under ten different grants programs, with most projects running over two or three years.

The Trust has funded two programs under the *Forestry Restructuring and Nature Conservation Act 1995*:

- ◆ the Coastal Forestry Restructuring payments for industry development. Payments under this program can be made until 30 June 2007 or until \$80 million in total has been spent on the program. As at March 2006, a total of \$70.6 million had been paid from the Trust; and
- ◆ the Brigalow/Nandewar Industry restructuring and development payments. \$41 million has been allocated to a five year program for exit assistance and industry development that commenced in 2005-06.

In addition, the Trust administers two grant programs related to the Brigalow and Nandewar areas which will provide \$12 million over four years for White Cypress thinning and \$10 million for a Transitional Fund to ensure continuity of employment for workers in the remaining timber mills.

New programs under the City and Country Environment Restoration Package that will be administered by the Trust commencing from 1 July 2006 include:

- ◆ \$105 million over five years to establish the Riverbank Fund to buy water for environmental flows and save drying river systems and wetlands;
- ◆ \$18.5 million over three years for the buyout of commercial fishing effort to support the establishment of marine parks to be created on the Batemans Shelf and Manning Shelf;
- ◆ \$80 million over five years for Urban Sustainability Grants for local government to work in partnership with business and the community to address urban environmental issues;
- ◆ \$76 million over five years to boost the Strategic Environmental Trust grants comprising the Trust's traditional annual grants, waste programs and major strategic funding activities; and
- ◆ \$37 million over five years for a Native Vegetation Assistance Package to help farmers adjust to new land clearing laws.

## **STRATEGIC DIRECTIONS**

The Environmental Trust is now managing an annual grants program which will more than treble in size to \$93.2 million in 2006-07.

Its role in administering parts of the City and Country Environmental Restoration Program will make the Environmental Trust a key facilitator in the delivery of the Government's environmental objectives.

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

In particular, the Urban Sustainability grants funded over the next five years will facilitate projects of significant environmental benefit to New South Wales delivered by local government organisations in partnership with community and business organisations and other agencies. These grants will also aim to improve the capacity of communities and organisations to protect, restore and enhance the sustainability of our urban environment.

The new Riverbank funds will be used to purchase water rights and manage them for environmental purposes in the wetlands and rivers of inland New South Wales, also enabling the further development of water markets by purchasing water from willing sellers.

Under the new programs the Trust will also be providing funding for the buyback of commercial fishing effort in the Manning and Batemans Shelf to achieve a sanctuary zone and providing grants to farmers to help them adjust to the Government's Native Vegetation reforms.

The Trust will fund the suite of waste programs managed by the Department of Environment and Conservation to support the Government's Waste Strategy, formerly funded from the Waste Fund.

The Trust will continue into its second year of the Dissemination Program to disseminate the results and lessons from highly successful completed environmental projects so that the environmental benefits achieved by successful projects can be spread to other geographical areas or other community sectors.

## 2006-07 BUDGET

### Total Expenses

Total expenses in 2006-07 are projected at \$94.1 million.

This includes approximately \$14 million for forest industry restructuring expenditure incurred under the *Forestry Restructuring and Nature Conservation Act 1995* (including both Brigalow and the Coastal programs). Spending on other programs in 2006-07 to achieve the Trust's environmental objectives includes:

- ◆ around \$5.7 million in new annual grants awarded to community groups, councils, schools, Aboriginal organisations, registered training organisations, state government agencies and research bodies;
- ◆ around \$7 million for progress payments on approved grants and major projects already underway;
- ◆ \$1.5 million for acquisition of land for the national parks estate, targeting western New South Wales and World Heritage Areas;
- ◆ \$1 million for a program to address the most serious contamination issues on former council gasworks sites;
- ◆ \$0.3 million to help fund the administrative costs of Peak Environmental Groups in New South Wales;
- ◆ \$10 million specifically for waste programs to implement the Government's Waste Strategy;
- ◆ \$10 million for the buyout of fishing licences in the Manning and Batemans Shelf Bioregions;
- ◆ \$16 million for the purchase and management of water entitlements under the Riverbank program;
- ◆ \$10 million for Urban Sustainability grants to local councils working in partnership with business and the community; and
- ◆ around \$12 million for grants to farmers as part of the implementation of the Native Vegetation reforms.

## ROYAL BOTANIC GARDENS AND DOMAIN TRUST

The Royal Botanic Gardens and Domain Trust (the Trust) is a statutory body established by the *Royal Botanic Gardens and Domain Trust Act 1980*.

The Trust is responsible for the management and stewardship of the Royal Botanic Gardens, the National Herbarium of NSW, the Domain, Mount Annan Botanic Garden, Mount Tomah Botanic Garden and NSW Seedbank.

The Trust also researches, advises and educates 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.

### RESULTS AND SERVICES

The Trust contributes to the conservation of natural and cultural values, and local communities and tourists being able to access and benefit from urban green spaces, by working towards the following results:

- ◆ Biodiversity is understood, protected and restored.
- ◆ The community gardens sustainably.
- ◆ Cultural heritage is protected.
- ◆ Visitation to gardens is sustainable and enjoyable.

Key services provided by the Trust which contribute to these results include:

- ◆ representative and well-managed ex-situ collections and herbaria;
- ◆ accurate technical and policy advice on plant conservation and biodiversity;
- ◆ research into systematics, ecology, horticulture and pathology of plants;
- ◆ leadership in horticultural and environmental standards and practices;
- ◆ quality education in plant science, environment and sustainability;
- ◆ community greening programs;
- ◆ maintenance and protection of natural and built heritage in gardens, parks and natural areas;

- ◆ development of gardens, parks and natural areas for educational, historical and recreational purposes;
- ◆ park use managed for long term sustainability; and
- ◆ good quality visitor facilities, services and programs.

## **RECENT DEVELOPMENTS**

Expenses for the Trust in 2005-06 are estimated at \$32.7 million. The cost of operations has grown over recent years from \$26.1 million in 1999-2000. Trust revenue, comprising grants, donations and user charges, accounts for approximately 30 per cent of annual Trust expenses.

The capital expenditure program for 2005-06 included:

- ◆ continuation of redevelopment of the Central Depot in the Royal Botanic Gardens;
- ◆ commencement of redevelopment of the Education Centre at Mount Annan Botanic Garden;
- ◆ construction of a greenwaste recycling facility at 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 Botanic Garden and Mount Tomah Botanic Garden;
- ◆ maintaining and developing all sites, including the Domain, to accommodate multiple uses including recreation, relaxation, celebrations, 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 the one million collections held in the National Herbarium of New South Wales available on the internet, 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 maximise and diversify the Trust's revenue base.

## **2006-07 BUDGET**

### **Total Expenses**

Budgeted expenses for the Trust total \$32 million in 2006-07. The Trust has a strong focus on generating additional revenue from commercial services to offset increased expenses and ensure that services can be maintained and improved. The revenue target for 2006-07 is \$9 million, including \$6.3 million from user charges.

### **Capital Expenditure**

The Trust's capital expenditure program of \$6 million in 2006-07 includes:

- ◆ installation of lighting in the Domain and Royal Botanic Gardens;
- ◆ continuation of the redevelopment of the Central Depot, due for completion in 2007-08 at a total cost of \$7.1 million;
- ◆ completion of the Education Centre at Mount Annan Botanic Garden; and
- ◆ privately-funded capital works including a major refurbishment of the Australian Rockery at the Opera House Gate.

## **DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

The Department of the Arts, Sport and Recreation (DASR) supports the Minister for the Arts, the Minister for Gaming and Racing (Section 9) and the Minister for Sport and Recreation (Section 18).

The purpose of the Department is to improve social well-being through fostering a spirited arts and cultural environment, developing a community based sport and recreation ethos, and ensuring the proper conduct and balanced development of the liquor, gaming, racing and charity industries.

DASR also has administrative relationships with arts and cultural institutions; Centennial Park and Moore Park Trust; the Parramatta Park Trust and several other sport and recreation venue Trusts in New South Wales.

## **RESULTS AND SERVICES**

Results and services for DASR are currently based on the individual plans used by the former agencies prior to the establishment of the new Department. A single Results and Services Plan will be developed by DASR during 2006-07 that reflects a co-ordinated approach to service delivery for the portfolio.

DASR is working towards the following results:

- ◆ New South Wales has a vibrant, sustainable and accessible arts and cultural sector.
- ◆ The community's social and economic well-being is improved through participation in sport and recreational activities.
- ◆ There is a balanced development and management of the liquor, gaming, racing and charity industries of New South Wales.

Key services provided by the Department to contribute to these results include:

- ◆ managing the State's cultural and sporting institutions and facilities;
- ◆ educating the community about the range and benefits of the cultural, arts and sport and recreational activities available to them;
- ◆ supporting development of arts, sport and recreation activities through administration of grants programs and other support initiatives; and
- ◆ establishing and maintaining a regulatory framework for the liquor, gaming, racing and charity industries.

## **RECENT DEVELOPMENTS**

DASR was established in March 2006 through merging the former Department of Tourism, Sport and Recreation (excluding Tourism, which has been merged with the Department of State and Regional Development), Department of Gaming and Racing, and the Ministry for the Arts (now Arts NSW).

DASR will continue to deliver services previously managed by the former agencies and build upon the achievements in 2005-06 including:

- ◆ a new three-year partnership with local government for the development of arts and culture at a local level;
- ◆ introduction of stage two of the Western Sydney Arts Strategy to emphasise content, program, and artistic development;
- ◆ progression of Arts NSW's strategy for arts education;
- ◆ promoting community participation in sport and recreation to strengthen communities resulting in successful partnerships with a number of targeted Arabic, Indigenous and Pacific Islander communities;
- ◆ innovative solutions in participation by Indigenous and ethnic groups in sport and recreation have been encouraged by introducing traditional games in targeted programs. Strategies were also implemented for people with a disability, including athlete development and education programs; and physical activity programs in the after-school setting;
- ◆ increasing the range of programs at Sport and Recreation Centres, and commencing a three year program to upgrade facilities;
- ◆ industry development activities have focussed on risk management compliance, child protection, and sport rage. The Department worked with industry to ensure a safe and appropriate environment for their members and sporting participants, and developed and implemented the web-based *Sport Rage* resource;
- ◆ practical solutions for the implementation of the recommendations of the NSW Summit on Alcohol Abuse have been adopted;
- ◆ growth of the Liquor Accords being fostered throughout New South Wales, including the introduction of regional conferences at Dubbo, Queanbeyan, Port Macquarie and Tweed Heads;
- ◆ exposure drafts of the Liquor Bill 2005 and the Liquor and Gaming Court Bill 2005 were released for comment;
- ◆ continued implementation of the recommendations flowing from the IPART Review of Responsible Gambling Measures, ensuring an evidence-based approach to this important social issue; and
- ◆ assisting in the implementation of the NSW Government's policy on indoor smoking bans in licensed premises.

## **STRATEGIC DIRECTIONS**

During 2006-07 DASR will continue to build on the achievements of the former agencies in delivering services to a range of clients. A key focus will be developing opportunities for efficiencies including combining corporate services and governance functions, and providing support for the differing client needs.

Priority areas for DASR in 2006-07 include:

- ◆ strengthening the arts and cultural environment, and encouraging and promoting innovation in artistic development;
- ◆ providing opportunities for enhanced arts education, creativity and life-long learning, and taking leadership in promoting the social and economic outcomes of the arts and cultural sector;
- ◆ facilitating industry's capacity to deliver sport and recreation as a contributor to strengthening communities by fostering the links between DASR, key government agencies, local government, sporting organisations and community groups;
- ◆ reviewing the operations of boards, committees and trusts to improve governance practices and economic outcomes;
- ◆ continuing the reform of compliance operations, and working with liquor and gaming industry stakeholders to realise their community responsibilities, including developing sensible and practical solutions to ensure the ongoing growth and viability of the registered clubs industry;
- ◆ implementing the outcomes from the Summit on Alcohol Abuse and IPART's Review of Responsible Gaming Measures; and
- ◆ working with the greyhound, harness, and thoroughbred racing industries to support their integrity, independence and long-term viability.

## **2006-07 BUDGET**

Operating expenses in 2006-07 are estimated at \$421.2 million. This includes:

- ◆ grants totalling \$206.9 million to assist in the operation of the State's arts and cultural institutions;
- ◆ \$34.5 million for sport and recreation programs co-ordinated by the Department's Regional Offices and provided at its Centres and Academies;

- ◆ \$20.3 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 second instalment of a four year \$8 million initiative for the enhancement of club premises and other life saving items;
- ◆ ongoing funding of the Responsible Gambling Fund (formerly the Casino Community Benefit Fund) of \$12.2 million from a 2 per cent levy on Star City Casino;
- ◆ provision of a central monitoring fee assistance package for small clubs of \$1.3 million; and
- ◆ administrative grants funding towards the operation of the Sydney 2009 World Masters Games Organising Committee (\$1.7 million); the NSW Institute of Sport (\$8.5 million); Centennial Park and Moore Park Trust (\$6.9 million); and the Parramatta Park Trust (\$1.2 million).

### **Capital Expenditure**

The Department's 2006-07 capital program is \$32.8 million. The major components of the program are:

- ◆ \$13.7 million for the development of the contemporary performing arts centre at Eveleigh Carriage Works;
- ◆ \$7.2 million to upgrade infrastructure at the Sydney Academy of Sport, Jindabyne, Lake Ainsworth, Berry, Borambola, and Point Wolstoncroft Sport and Recreation Centres;
- ◆ \$5.9 million for upgrading at Sport and Recreation Centres;
- ◆ \$1.1 million for upgrading of Wharf 4/5, Walsh Bay; and
- ◆ \$1 million for the CORIS (Client Oriented Regulatory Information System) project.

## **PUBLIC TRUSTEE NSW**

Public Trustee NSW (PTNSW) provides the people of New South Wales with access to professional personal trust services in pursuit of its functions as defined in section 12 of the *Public Trustee Act 1913*. These services include:

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

Additionally, PTNSW is nominated in legislation as the trustee for workers compensation death benefits and assets pursuant to *Confiscation of Proceeds of Crime Act 1989*, *Criminal Assets Recovery Act 1990*, and *Damages (Infants and Persons of Unsound Mind) Act*.

PTNSW is largely financially independent of the Consolidated Fund with recurrent expenses and capital works funded from revenue generated from clients and other corporate income. The 2006-07 Budget includes a community service obligation payment of \$2.3 million to PTNSW to enable it to administer all estates regardless of their value.

## **RECENT DEVELOPMENTS**

PTNSW’s charter is to provide efficient service delivery in personal trustee services and to meet legal and customer service obligations.

PTNSW operates within the Treasury Commercial Policy Framework with the aim of providing an appropriate commercial return to Government.

Business volumes and revenues have been declining over recent years. However, current growth in will making should lead to future revenue growth. Expenses, particularly salaries and wages, have risen. A review of branch locations and staffing is underway with savings to be generated in future years.

Deceased estate business volumes declined in 2005-06, which reflected the lower numbers of wills made by PTNSW in the 1990’s.

Revenues have also been eroded by a decrease in the number and value of damages trusts as a consequence of tort law reform. It is anticipated this decline will continue over 2006-07.

The next fee structure review is due in 2006-07. The last review was in 2001.

## **2006-07 BUDGET**

Total forecast revenue of \$34.1 million includes anticipated fee increases resulting from the fee structure review. This compares with \$32.3 million in 2005-06.

Total expenses are budgeted at \$32.7 million, an increase of \$2 million on 2005-06.

### **Capital Expenditure**

Capital expenditure in 2006-07 is estimated to be \$3 million.

Major works include an additional module for the core business system and staged renovations to PTNSW's head office building. Other works include the purchase of computer hardware, replacement of wide area branch network components, and software upgrades.

## **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.

### **RECENT DEVELOPMENTS**

Demand for Registry services began to stabilise after considerable growth in the previous two years. Fees for Change of Name and the Birth Card were increased in October 2005 to better reflect the cost of providing these services.

Achievements during 2005-06 included:

- ◆ the merging of the Registry's call centre operations with LawAccess NSW to establish a new call centre facility providing state-of-the-art service standards through better technology and human resource management;

- ◆ continuing to set new standards in the delivery of timely, efficient counter services to clients;
- ◆ providing enhanced training to staff in customer service and fraud prevention;
- ◆ improving internal auditing to reduce fraud risk;
- ◆ introducing automated, daily reporting of child deaths to the Ombudsman's Office and Office for Children;
- ◆ converting records from paper to indexed digital format, to facilitate client access and prevent deterioration of historic paper records;
- ◆ extending online certificate validation services, minimising the fraudulent use of birth certificates;
- ◆ providing extended internet access to birth, deaths and marriage indexes, and allowing family history certificates to be ordered online;
- ◆ with the Department of Health, implementing online notification of births and follow-up action to capture unregistered births; and
- ◆ working with Aboriginal and Torres Strait Islander community to improve birth registration.

## **STRATEGIC DIRECTIONS**

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

Key priorities for 2006-07 will be:

- ◆ close co-operation with other jurisdictions and the Commonwealth Government on measures to enhance identity security;
- ◆ the procurement of the new LifeLink registration system;
- ◆ the expansion of online 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 online systems to improve the security and integrity of the registration process.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for 2006-07 are estimated to be \$21.9 million. The increase over the 2005-06 budget of \$20.3 million is due to a full year's cost of the enhanced call centre services plus increases in employee related expenses. Leasing costs have been reduced as the Registry moves to purchase IT hardware.

Revenue is forecast to increase to \$25.1 million.

The Registry is forecasting a total return to consolidated revenue of \$2.2 million comprising \$0.9 million in tax equivalent payments and a dividend of \$1.3 million.

### **Capital Expenditure**

The Registry has allowed an amount of \$4.8 million for capital expenditure in 2006-07. This includes \$3 million for the LifeLink registration system, \$0.4 million for further development of online registration systems, \$0.2 million for indexing and data conversion of 1856 to 1951 and 1952 to 1994 registrations, \$0.4 million for upgrades to its offices at Chippendale, Newcastle and Wollongong, and \$0.6 million to continue replacing information technology hardware previously leased.

## **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. It comprises the heritage Mitchell and Dixson Libraries, the State Reference Library and web services. The State Library is becoming a portal for online access to these unique collections for the citizens of New South Wales.

The Library Council of New South Wales is the Library's governing body. The *Library Act 1939* and *Library Regulation 2005* define the Council's objects, powers and duties, and the Library's role and responsibilities.

## RESULTS AND SERVICES

The State Library contributes to community development with innovative information programs and services. The Library achieves its mission by working towards the following results:

- ◆ Library services meet community information needs, interests and abilities.
- ◆ Collaboration with public libraries enables State-wide services.
- ◆ Partnership opportunities realise value for money.
- ◆ NSW Government legislative and policy requirements are fulfilled.

Key services that contribute to these results include:

- ◆ providing information services and programs for people who visit the Library or who seek information online or by other means;
- ◆ providing collection management to build, preserve, digitise and ensure the security of the collections, including the unique heritage Mitchell and Dixson Libraries of historical and Australian resources, and the documented cultural heritage of New South Wales;
- ◆ administering and providing public libraries' grants and subsidies; and
- ◆ providing public library 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.

## RECENT DEVELOPMENTS

Over the past five years, total expenses have increased from \$70 million in 2002-03 to a projected \$84.6 million in 2006-07. These costs include preservation, protection and expansion of our most important state repository of books and documents. Recent developments are working towards the following results:

- ◆ the Library's collection value and security is maintained. At the end of 2004-05, the Library's total collection assets were valued at approximately \$1.9 billion and land and buildings were valued at \$244 million. To preserve and maintain the Library collections to appropriate standards, the Library will spend \$1.8 million in 2005-06 with a further allocation of \$4 million over the next three years for offsite storage requirements;

- ◆ the community has equitable access to public library services and collections. Funding continues to be provided in 2006-07 to the value of \$24.5 million to enable public libraries to improve community access to library collections and services; and
- ◆ users will have access to online services and web resources via *atmitchell.com*. Increased effort and expenditure is being allocated to online service delivery and access to online and digitised information content through *atmitchell.com*.

## **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 directions leading to 2010 are to:

- ◆ develop *atmitchell.com* as the Library's electronic web service and delivery brand;
- ◆ implement a service delivery model that integrates print and online delivery, through *atmitchell.com*;
- ◆ manage the collections to enhance access through digitisation, storage and preservation;
- ◆ work with public libraries to share resources and expertise; and
- ◆ enable greater access to the Library's resources via our public library network of internet access points.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses are estimated at \$84.6 million, of which the Library will distribute \$24.5 million under the State's public library subsidies and grants program, including costs associated with *NSW.net*.

## Capital Expenditure

Total capital expenditure in 2006-07 is estimated at \$12.9 million including:

- ◆ major asset management and maintenance works of \$3.7 million;
- ◆ collection acquisitions of \$7.6 million, including books, journals, pictures, maps, manuscripts and electronic resources;
- ◆ information communications technology equipment of \$1.1 million; and
- ◆ other minor works of \$0.5 million.

## AUSTRALIAN MUSEUM

The Museum is Australia's leading natural and cultural history museum. Its mission is to inspire the exploration of nature and cultures. The Museum's activities take place at its main site at College Street Sydney, and throughout New South Wales through its regional museum partnerships, outreach and rural and regional support programs. Worldwide access has grown dramatically during recent years via the internet. Its governing legislation is the *Australian Museum Trust Act 1975*.

## RESULTS AND SERVICES

The Museum will continue to work towards the following results:

- ◆ Scientific researchers and the community more generally have access to the Museum's natural history and cultural collections.
- ◆ Knowledge generated by scientific research within the Museum is accessible to the public, other government agencies and private parties.
- ◆ The community has access to a wide range of information about natural history and cultures.

Completion of the Museum Renewal Program will support the ongoing delivery of the Museum's primary services:

- ◆ managing the collection;
- ◆ undertaking scientific research; and
- ◆ delivering public programs.

## **RECENT DEVELOPMENTS**

Over the past five years total expenses have increased from \$34.4 million in 2001-02 to an expected \$34.8 million in 2005-06. Contributing costs include the staging of public programs, exhibitions and scientific research.

The Government has committed \$40.9 million for the renewal of the Australian Museum. This program includes gallery refurbishment and accommodation improvements and addressing a range of health, safety and security issues.

## **STRATEGIC DIRECTIONS**

The Museum's focus in 2006-07 will continue to be on scientific research, exhibitions and education and it 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.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for the Museum are budgeted at \$34.6 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 2006-07 will include *Eaten Alive*, a hands-on exhibition about predators and *Bog People*, an object rich display about ritual sacrifice in Celtic Europe using evidence from bodies found preserved in peat bogs, together with the continued 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 "Wildlife Photographer of the Year", as well as extensive outreach and web-based programs.

## **Capital Expenditure**

Total capital expenditure in 2006-07 is estimated at \$20.3 million. Budget funding totalling \$40.9 million (\$17.5 million in 2006-07) has been allocated over five years for a program of gallery refurbishment and accommodation improvements. This will also address a range of health, safety and security issues and will support ongoing delivery of primary Museum services.

Other significant projects include the privately funded work on the refurbishment of the facilities at the Lizard Island Reef Research Station (\$1 million in 2006-07).

## **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.

## **RESULTS AND SERVICES**

The Museum is working towards the following results:

- ◆ Greater community understanding and knowledge of New South Wales and Australia and its role in the world.
- ◆ Community understanding of and respect for diversity of cultures.
- ◆ New South Wales cultural heritage is valued by the community and the world.

Key services provided by the Museum which contribute to these results include:

- ◆ providing public access to cultural programs and services; and
- ◆ managing cultural heritage collections and assets held in trust for the people of New South Wales.

## **RECENT DEVELOPMENTS**

The Museum's expenditure over the past five years has increased from \$38.4 million in 2001-02 to a projected \$46.4 million in 2005-06.

## STRATEGIC DIRECTIONS

The Strategic Plan 2005 to 2008 commits the Museum to refreshing five key dimensions of museum operations. This commitment to refresh recognises that it is nearly 20 years since the Powerhouse opened and that a strategic and co-ordinated re-invigoration of spaces, services and programs is timely. The five key areas being refreshed are:

- ◆ *refreshing our programs* focuses on the development of integrated exhibitions and public programs linked to audience research and the identification of key audience targets;
- ◆ *refreshing our positioning* recognises the reach of the Museum to regional audiences, the development of strategic partnerships and membership base;
- ◆ *refreshing our people* acknowledges the benefit of workplace strategies which encourage workplace flexibility and which supports creativity and innovation in staff;
- ◆ *refreshing our processes* reflects a commitment to resource planning and risk management focused on becoming a sustainable organisation in an environmental, financial and social context. The introduction of a commissioning process enables the streamlined development and delivery of exhibitions and programs; and
- ◆ *refreshing our presence* acknowledges the physical presence and functionality of the Museum. Master planning at the Powerhouse focuses on refreshing the overall visitor experience through improvements to exhibition spaces, signage and lighting. The Castle Hill facility with publicly accessible areas offers opportunities to engage audiences in north-western Sydney whilst the completion of a multi-purpose facility at Sydney Observatory will increase the capacity for school activities and public programs.

Creativity and innovation are common themes within the five refresh areas, reflecting a commitment to bring to the fore the values which underpin the Museum's mission and purpose.

## 2006-07 BUDGET

### Total Expenses

Total expenses for 2006-07 are budgeted at \$46.2 million which is approximately the same as expenses in 2005-06.

## **Capital Expenditure**

Total capital expenditure in 2006-07 is estimated at \$7.8 million. This includes \$5.5 million for major works in progress:

- ◆ \$1.8 million for the Sydney Observatory (Meteorological Building) – Design and Refurbish;
- ◆ \$1.5 million for Permanent Gallery Replacement; and
- ◆ \$2.2 million for various upgrading works for the Museum’s property infrastructure and service delivery assets.

Additionally, minor works involving expenditure of approximately \$2.3 million will be undertaken in 2006-07 including:

- ◆ \$0.8 million for plant and equipment (including for information and communication technology equipment);
- ◆ \$1.2 million for collection purchases, maintenance and assessment; and
- ◆ \$0.3 million for minor miscellaneous works.

## **HISTORIC HOUSES TRUST OF NEW SOUTH WALES**

The Historic Houses Trust of New South Wales is entrusted with the care of historically significant heritage properties in the State. The Trust provides the public with access to places of cultural significance and enables them to gain a greater awareness and interest in the State’s cultural heritage.

## **RESULTS AND SERVICES**

The Trust is focused on achieving the following results:

- ◆ Properties and collections are conserved to international best practice standard.
- ◆ The New South Wales community is provided with the latest conservation information, advice and services.
- ◆ The broader community (local, state, interstate and international) is able to access, understand and appreciate New South Wales history and cultural heritage.

The key services provided by the Trust that contribute to these results are:

- ◆ conserving heritage properties;
- ◆ providing access to heritage properties, exhibitions, regional programs and a schools education program; and
- ◆ managing heritage properties.

## **RECENT DEVELOPMENTS**

In accordance with its increased role and responsibility, the Trust's operating expenditure has grown from \$12.7 million in 1996-97 to a projected \$23.4 million in 2005-06.

Operating expenditure in 2005-06 included \$2.6 million for additional maintenance work to properties in accordance with the Government's policy on heritage asset management.

The Historic Houses Trust head office and its service units, including Collections Management, Education, Exhibitions, Publications, Design, Library and Research Collection, and Public Programs have been consolidated and settled at the new accommodation at The Mint.

The family of the late Caroline Simpson has gifted to the Historic Houses 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.

## **STRATEGIC DIRECTIONS**

The *Historic Houses Act 1980* was amended in 2005 to reflect more accurately the role of the Historic Houses Trust in managing and maintaining not only historic houses but also other buildings, structures and sites.

There has been a continuing increase in the use of Government House since 1996, including its use by the Governor. Additional capital funding of \$1.4 million in 2006-07 and \$0.8 million in 2007-08 has been approved for Government House. This will improve security, refurbish and improve the environmental condition of the State Rooms.

The Historic Houses Trust continues to work with a number of government agencies in the planning for the North-West Sector Growth Area, which surrounds Rouse Hill estate.

The Historic Houses Trust is also working with the Heritage Council in relation to a proposal to transfer some property assets of the Heritage Council to the Trust.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are estimated at \$23.9 million and include:

- ◆ maintenance work on properties in accordance with the Trust's Total Asset Management Plan at a cost of \$2.6 million; and
- ◆ a number of major exhibitions and publications including:
  - an exhibition and major book to mark the 75th anniversary, in 2007, of the opening of the Sydney Harbour Bridge;
  - exhibitions showcasing one of the most important private collections of colonial art, the history of apartment living in Sydney and policing in the 1930s; and
  - an extensive program of travelling exhibitions to regional areas will be undertaken including Regional Police Stations, Meroogal Womens Arts Prize, Drugs: a social history, Cook's sites and Joseph Lycett: convict artist.

### **Capital Expenditure**

Total capital expenditure in 2006-07 is estimated at approximately \$1.9 million including:

- ◆ \$1.4 million for necessary capital works including improved security at Government House;
- ◆ \$0.3 million for purchase of collection items; and
- ◆ \$0.2 million for the replacement and upgrade of computers, plant and equipment.

## ART GALLERY OF NEW SOUTH WALES

The Art Gallery of New South Wales is one of the State's leading cultural institutions with a focus on refreshing and developing public programs in response to planned exhibitions and the collection holdings. The Gallery aims to extend its audience's participation and enjoyment of fine arts. Governing legislation is the *Art Gallery of New South Wales Act 1980*.

### RESULTS AND SERVICES

The Art Gallery enhances access and participation to the fine arts by working towards the following results:

- ◆ The public has daily free access to a world class public fine arts gallery.
- ◆ Art appreciation is increased with inspiring art exhibitions and associated public programs.
- ◆ The State's cultural heritage collection is strengthened with the acquisition of important and outstanding Australian works available each year and the continuous conservation of these art works maintains their unique cultural value.
- ◆ Educational programs of high quality are available to students and interested members of the public.

Key services provided by the Art Gallery which contribute to these results include:

- ◆ presenting at least 25 new exhibitions supported by engaging public programs each year; and
- ◆ maintaining a heritage building to meet international museum standards.

### RECENT DEVELOPMENTS

Over the past five years total expenses have increased from \$27.5 million in 2001-02 to an estimated \$35.4 million for 2005-06.

The fine arts collection continues to be enhanced with private funds used for the acquisition of Procaccini's *The Lowering of the Cross with Sts Mary Magdalene, Augustine, Jerome and Angel*, valued at \$2 million. In 2005-06 major international and Australian art exhibitions continued to be developed by the Art Gallery's curators including *Margaret Preston: art and life* and *Camille Pissarro: The first impressionist* which attracted both large audiences and favourable public response.

## **STRATEGIC DIRECTIONS**

The Art Gallery's continuing main strategic objective is to operate an energetic, outgoing and accessible fine arts cultural institution for the people of New South Wales.

## **2006-07 BUDGET**

### **Total Expenses**

Operating expenses for the forthcoming year are budgeted at \$37.6 million. Major exhibitions are planned for 2006-07 including *GODDESS Divine Energy* which will cover the countless, imaginative expressions of the divine female found in the art of India, Tibet and Nepal and will feature over 120 paintings and sculptures, dating from the early centuries common era through to the 20th century. The annual Archibald Prize will continue to be toured to regional galleries in New South Wales.

### **Capital Expenditure**

Total capital expenditure in 2006-07 is estimated at \$2.8 million. This includes:

- ◆ \$1.8 million for the ongoing heritage building upgrade and minor works; and
- ◆ \$1 million for the ongoing acquisition of works of art. It is also anticipated that the fine art collection will be further enhanced with major contributions from the Art Gallery Society, the Art Gallery Foundation 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*. State Records' regulatory and archival functions and services receive funding support from the Budget (through the Department of the Arts, Sport and Recreation) while the Government Records Repository is self-funded.

## **RESULTS AND SERVICES**

State Records contributes to good governance and to the enrichment of the community by working towards the following results:

- ◆ The New South Wales public sector has reliable, well-managed records that are available when needed.
- ◆ The State's official archives are preserved and available for use by the community and the Government.

Key services provided by State Records which contribute to these results include:

- ◆ setting and monitoring standards for, and providing guidance on, public sector records management;
- ◆ providing storage and associated services to the sector; and
- ◆ identifying, documenting, preserving and providing access to the State's official archives.

## **RECENT DEVELOPMENTS**

Over the last five years total expenses have increased from \$12 million in 2001-02 to an expected \$15 million in 2005-06.

A new records storage building was completed at State Records' Kingswood site, providing an additional 137 linear kilometres of capacity to meet continued demand for storage services from public sector clients.

The delivery of Government services depends increasingly on information, communications and technology. Underpinning this dependency must be a robust and reliable records system, including digital records, that is accessible for as long as required.

## **STRATEGIC DIRECTIONS**

State Records' key priorities in 2006-07 will be to:

- ◆ establish a whole-of-government strategy for digital recordkeeping, including digital records requiring long-term retention; and
- ◆ promote more efficient records management through improved records retention and disposal practices across the sector.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses are budgeted at \$15.3 million in 2006-07. This includes:

- ◆ \$7.4 million for State Records' regulatory and archival collection and service delivery functions; and
- ◆ \$7.9 million for operating expenses of the Government Records Repository.

### **Capital Expenditure**

Total capital expenditure in 2006-07 is estimated at approximately \$1.9 million, including \$1.6 million for recladding the Kingswood Stage 2 repository building and refurbishing it to current occupational health and safety requirements.

## **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.

### **RESULTS AND SERVICES**

The Office is working towards the following results:

- ◆ Support and encouragement of talented people and quality projects to develop the NSW film and television industries.
- ◆ Establish New South Wales as the preferred choice for local and international filming.
- ◆ Increased public interest in film as a medium of communication and as an art form, and a wide audience for locally produced film and television.

Key services provided by the Office that contribute to these results include:

- ◆ participating in projects that are likely to be commercially successful, receive critical acclaim, substantially contribute to the economic well-being of New South Wales and are culturally relevant;
- ◆ providing production attraction advisory services and marketing New South Wales as a filming destination;

- ◆ developing film makers through workshops, script development grants, and traineeship schemes; and
- ◆ providing grants for industry and audience development and regional film making.

## **RECENT DEVELOPMENTS**

The Office provided production investment funding of \$3.6 million in 2003-04, \$4 million in 2004-05 and \$4.3 million in 2005-06.

The Office established the Enterprise Business Skills workshops in association with other agencies and has been instrumental in helping projects gain access to key international markets. The Office recently established Hothouse - a business skills scheme for documentary producers in association with Film Australia and will shortly launch workshops for television scripts modelled on the successful Aurora program for feature film scripts.

## **STRATEGIC DIRECTIONS**

Key priorities of the Office are:

- ◆ the promotion of employment, investment and export growth and a commitment to quality, innovation and local identity; and
- ◆ initiatives to promote a viable industry through development of business skills and improved international marketing of New South Wales projects.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for the Office for 2006-07 are budgeted at \$10.1 million. Major activities to be funded include:

- ◆ \$1.2 million for script and project development;
- ◆ \$3.6 million for production investment; and
- ◆ \$1.5 million for production loan financing.

### **Capital Expenditure**

Total capital expenditure in 2006-07 is estimated at \$44,000 for minor works to improve and replace office equipment.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Employee related                              | 331,435         | 326,088          | <b>340,092</b>                      |
| Other operating expenses                      | 82,549          | 83,628           | <b>87,361</b>                       |
| Depreciation and amortisation                 | 35,786          | 38,938           | <b>42,493</b>                       |
| Grants and subsidies                          | 18,699          | 18,763           | <b>19,281</b>                       |
| Other expenses                                | 134,469         | 140,497          | <b>141,195</b>                      |
| <b>Total Expenses Excluding Losses</b>        | <b>602,938</b>  | <b>607,914</b>   | <b>630,422</b>                      |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 97,283          | 99,343           | <b>100,832</b>                      |
| Investment income                             | 3,477           | 3,981            | <b>3,522</b>                        |
| Retained taxes, fees and fines                | 5,500           | 7,500            | <b>8,500</b>                        |
| Grants and contributions                      | 10,101          | 11,341           | <b>10,303</b>                       |
| Other revenue                                 | 11,569          | 13,480           | <b>11,820</b>                       |
| <b>Total Retained Revenue</b>                 | <b>127,930</b>  | <b>135,645</b>   | <b>134,977</b>                      |
| Gain/(loss) on disposal of non current assets | 10              | (939)            | <b>10</b>                           |
| Other gains/(losses)                          | (2,000)         | (3,500)          | <b>(3,500)</b>                      |
| <b>NET COST OF SERVICES</b>                   | <b>476,998</b>  | <b>476,708</b>   | <b>498,935</b>                      |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**11 ATTORNEY GENERAL'S DEPARTMENT**

|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>CASH FLOW STATEMENT</b>                          |                  |                  |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                  |                  |                  |
| <b>Payments</b>                                     |                  |                  |                  |
| Employee related                                    | 286,399          | 281,922          | <b>294,578</b>   |
| Grants and subsidies                                | 18,699           | 18,763           | <b>19,281</b>    |
| Finance costs                                       | 2,515            | 2,515            | <b>2,408</b>     |
| Other   | 230,888          | 243,852          | <b>248,384</b>   |
| <b>Total Payments</b>                               | <b>538,501</b>   | <b>547,052</b>   | <b>564,651</b>   |
| <b>Receipts</b>                                     |                  |                  |                  |
| Sale of goods and services                          | 95,283           | 95,843           | <b>97,332</b>    |
| Interest  | 312              | 557              | <b>292</b>       |
| Other   | 46,835           | 58,275           | <b>56,323</b>    |
| <b>Total Receipts</b>                               | <b>142,430</b>   | <b>154,675</b>   | <b>153,947</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(396,071)</b> | <b>(392,377)</b> | <b>(410,704)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                  |                  |                  |
| Proceeds from sale of property, plant and equipment | 10               | 31               | <b>10</b>        |
| Purchases of property, plant and equipment          | (95,443)         | (84,133)         | <b>(116,292)</b> |
| Other*  | ...              | (5,124)          | <b>(7,052)</b>   |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(95,433)</b>  | <b>(89,226)</b>  | <b>(123,334)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                  |                  |                  |
| Repayment of borrowings and advances                | (1,589)          | (1,741)          | <b>(1,699)</b>   |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(1,589)</b>   | <b>(1,741)</b>   | <b>(1,699)</b>   |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                  |                  |                  |
| Recurrent appropriation                             | 397,467          | 399,962          | <b>411,196</b>   |
| Capital appropriation                               | 96,959           | 90,773           | <b>124,965</b>   |
| Cash transfers to Consolidated Fund                 | ...              | (2,893)          | ...              |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>494,426</b>   | <b>487,842</b>   | <b>536,161</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>1,333</b>     | <b>4,498</b>     | <b>424</b>       |
| Opening Cash and Cash Equivalents                   | 7,758            | 8,140            | <b>12,638</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>9,091</b>     | <b>12,638</b>    | <b>13,062</b>    |

\* Comprises purchase of software intangibles.

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ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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11 ATTORNEY GENERAL'S DEPARTMENT

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|  | 2005-06          |                  | 2006-07          |
|--|------------------|------------------|------------------|
|  | Budget           | Revised          | Budget           |
|  | \$000            | \$000            | \$000            |
| <b>CASH FLOW STATEMENT (cont)</b>              |                  |                  |                  |
| <b>CASH FLOW RECONCILIATION</b>                |                  |                  |                  |
| Net cost of services                           | (476,998)        | (476,708)        | <b>(498,935)</b> |
| Non cash items added back                      | 78,822           | 81,627           | <b>87,512</b>    |
| Change in operating assets and liabilities     | 2,105            | 2,704            | <b>719</b>       |
| <b>Net cash flow from operating activities</b> | <b>(396,071)</b> | <b>(392,377)</b> | <b>(410,704)</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 9,091           | 12,638           | <b>13,062</b>   |
| Receivables                          | 20,321          | 23,106           | <b>23,136</b>   |
| Other                                | 1,688           | 2,391            | <b>2,391</b>    |
| <b>Total Current Assets</b>          | <b>31,100</b>   | <b>38,135</b>    | <b>38,589</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Receivables                          | 20,253          | 24,969           | <b>24,969</b>   |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 664,169         | 735,912          | <b>816,009</b>  |
| Plant and equipment                  | 49,281          | 51,441           | <b>47,071</b>   |
| Intangibles                          | 25,371          | 31,800           | <b>36,924</b>   |
| Other                                | 4,297           | 3,550            | <b>3,550</b>    |
| <b>Total Non Current Assets</b>      | <b>763,371</b>  | <b>847,672</b>   | <b>928,523</b>  |
| <b>Total Assets</b>                  | <b>794,471</b>  | <b>885,807</b>   | <b>967,112</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 16,368          | 19,562           | <b>19,932</b>   |
| Borrowings                           | 1,699           | 1,699            | <b>1,817</b>    |
| Provisions                           | 21,720          | 22,191           | <b>22,216</b>   |
| Other                                | 12,753          | 7,140            | <b>7,140</b>    |
| <b>Total Current Liabilities</b>     | <b>52,540</b>   | <b>50,592</b>    | <b>51,105</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | 35,192          | 38,838           | <b>37,021</b>   |
| Provisions                           | 14,097          | 13,673           | <b>14,037</b>   |
| <b>Total Non Current Liabilities</b> | <b>49,289</b>   | <b>52,511</b>    | <b>51,058</b>   |
| <b>Total Liabilities</b>             | <b>101,829</b>  | <b>103,103</b>   | <b>102,163</b>  |
| <b>NET ASSETS</b>                    | <b>692,642</b>  | <b>782,704</b>   | <b>864,949</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 225,424         | 317,338          | <b>317,338</b>  |
| Accumulated funds                    | 467,218         | 465,366          | <b>547,611</b>  |
| <b>TOTAL EQUITY</b>                  | <b>692,642</b>  | <b>782,704</b>   | <b>864,949</b>  |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.1 Justice Services**

**11.1.1 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.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :  |       |         |         |         |                |
| Proposals for legislative reform considered by Parliament       | no.   | 38      | 31      | 32      | <b>32</b>      |
| Advicings provided to the Attorney General and Director General | no.   | 2,358   | 2,241   | 2,300   | <b>2,350</b>   |
| <u>Average Staffing</u> :                                       | EFT   | 141     | 117     | 130     | <b>135</b>     |

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Operating expenses -                            |               |               |               |
| Employee related                                | 12,235        | 12,188        | <b>13,842</b> |
| Other operating expenses                        | 4,520         | 3,852         | <b>4,416</b>  |
| Depreciation and amortisation                   | 461           | 553           | <b>632</b>    |
| Grants and subsidies                            |               |               |               |
| Recurrent grants to non-profit organisations    | 5,624         | 5,610         | <b>5,333</b>  |
| Criminology Research                            | 65            | 58            | <b>65</b>     |
| Australian Institute of Judicial Administration | 63            | 63            | <b>63</b>     |
| <b>Total Expenses Excluding Losses</b>          | <b>22,968</b> | <b>22,324</b> | <b>24,351</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.1 Justice Services**

**11.1.1 Justice Policy and Planning (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Sales of goods and services                             |               |               |               |
| Services provided to departmental commercial activities | 81            | 74            | <b>84</b>     |
| Minor sales of goods and services                       | 11            | 3             | <b>11</b>     |
| Investment income                                       | 53            | 69            | <b>52</b>     |
| Grants and contributions                                | 1,679         | 1,675         | <b>1,705</b>  |
| Other revenue   | 32            | 109           | <b>32</b>     |
| <b>Total Retained Revenue</b>                           | <b>1,856</b>  | <b>1,930</b>  | <b>1,884</b>  |
| Gain/(loss) on disposal of non current assets           | ...           | (16)          | ...           |
| <b>NET COST OF SERVICES</b>                             | <b>21,112</b> | <b>20,410</b> | <b>22,467</b> |

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|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>1,462</b> | <b>3,185</b> | <b>1,076</b> |
|----------------------------|--------------|--------------|--------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

**11.1 Justice Services**

**11.1.2 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      2003-04    2004-05    2005-06    **2006-07**

Outputs:

|   |     |       |       |       |              |
|---|-----|-------|-------|-------|--------------|
| Telephone inquiries concerning dissatisfaction with legal practitioners | no. | 8,800 | 9,087 | 9,200 | <b>9,100</b> |
| Complaints and consumer disputes received                               | no. | 2,795 | 2,694 | 2,900 | <b>2,900</b> |
| Admissions to legal practice  | no. | 1,907 | 1,931 | 2,000 | <b>1,900</b> |
| <u>Average Staffing</u> :   | EFT | 29    | 27    | 35    | <b>33</b>    |

|                   |         |                |
|-------------------|---------|----------------|
| —————2005-06————— |         | <b>2006-07</b> |
| Budget            | Revised | <b>Budget</b>  |
| \$000             | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                         |              |              |              |
| Employee related                             | 2,729        | 2,699        | <b>2,762</b> |
| Other operating expenses                     | 1,011        | 1,224        | <b>1,000</b> |
| Depreciation and amortisation                | 50           | 62           | <b>71</b>    |
| Grants and subsidies                         |              |              |              |
| Recurrent grants to non-profit organisations | 52           | 52           | <b>54</b>    |
| <b>Total Expenses Excluding Losses</b>       | <b>3,842</b> | <b>4,037</b> | <b>3,887</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.1 Justice Services**

**11.1.2 Regulatory Services (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |              |              |              |
|---|--------------|--------------|--------------|
| Sales of goods and services                             |              |              |              |
| Services provided to departmental commercial activities | 2            | 4            | 4            |
| Minor sales of goods and services                       | 41           | 6            | 43           |
| Investment income                                       | 1            | 4            | 3            |
| Other revenue   | 3,754        | 3,864        | 3,782        |
| <b>Total Retained Revenue</b>                           | <b>3,798</b> | <b>3,878</b> | <b>3,832</b> |
| Gain/(loss) on disposal of non current assets           | ...          | (1)          | ...          |
| <b>NET COST OF SERVICES</b>                             | <b>44</b>    | <b>160</b>   | <b>55</b>    |
| <br>  |              |              |              |
| <b>CAPITAL EXPENDITURE</b>                              | <b>290</b>   | <b>202</b>   | <b>439</b>   |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.1 Justice Services**

**11.1.3 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 agencies on legal services.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :   |       |         |         |         |                |
| Higher Court matters completed by Public Defenders   | no.   | 538     | 525     | 560     | <b>560</b>     |
| Higher Court and Criminal Court of Appeal written advices/ appeals finalised by Public Defenders | no.   | 440     | 429     | 450     | <b>450</b>     |
| Matters dealt with through the Community Justice Centres   | no.   | 6,828   | 7,321   | 7,200   | <b>7,400</b>   |
| <u>Average Staffing</u> :  | EFT   | 135     | 145     | 152     | <b>161</b>     |

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| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |        |        |               |
|--|--------|--------|---------------|
| Operating expenses -                         |        |        |               |
| Employee related                             | 18,214 | 16,453 | <b>18,317</b> |
| Other operating expenses                     | 7,366  | 7,090  | <b>7,451</b>  |
| Depreciation and amortisation                | 785    | 951    | <b>1,041</b>  |
| Grants and subsidies                         |        |        |               |
| Recurrent grants to non-profit organisations | 53     | 32     | <b>54</b>     |
| Commercial Disputes Centre                   | 81     | 72     | <b>81</b>     |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.1 Justice Services**

**11.1.3 Legal and Support Services (cont)**

**OPERATING STATEMENT (cont)**

|   |        |        |               |
|---|--------|--------|---------------|
| Other expenses                                      |        |        |               |
| Compensation for legal costs                        | 462    | 1,049  | <b>462</b>    |
| Costs associated with the Criminal Cases Act        | 1,369  | 1,550  | <b>1,407</b>  |
| Costs awarded against the Crown in criminal matters | 1,163  | 2,010  | <b>1,196</b>  |
| Legal Representation Office                         | 967    | 200    | <b>967</b>    |
| Witnesses expenses                                  | 100    | 50     | <b>100</b>    |
| Special inquiries - expenses                        | ...    | 380    | ...           |
| Legal assistance claims                             | 45     | 75     | <b>45</b>     |
| Dormant Funds on Public Trust                       | 27     | 27     | <b>28</b>     |
| Crown Solicitor's Office                            | 22,740 | 24,145 | <b>23,240</b> |

|  |               |               |               |
|--|---------------|---------------|---------------|
| <b>Total Expenses Excluding Losses</b> | <b>53,372</b> | <b>54,084</b> | <b>54,389</b> |
|--|---------------|---------------|---------------|

Less:

**Retained Revenue -**

|   |       |       |              |
|---|-------|-------|--------------|
| Sales of goods and services                             |       |       |              |
| Services provided to departmental commercial activities | 110   | 2,961 | <b>3,603</b> |
| Minor sales of goods and services                       | 3,396 | 186   | <b>11</b>    |
| Investment income                                       | 72    | 136   | <b>64</b>    |
| Grants and contributions                                | 2,973 | 2,997 | <b>3,109</b> |
| Other revenue   | 795   | 1,023 | <b>904</b>   |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>7,346</b> | <b>7,303</b> | <b>7,691</b> |
|-------------------------------|--------------|--------------|--------------|

|   |   |      |     |
|---|---|------|-----|
| Gain/(loss) on disposal of non current assets | 1 | (64) | ... |
|---|---|------|-----|

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>46,025</b> | <b>46,845</b> | <b>46,698</b> |
|-----------------------------|---------------|---------------|---------------|

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|                            |              |            |              |
|----------------------------|--------------|------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>1,096</b> | <b>761</b> | <b>2,055</b> |
|----------------------------|--------------|------------|--------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

**11.1 Justice Services**

**11.1.4 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.

|                               | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|-------------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>               |       |         |         |         |                |
| Court security hours provided | no.   | 187,888 | 209,036 | 240,000 | <b>252,000</b> |
| Court hours recorded          | no.   | 79,562  | 81,791  | 85,000  | <b>85,500</b>  |
| Court hours transcribed       | no.   | 60,720  | 67,306  | 70,000  | <b>71,000</b>  |
| Executory processes actioned  | no.   | 88,336  | 94,574  | 90,000  | <b>79,000</b>  |
| <u>Average Staffing:</u>      | EFT   | 876     | 839     | 837     | <b>870</b>     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                         |               |               |               |
| Employee related                             | 57,814        | 55,658        | <b>59,690</b> |
| Other operating expenses                     | 14,554        | 14,487        | <b>16,173</b> |
| Depreciation and amortisation                | 3,800         | 4,264         | <b>4,867</b>  |
| Grants and subsidies                         |               |               |               |
| Recurrent grants to non-profit organisations | ...           | 13            | <b>2</b>      |
| Other expenses                               |               |               |               |
| Jury costs                                   | 6,741         | 7,782         | <b>7,230</b>  |
| Ex gratia payments                           | ...           | 6             | ...           |
| <b>Total Expenses Excluding Losses</b>       | <b>82,909</b> | <b>82,210</b> | <b>87,962</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.1 Justice Services**

**11.1.4 Justice Support Services (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

Sales of goods and services

|   |       |       |       |
|---|-------|-------|-------|
| Sale of transcripts                                     | ...   | 242   | ...   |
| Sheriff's fees  | 4,720 | 4,143 | 4,191 |
| Services provided to departmental commercial activities | 594   | 533   | 619   |
| Minor sales of goods and services                       | 18    | 82    | 19    |
| Investment income                                       | 349   | 444   | 343   |
| Grants and contributions                                | 907   | 906   | 937   |
| Other revenue   | 923   | 962   | 451   |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>7,511</b> | <b>7,312</b> | <b>6,560</b> |
|-------------------------------|--------------|--------------|--------------|

|   |   |       |   |
|---|---|-------|---|
| Gain/(loss) on disposal of non current assets | 3 | (103) | 3 |
|---|---|-------|---|

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>75,395</b> | <b>75,001</b> | <b>81,399</b> |
|-----------------------------|---------------|---------------|---------------|

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|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>4,597</b> | <b>3,968</b> | <b>7,001</b> |
|----------------------------|--------------|--------------|--------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

**11.1 Justice Services**

**11.1.5 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Administrative Decisions Tribunal-<br>Total cases finalised           | no.   | 901     | 990     | 1,140   | <b>1,500</b>   |
| Anti-Discrimination Board-<br>Complaints lodged                       | no.   | 943     | 1,051   | 1,100   | <b>1,200</b>   |
| Office of Public Guardian-<br>Clients assisted by the Public Guardian | no.   | 2,082   | 1,672   | 2,273   | <b>2,440</b>   |
| Privacy NSW-<br>Privacy Complaints lodged                             | no.   | 124     | 115     | 85      | <b>100</b>     |
| Victims Compensation Tribunal-<br>Applications received               | no.   | 5,268   | 5,098   | 5,100   | <b>5,100</b>   |
| Counselling hours funded  | no.   | 22,757  | 25,901  | 23,000  | <b>23,500</b>  |
| <u>Average Staffing</u> :   | EFT   | 162     | 147     | 130     | <b>136</b>     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |       |       |              |
|--|-------|-------|--------------|
| Operating expenses -                         |       |       |              |
| Employee related                             | 7,518 | 6,908 | <b>7,687</b> |
| Other operating expenses                     | 4,166 | 3,647 | <b>4,141</b> |
| Depreciation and amortisation                | 597   | 543   | <b>673</b>   |
| Grants and subsidies                         |       |       |              |
| Office of the Protective Commissioner        | 7,918 | 7,918 | <b>7,432</b> |
| Recurrent grants to non-profit organisations | 42    | 44    | <b>43</b>    |
| Public Trust Office                          | 2,390 | 2,456 | <b>2,480</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.1 Justice Services**

**11.1.5 Human Rights Services (cont)**

**OPERATING STATEMENT (cont)**

|   |               |               |                |
|---|---------------|---------------|----------------|
| Other expenses  |               |               |                |
| Office of the Public Guardian                           | 6,112         | 6,443         | <b>6,751</b>   |
| Compensation to victims of crimes                       | 69,346        | 71,352        | <b>71,346</b>  |
| <b>Total Expenses Excluding Losses</b>                  | <b>98,089</b> | <b>99,311</b> | <b>100,553</b> |
| Less:   |               |               |                |
| <b>Retained Revenue -</b>                               |               |               |                |
| Sales of goods and services                             |               |               |                |
| Services provided to departmental commercial activities | 91            | 77            | <b>87</b>      |
| Minor sales of goods and services                       | 831           | 653           | <b>728</b>     |
| Investment income                                       | 59            | 73            | <b>53</b>      |
| Retained taxes, fees and fines                          | 5,500         | 7,500         | <b>8,500</b>   |
| Grants and contributions                                | ...           | 4             | ...            |
| Other revenue   | 1,092         | 1,071         | <b>1,158</b>   |
| <b>Total Retained Revenue</b>                           | <b>7,573</b>  | <b>9,378</b>  | <b>10,526</b>  |
| Gain/(loss) on disposal of non current assets           | ...           | (384)         | ...            |
| Other gains/(losses)                                    | ...           | (227)         | <b>(227)</b>   |
| <b>NET COST OF SERVICES</b>                             | <b>90,516</b> | <b>90,544</b> | <b>90,254</b>  |
| <br>  |               |               |                |
| <b>CAPITAL EXPENDITURE</b>                              | <b>3,064</b>  | <b>732</b>    | <b>5,528</b>   |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

**11.2 Court Services**

**11.2.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Civil cases finalised (including Court of Appeal)             | no.   | 11,091  | 12,292  | 13,400  | <b>14,700</b>  |
| Criminal cases finalised (including Court of Criminal Appeal) | no.   | 691     | 695     | 575     | <b>575</b>     |
| <u>Average Staffing:</u>                                      | EFT   | 327     | 328     | 337     | <b>338</b>     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                         |               |               |               |
| Employee related                             | 46,076        | 45,052        | <b>46,783</b> |
| Other operating expenses                     | 6,642         | 7,758         | <b>7,512</b>  |
| Depreciation and amortisation                | 2,968         | 3,212         | <b>3,521</b>  |
| Grants and subsidies                         |               |               |               |
| Recurrent grants to non-profit organisations | ...           | 5             | <b>1</b>      |
| Grants to agencies for recurrent purposes    | 420           | 427           | <b>664</b>    |
| Other expenses                               |               |               |               |
| Law Courts Limited                           | 18,112        | 18,112        | <b>19,820</b> |
| Fees for the arbitration of civil claims     | 31            | ...           | <b>32</b>     |
| Ex gratia payments                           | ...           | 43            | ...           |
| <b>Total Expenses Excluding Losses</b>       | <b>74,249</b> | <b>74,609</b> | <b>78,333</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.2 Court Services**

**11.2.1 Supreme Court (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Sales of goods and services                             |               |               |               |
| Sale of transcripts                                     | 1,492         | 1,491         | <b>1,542</b>  |
| Supreme Court fees                                      | 37,000        | 38,771        | <b>38,907</b> |
| Services provided to departmental commercial activities | 195           | 193           | <b>220</b>    |
| Minor sales of goods and services                       | 31            | 31            | <b>37</b>     |
| Investment income                                       | 127           | 179           | <b>136</b>    |
| Grants and contributions                                | ...           | 10            | ...           |
| Other revenue   | 534           | 592           | <b>554</b>    |
| <b>Total Retained Revenue</b>                           | <b>39,379</b> | <b>41,267</b> | <b>41,396</b> |
| Gain/(loss) on disposal of non current assets           | 1             | (43)          | <b>1</b>      |
| Other gains/(losses)                                    | ...           | (468)         | <b>(468)</b>  |
| <b>NET COST OF SERVICES</b>                             | <b>34,869</b> | <b>33,853</b> | <b>37,404</b> |

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|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>5,567</b> | <b>4,648</b> | <b>9,128</b> |
|----------------------------|--------------|--------------|--------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

**11.2 Court Services**

**11.2.2 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                          |       |         |         |         |                |
| Civil cases finalised                    | no.   | 10,154  | 7,217   | 6,100   | <b>5,550</b>   |
| Civil cases determined by Court hearings | no.   | 1,965   | 1,487   | 1,470   | <b>1,390</b>   |
| Criminal cases finalised                 | no.   | 9,504   | 9,986   | 9,700   | <b>9,600</b>   |
| <u>Average Staffing:</u>                 | EFT   | 333     | 309     | 288     | <b>259</b>     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                         |               |               |               |
| Employee related                             | 48,043        | 48,383        | <b>47,012</b> |
| Other operating expenses                     | 9,461         | 9,349         | <b>9,756</b>  |
| Depreciation and amortisation                | 4,046         | 4,682         | <b>5,081</b>  |
| Grants and subsidies                         |               |               |               |
| Recurrent grants to non-profit organisations | ...           | 4             | <b>1</b>      |
| Grants to agencies for recurrent purposes    | 360           | 365           | <b>503</b>    |
| Other expenses                               |               |               |               |
| Fees for the arbitration of civil claims     | 515           | 121           | <b>234</b>    |
| Ex gratia payments                           | ...           | 2             | ...           |
| Contingent expenses - financing leases       | 1,240         | 1,240         | <b>1,362</b>  |
| Interest expenses - financing leases         | 2,515         | 2,515         | <b>2,408</b>  |
| <b>Total Expenses Excluding Losses</b>       | <b>66,180</b> | <b>66,661</b> | <b>66,357</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.2 Court Services**

**11.2.2 District Court (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |       |       |               |
|---|-------|-------|---------------|
| Sales of goods and services                             |       |       |               |
| Dust Diseases Tribunal fees                             | 974   | 317   | <b>320</b>    |
| Sale of transcripts                                     | 1,323 | 1,314 | <b>1,363</b>  |
| District Court fees                                     | 9,750 | 9,854 | <b>10,237</b> |
| Arbitration fees  | 450   | 155   | <b>170</b>    |
| Services provided to departmental commercial activities | 168   | 280   | <b>166</b>    |
| Minor sales of goods and services                       | 5     | 16    | <b>5</b>      |
| Investment income                                       | 2,107 | 2,205 | <b>2,168</b>  |
| Grants and contributions                                | 4,542 | 5,495 | <b>4,552</b>  |
| Other revenue   | 2,125 | 2,777 | <b>2,551</b>  |

|                               |               |               |               |
|-------------------------------|---------------|---------------|---------------|
| <b>Total Retained Revenue</b> | <b>21,444</b> | <b>22,413</b> | <b>21,532</b> |
|-------------------------------|---------------|---------------|---------------|

|   |   |      |   |
|---|---|------|---|
| Gain/(loss) on disposal of non current assets | 1 | (52) | 1 |
|---|---|------|---|

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>44,735</b> | <b>44,300</b> | <b>44,824</b> |
|-----------------------------|---------------|---------------|---------------|

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|                            |               |              |               |
|----------------------------|---------------|--------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>16,878</b> | <b>9,278</b> | <b>48,275</b> |
|----------------------------|---------------|--------------|---------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**11 ATTORNEY GENERAL'S DEPARTMENT**

**11.2 Court Services**

**11.2.3 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.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
|--|-------|---------|---------|---------|----------------|

Outputs:

|   |     |         |         |         |                |
|---|-----|---------|---------|---------|----------------|
| Civil claims finalised by judicial officers               | no. | 12,708  | 10,842  | 10,800  | <b>10,850</b>  |
| Criminal matters finalised                                | no. | 239,503 | 243,022 | 282,800 | <b>287,700</b> |
| Other matters (Family Law and Children's Court) finalised | no. | 29,905  | 24,619  | 28,300  | <b>28,300</b>  |
| <u>Average Staffing</u> :                                 | EFT | 1,236   | 1,245   | 1,270   | <b>1,254</b>   |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |                |                |  |                |
|--|----------------|----------------|--|----------------|
| Operating expenses -                         |                |                |  |                |
| Employee related                             | 115,719        | 116,261        |  | <b>120,736</b> |
| Other operating expenses                     | 29,683         | 30,013         |  | <b>30,644</b>  |
| Depreciation and amortisation                | 19,326         | 21,431         |  | <b>23,563</b>  |
| Grants and subsidies                         |                |                |  |                |
| Recurrent grants to non-profit organisations | 11             | 33             |  | <b>121</b>     |
| Grants to agencies for recurrent purposes    | 1,620          | 1,608          |  | <b>2,384</b>   |
| Other expenses                               |                |                |  |                |
| Fees for the arbitration of civil claims     | 437            | 375            |  | <b>449</b>     |
| Fees for inquests and post mortems           | 2,547          | 3,000          |  | <b>4,118</b>   |
| Ex gratia payments                           | ...            | 20             |  | ...            |
| <b>Total Expenses Excluding Losses</b>       | <b>169,343</b> | <b>172,741</b> |  | <b>182,015</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.2 Court Services**

**11.2.3 Local Courts (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |        |        |               |
|---|--------|--------|---------------|
| Sales of goods and services                             |        |        |               |
| Family Law Court  | 1,550  | 1,052  | <b>1,603</b>  |
| Sale of transcripts                                     | 854    | 874    | <b>883</b>    |
| Local Court fees  | 28,628 | 31,418 | <b>31,214</b> |
| Services provided to departmental commercial activities | 759    | 727    | <b>790</b>    |
| Birth, death and marriage fees - other                  | 475    | 454    | <b>491</b>    |
| Minor sales of goods and services                       | 80     | 159    | <b>83</b>     |
| Investment income                                       | 643    | 784    | <b>642</b>    |
| Grants and contributions                                | ...    | 250    | ...           |
| Other revenue   | 2,012  | 2,630  | <b>2,076</b>  |

|                               |               |               |               |
|-------------------------------|---------------|---------------|---------------|
| <b>Total Retained Revenue</b> | <b>35,001</b> | <b>38,348</b> | <b>37,782</b> |
|-------------------------------|---------------|---------------|---------------|

|   |         |         |                |
|---|---------|---------|----------------|
| Gain/(loss) on disposal of non current assets | 4       | (202)   | <b>5</b>       |
| Other gains/(losses)                          | (2,000) | (2,805) | <b>(2,805)</b> |

|                             |                |                |                |
|-----------------------------|----------------|----------------|----------------|
| <b>NET COST OF SERVICES</b> | <b>136,338</b> | <b>137,400</b> | <b>147,033</b> |
|-----------------------------|----------------|----------------|----------------|

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>58,817</b> | <b>63,972</b> | <b>48,120</b> |
|----------------------------|---------------|---------------|---------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**11 ATTORNEY GENERAL'S DEPARTMENT**

**11.2 Court Services**

**11.2.4 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.

|                           | Units | 2003-04  | 2004-05 | 2005-06 | <b>2006-07</b>                      |
|---------------------------|-------|--|---------|---------|-------------------------------------|
| <u>Outputs</u> :          |       |  |         |         |                                     |
| Total disputes finalised  | no.   | 2,061  | 1,726   | 1,700   | <b>1,700</b>                        |
| <u>Average Staffing</u> : | EFT   | 57   | 54      | 52      | <b>50</b>                           |
|                           |       | ———2005-06———<br>Budget Revised<br>\$000 \$000 |         |         | <b>2006-07<br/>Budget<br/>\$000</b> |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |  |       |       |              |
|--|--|-------|-------|--------------|
| Operating expenses -                         |  |       |       |              |
| Employee related                             |  | 8,130 | 7,848 | <b>8,497</b> |
| Other operating expenses                     |  | 1,026 | 1,289 | <b>1,060</b> |
| Depreciation and amortisation                |  | 979   | 1,069 | <b>838</b>   |
| Grants and subsidies                         |  |       |       |              |
| Recurrent grants to non-profit organisations |  | ...   | 1     | ...          |

|  |  |               |               |               |
|--|--|---------------|---------------|---------------|
| <b>Total Expenses Excluding Losses</b> |  | <b>10,135</b> | <b>10,207</b> | <b>10,395</b> |
|--|--|---------------|---------------|---------------|

Less:

**Retained Revenue -**

|   |  |       |       |              |
|---|--|-------|-------|--------------|
| Sales of goods and services                             |  |       |       |              |
| Sale of transcripts                                     |  | 89    | 66    | <b>92</b>    |
| Land and Environment Court fees                         |  | 2,100 | 2,003 | <b>2,171</b> |
| Services provided to departmental commercial activities |  | 32    | 30    | <b>32</b>    |
| Minor sales of goods and services                       |  | 1     | 4     | <b>1</b>     |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.2 Court Services**

**11.2.4 Land and Environment Court (cont)**

**OPERATING STATEMENT (cont)**

|   |              |              |              |
|---|--------------|--------------|--------------|
| Investment income                             | 21           | 27           | <b>20</b>    |
| Grants and contributions                      | ...          | 1            | ...          |
| Other revenue                                 | 115          | 152          | <b>119</b>   |
| <b>Total Retained Revenue</b>                 | <b>2,358</b> | <b>2,283</b> | <b>2,435</b> |
| Gain/(loss) on disposal of non current assets | ...          | (7)          | ...          |
| <b>NET COST OF SERVICES</b>                   | <b>7,777</b> | <b>7,931</b> | <b>7,960</b> |
| <hr/>   |              |              |              |
| <b>CAPITAL EXPENDITURE</b>                    | <b>313</b>   | <b>211</b>   | <b>149</b>   |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

**11.2 Court Services**

**11.2.5 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      2003-04    2004-05    2005-06    **2006-07**

Outputs:

Total disputes finalised                      no.            7,451      8,669      6,540      **3,500**

Average Staffing:                              EFT            116        116        113        **105**

|           |         |                |
|-----------|---------|----------------|
| —2005-06— |         | <b>2006-07</b> |
| Budget    | Revised | Budget         |
| \$000     | \$000   | \$000          |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |        |        |               |
|--|--------|--------|---------------|
| Operating expenses -                         |        |        |               |
| Employee related                             | 14,957 | 14,638 | <b>14,766</b> |
| Other operating expenses                     | 4,120  | 4,919  | <b>5,208</b>  |
| Depreciation and amortisation                | 2,774  | 2,171  | <b>2,206</b>  |
| Grants and subsidies                         |        |        |               |
| Recurrent grants to non-profit organisations | ...    | 2      | ...           |

|  |               |               |               |
|--|---------------|---------------|---------------|
| <b>Total Expenses Excluding Losses</b> | <b>21,851</b> | <b>21,730</b> | <b>22,180</b> |
|--|---------------|---------------|---------------|

Less:

**Retained Revenue -**

|   |     |     |            |
|---|-----|-----|------------|
| Sales of goods and services                             |     |     |            |
| Industrial Court fees                                   | 749 | 713 | <b>402</b> |
| Sale of transcripts                                     | 492 | 290 | <b>509</b> |
| Services provided to departmental commercial activities | 68  | 65  | <b>67</b>  |
| Minor sales of goods and services                       | 123 | 102 | <b>127</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**11 ATTORNEY GENERAL'S DEPARTMENT**

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**11.2 Court Services**

**11.2.5 Industrial Relations Commission (cont)**

***OPERATING STATEMENT (cont)***

|   |               |               |               |
|---|---------------|---------------|---------------|
| Investment income                             | 45            | 60            | 41            |
| Grants and contributions                      | ...           | 3             | ...           |
| Other revenue                                 | 187           | 300           | 193           |
| <b>Total Retained Revenue</b>                 | <b>1,664</b>  | <b>1,533</b>  | <b>1,339</b>  |
| Gain/(loss) on disposal of non current assets | ...           | (67)          | ...           |
| <b>NET COST OF SERVICES</b>                   | <b>20,187</b> | <b>20,264</b> | <b>20,841</b> |
| <hr/>   |               |               |               |
| <b>CAPITAL EXPENDITURE</b>                    | <b>3,359</b>  | <b>2,300</b>  | <b>1,573</b>  |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**12 JUDICIAL COMMISSION OF NEW SOUTH WALES**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating expenses -                   |                 |                  |                                     |
| Employee related                       | 3,197           | 3,438            | <b>3,475</b>                        |
| Other operating expenses               | 1,490           | 1,317            | <b>1,310</b>                        |
| Depreciation and amortisation          | 75              | 82               | <b>80</b>                           |
| Other expenses                         | ...             | 140              | ...                                 |
| <b>Total Expenses Excluding Losses</b> | <b>4,762</b>    | <b>4,977</b>     | <b>4,865</b>                        |
| Less:                                  |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 83              | 155              | <b>141</b>                          |
| Investment income                      | 2               | 15               | <b>8</b>                            |
| Other revenue                          | 5               | 1                | <b>5</b>                            |
| <b>Total Retained Revenue</b>          | <b>90</b>       | <b>171</b>       | <b>154</b>                          |
| <b>NET COST OF SERVICES</b>            | <b>4,672</b>    | <b>4,806</b>     | <b>4,711</b>                        |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**12 JUDICIAL COMMISSION OF NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 2,994           | 3,226            | 3,241           |
| Other   | 1,674           | 1,617            | 1,489           |
| <b>Total Payments</b>                           | <b>4,668</b>    | <b>4,843</b>     | <b>4,730</b>    |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 83              | 130              | 141             |
| Interest  | 2               | 14               | 8               |
| Other   | 184             | 180              | 184             |
| <b>Total Receipts</b>                           | <b>269</b>      | <b>324</b>       | <b>333</b>      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(4,399)</b>  | <b>(4,519)</b>   | <b>(4,397)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (150)           | (150)            | (150)           |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(150)</b>    | <b>(150)</b>     | <b>(150)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 4,404           | 4,544            | 4,400           |
| Capital appropriation                           | 150             | 150              | 150             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>4,554</b>    | <b>4,694</b>     | <b>4,550</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>5</b>        | <b>25</b>        | <b>3</b>        |
| Opening Cash and Cash Equivalents               | 73              | 202              | 227             |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>78</b>       | <b>227</b>       | <b>230</b>      |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (4,672)         | (4,806)          | (4,711)         |
| Non cash items added back                       | 256             | 303              | 299             |
| Change in operating assets and liabilities      | 17              | (16)             | 15              |
| <b>Net cash flow from operating activities</b>  | <b>(4,399)</b>  | <b>(4,519)</b>   | <b>(4,397)</b>  |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**12 JUDICIAL COMMISSION OF NEW SOUTH WALES**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 78              | 227              | 230             |
| Receivables  | 53              | 57               | 57              |
| Other  | 23              | 56               | 56              |
| <b>Total Current Assets</b>                            | <b>154</b>      | <b>340</b>       | <b>343</b>      |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Property, plant and equipment -<br>Plant and equipment | 270             | 276              | 346             |
| <b>Total Non Current Assets</b>                        | <b>270</b>      | <b>276</b>       | <b>346</b>      |
| <b>Total Assets</b>                                    | <b>424</b>      | <b>616</b>       | <b>689</b>      |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 104             | 96               | 104             |
| Provisions   | 194             | 197              | 204             |
| Other  | 34              | 10               | 10              |
| <b>Total Current Liabilities</b>                       | <b>332</b>      | <b>303</b>       | <b>318</b>      |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 120             | 124              | 124             |
| <b>Total Non Current Liabilities</b>                   | <b>120</b>      | <b>124</b>       | <b>124</b>      |
| <b>Total Liabilities</b>                               | <b>452</b>      | <b>427</b>       | <b>442</b>      |
| <b>NET ASSETS</b>                                      | <b>(28)</b>     | <b>189</b>       | <b>247</b>      |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | (28)            | 189              | 247             |
| <b>TOTAL EQUITY</b>                                    | <b>(28)</b>     | <b>189</b>       | <b>247</b>      |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**12 JUDICIAL COMMISSION OF NEW SOUTH WALES**

**12.1 Judicial Commission of New South Wales**

**12.1.1 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) |         |
|---------------------|--|------------------------|---------|
|                     |  | 2005-06                | 2006-07 |
| <u>Activities</u> : |  |                        |         |
|                     | Sentencing consistency and judicial education/training       | 29                     | 29      |
|                     | Complaints   | 2                      | 2       |
|                     | Administration, management support and stenographic services | 4                      | 4       |
|                     |  | 35                     | 35      |

| 2005-06         |                  | 2006-07         |
|-----------------|------------------|-----------------|
| Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 3,197        | 3,438        | <b>3,475</b> |
| Other operating expenses               | 1,490        | 1,317        | <b>1,310</b> |
| Depreciation and amortisation          | 75           | 82           | <b>80</b>    |
| Other expenses                         |              |              |              |
| Conduct Division                       | ...          | 140          | ...          |
| <b>Total Expenses Excluding Losses</b> | <b>4,762</b> | <b>4,977</b> | <b>4,865</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**12 JUDICIAL COMMISSION OF NEW SOUTH WALES**

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**12.1 Judicial Commission of New South Wales**

**12.1.1 Judicial Commission of New South Wales (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

Sales of goods and services

Minor sales of goods and services

Investment income

Other revenue

|    |     |            |
|----|-----|------------|
| 83 | 155 | <b>141</b> |
| 2  | 15  | <b>8</b>   |
| 5  | 1   | <b>5</b>   |

**Total Retained Revenue**

|           |            |            |
|-----------|------------|------------|
| <b>90</b> | <b>171</b> | <b>154</b> |
|-----------|------------|------------|

**NET COST OF SERVICES**

|              |              |              |
|--------------|--------------|--------------|
| <b>4,672</b> | <b>4,806</b> | <b>4,711</b> |
|--------------|--------------|--------------|

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**CAPITAL EXPENDITURE**

|            |            |            |
|------------|------------|------------|
| <b>150</b> | <b>150</b> | <b>150</b> |
|------------|------------|------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating expenses -                   |                 |                  |                 |
| Employee related                       | 57,802          | 57,294           | <b>60,493</b>   |
| Other operating expenses               | 13,533          | 13,457           | <b>14,028</b>   |
| Depreciation and amortisation          | 3,000           | 3,000            | <b>3,177</b>    |
| Grants and subsidies                   | 14,251          | 14,195           | <b>14,414</b>   |
| Other expenses                         | 66,585          | 69,283           | <b>78,256</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>155,171</b>  | <b>157,229</b>   | <b>170,368</b>  |
| Less:                                  |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Sales of goods and services            | 46,186          | 48,504           | <b>47,155</b>   |
| Investment income                      | 1,902           | 3,390            | <b>2,500</b>    |
| Grants and contributions               | 25,196          | 31,365           | <b>34,570</b>   |
| Other revenue                          | 154             | 120              | <b>221</b>      |
| <b>Total Retained Revenue</b>          | <b>73,438</b>   | <b>83,379</b>    | <b>84,446</b>   |
| Other gains/(losses)                   | (346)           | ...              | ...             |
| <b>NET COST OF SERVICES</b>            | <b>82,079</b>   | <b>73,850</b>    | <b>85,922</b>   |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 56,302          | 56,041           | <b>62,693</b>   |
| Grants and subsidies                            | 14,251          | 14,195           | <b>14,414</b>   |
| Other   | 89,707          | 92,660           | <b>98,556</b>   |
| <b>Total Payments</b>                           | <b>160,260</b>  | <b>162,896</b>   | <b>175,663</b>  |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 45,840          | 48,703           | <b>47,157</b>   |
| Interest  | 1,902           | 3,390            | <b>2,500</b>    |
| Other   | 34,939          | 41,094           | <b>43,700</b>   |
| <b>Total Receipts</b>                           | <b>82,681</b>   | <b>93,187</b>    | <b>93,357</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(77,579)</b> | <b>(69,709)</b>  | <b>(82,306)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (5,316)         | (4,289)          | <b>(1,906)</b>  |
| Other   | ...             | ...              | <b>(4,500)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(5,316)</b>  | <b>(4,289)</b>   | <b>(6,406)</b>  |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 82,927          | 81,622           | <b>87,125</b>   |
| Capital appropriation                           | 3,716           | 2,689            | <b>4,356</b>    |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>86,643</b>   | <b>84,311</b>    | <b>91,481</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>3,748</b>    | <b>10,313</b>    | <b>2,769</b>    |
| Opening Cash and Cash Equivalents               | 34,319          | 36,253           | <b>46,566</b>   |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>38,067</b>   | <b>46,566</b>    | <b>49,335</b>   |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (82,079)        | (73,850)         | <b>(85,922)</b> |
| Non cash items added back                       | 3,000           | 3,000            | <b>3,177</b>    |
| Change in operating assets and liabilities      | 1,500           | 1,141            | <b>439</b>      |
| <b>Net cash flow from operating activities</b>  | <b>(77,579)</b> | <b>(69,709)</b>  | <b>(82,306)</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 38,067          | 46,566           | <b>49,335</b>   |
| Receivables                          | 3,037           | 3,037            | <b>3,035</b>    |
| Other                                | 1,206           | 1,206            | <b>1,206</b>    |
| <b>Total Current Assets</b>          | <b>42,310</b>   | <b>50,809</b>    | <b>53,576</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Receivables                          | 2,555           | 2,555            | <b>2,554</b>    |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 4,641           | 5,459            | <b>6,070</b>    |
| Plant and equipment                  | 5,887           | 6,685            | <b>5,356</b>    |
| Intangibles                          | 2,654           | 1,500            | <b>5,447</b>    |
| Other                                | 215             | ...              | ...             |
| <b>Total Non Current Assets</b>      | <b>15,952</b>   | <b>16,199</b>    | <b>19,427</b>   |
| <b>Total Assets</b>                  | <b>58,262</b>   | <b>67,008</b>    | <b>73,003</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 15,410          | 16,222           | <b>16,522</b>   |
| Provisions                           | 3,808           | 3,808            | <b>3,955</b>    |
| <b>Total Current Liabilities</b>     | <b>19,218</b>   | <b>20,030</b>    | <b>20,477</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 20,734          | 22,997           | <b>22,986</b>   |
| Other                                | 33              | 33               | <b>33</b>       |
| <b>Total Non Current Liabilities</b> | <b>20,767</b>   | <b>23,030</b>    | <b>23,019</b>   |
| <b>Total Liabilities</b>             | <b>39,985</b>   | <b>43,060</b>    | <b>43,496</b>   |
| <b>NET ASSETS</b>                    | <b>18,277</b>   | <b>23,948</b>    | <b>29,507</b>   |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 18,277          | 23,948           | <b>29,507</b>   |
| <b>TOTAL EQUITY</b>                  | <b>18,277</b>   | <b>23,948</b>    | <b>29,507</b>   |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

**13.1 Legal Aid and Other Legal Services**

**13.1.1 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   | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|---------|---------|---------|---------|----------------|
| Grants to Access and Equity Target          |         |         |         |         |                |
| Group clients -                             |         |         |         |         |                |
| Female                                      | %       | 64.0    | 62.9    | 62.7    | <b>62.9</b>    |
| Non-English speaking background             | %       | 9.2     | 9.1     | 9.7     | <b>10.2</b>    |
| Aboriginal and Torres Strait Islander       | %       | 5.5     | 7.3     | 7.4     | <b>8.7</b>     |
| Non-urban                                   | %       | 41.4    | 40.6    | 39.0    | <b>40.8</b>    |
| Receiving Commonwealth benefits             | %       | 70.5    | 68.8    | 70.5    | <b>71.0</b>    |
| Approval rate of applications for legal aid | %       | 77.1    | 72.8    | 75.0    | <b>77.2</b>    |
| <br><u>Outputs:</u>                         |         |         |         |         |                |
| Advice and minor assistance                 | no.     | 24,131  | 29,460  | 29,792  | <b>30,907</b>  |
| Information services                        | no.     | 38,722  | 54,237  | 78,465  | <b>80,034</b>  |
| Alternative Dispute Resolution              | no.     | 1,732   | 2,022   | 2,030   | <b>2,038</b>   |
| Case approvals                              | no.     | 12,055  | 11,719  | 11,925  | <b>12,131</b>  |
| Duty appearances                            | no.     | 5,118   | 5,479   | 5,700   | <b>5,950</b>   |
| <br><u>Average Staffing:</u>                | <br>EFT | <br>194 | <br>203 | <br>198 | <br><b>198</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

**13.1 Legal Aid and Other Legal Services**

**13.1.1 Legal Aid and Other Legal Services for Eligible Persons in Disputes  
Arising from Family Relationships (cont)**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>        |                 |                  |                 |
| Operating expenses -                      |                 |                  |                 |
| Employee related                          | 17,741          | 17,097           | <b>18,531</b>   |
| Other operating expenses                  | 4,434           | 4,077            | <b>4,254</b>    |
| Depreciation and amortisation             | 1,000           | 999              | <b>1,057</b>    |
| Other expenses                            |                 |                  |                 |
| Payments to private practitioners         | 22,738          | 27,163           | <b>24,540</b>   |
| <b>Total Expenses Excluding Losses</b>    | <b>45,913</b>   | <b>49,336</b>    | <b>48,382</b>   |
| Less:                                     |                 |                  |                 |
| <b>Retained Revenue -</b>                 |                 |                  |                 |
| Sales of goods and services               |                 |                  |                 |
| Contributions by legally assisted persons | 1,148           | 1,457            | <b>1,148</b>    |
| Legal aid services - Commonwealth matters | 35,374          | 37,151           | <b>37,151</b>   |
| Investment income                         | 465             | 789              | <b>614</b>      |
| Grants and contributions                  | 876             | 1,087            | <b>1,365</b>    |
| <b>Total Retained Revenue</b>             | <b>37,863</b>   | <b>40,484</b>    | <b>40,278</b>   |
| Other gains/(losses)                      | (184)           | ...              | ...             |
| <b>NET COST OF SERVICES</b>               | <b>8,234</b>    | <b>8,852</b>     | <b>8,104</b>    |
| <b>CAPITAL EXPENDITURE</b>                |                 |                  |                 |
|   | <b>1,836</b>    | <b>1,718</b>     | <b>2,644</b>    |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

**13.1 Legal Aid and Other Legal Services**

**13.1.2 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   | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|---------|---------|---------|---------|----------------|
| <b>Grants to Access and Equity Target</b>   |         |         |         |         |                |
| Group clients -                             |         |         |         |         |                |
| Female                                      | %       | 18.1    | 18.3    | 18.2    | <b>18.3</b>    |
| Non-English speaking background             | %       | 14.0    | 14.6    | 14.3    | <b>14.3</b>    |
| Aboriginal and Torres Strait Islander       | %       | 4.9     | 5.7     | 6.5     | <b>6.8</b>     |
| Non-urban                                   | %       | 24.7    | 23.6    | 23.3    | <b>23.6</b>    |
| Receiving Commonwealth benefits             | %       | 55.7    | 54.4    | 58.6    | <b>58.6</b>    |
| Approval rate of applications for legal aid | %       | 91.9    | 92.7    | 92.7    | <b>92.7</b>    |
| <br><u>Outputs:</u>                         |         |         |         |         |                |
| Advice and minor assistance                 | no.     | 22,492  | 26,461  | 27,633  | <b>28,186</b>  |
| Information services                        | no.     | 25,730  | 35,152  | 59,660  | <b>60,853</b>  |
| Case approvals                              | no.     | 41,132  | 41,115  | 41,198  | <b>41,391</b>  |
| Duty appearances                            | no.     | 86,537  | 88,088  | 87,942  | <b>89,102</b>  |
| <br><u>Average Staffing:</u>                | <br>EFT | <br>371 | <br>365 | <br>373 | <br><b>373</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

**13.1 Legal Aid and Other Legal Services**

**13.1.2 Legal Aid and Other Legal Services for Eligible Persons in Criminal  
Law Matters (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>        |                 |                  |                                     |
| Operating expenses -                      |                 |                  |                                     |
| Employee related                          | 31,470          | 32,082           | <b>33,075</b>                       |
| Other operating expenses                  | 6,955           | 7,073            | <b>7,436</b>                        |
| Depreciation and amortisation             | 1,509           | 1,504            | <b>1,596</b>                        |
| Other expenses                            |                 |                  |                                     |
| Payments to private practitioners         | 40,033          | 37,620           | <b>48,734</b>                       |
| <b>Total Expenses Excluding Losses</b>    | <b>79,967</b>   | <b>78,279</b>    | <b>90,841</b>                       |
| Less:                                     |                 |                  |                                     |
| <b>Retained Revenue -</b>                 |                 |                  |                                     |
| Sales of goods and services               |                 |                  |                                     |
| Contributions by legally assisted persons | 589             | 1,272            | <b>589</b>                          |
| Legal aid services - Commonwealth matters | 4,717           | 3,821            | <b>3,821</b>                        |
| Investment income                         | 1,276           | 2,279            | <b>1,683</b>                        |
| Grants and contributions                  | 14,089          | 19,065           | <b>21,407</b>                       |
| Other revenue                             | 154             | 54               | <b>155</b>                          |
| <b>Total Retained Revenue</b>             | <b>20,825</b>   | <b>26,491</b>    | <b>27,655</b>                       |
| Other gains/(losses)                      | (48)            | ...              | ...                                 |
| <b>NET COST OF SERVICES</b>               | <b>59,190</b>   | <b>51,788</b>    | <b>63,186</b>                       |
| <hr/>                                     |                 |                  |                                     |
| <b>CAPITAL EXPENDITURE</b>                | <b>3,205</b>    | <b>2,145</b>     | <b>3,207</b>                        |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

**13.1 Legal Aid and Other Legal Services**

**13.1.3 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outcomes</u> :                           |       |         |         |         |                |
| Grants to Access and Equity Target          |       |         |         |         |                |
| Group clients -                             |       |         |         |         |                |
| Female                                      | %     | 43.5    | 43.0    | 42.1    | <b>42.4</b>    |
| Non-English speaking background             | %     | 19.9    | 19.3    | 21.1    | <b>21.3</b>    |
| Aboriginal and Torres Strait Islander       | %     | 2.1     | 2.0     | 1.8     | <b>2.0</b>     |
| Non-urban                                   | %     | 27.2    | 27.7    | 27.0    | <b>27.1</b>    |
| Receiving Commonwealth benefits             | %     | 83.0    | 79.8    | 96.1    | <b>96.1</b>    |
| Approval rate of applications for legal aid | %     | 55.7    | 57.9    | 61.5    | <b>64.2</b>    |

Outputs:

|                             |     |        |        |        |               |
|-----------------------------|-----|--------|--------|--------|---------------|
| Advice and minor assistance | no. | 18,692 | 18,560 | 18,428 | <b>18,560</b> |
| Information services        | no. | 57,584 | 68,579 | 79,574 | <b>81,165</b> |
| Case approvals              | no. | 1,158  | 1,222  | 1,230  | <b>1,254</b>  |
| Duty appearances            | no. | 22,096 | 24,406 | 27,081 | <b>27,960</b> |

Average Staffing: EFT                      101                      105                      107                      **107**

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | Budget         |
| \$000   | \$000   | \$000          |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                   |               |               |               |
| Employee related                       | 8,203         | 7,747         | <b>8,404</b>  |
| Other operating expenses               | 1,932         | 2,094         | <b>2,177</b>  |
| Depreciation and amortisation          | 453           | 468           | <b>491</b>    |
| Other expenses                         |               |               |               |
| Payments to private practitioners      | 3,814         | 4,500         | <b>4,982</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>14,402</b> | <b>14,809</b> | <b>16,054</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

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**13.1 Legal Aid and Other Legal Services**

**13.1.3 Legal Aid and Other Legal Services for Eligible Persons in Civil Law  
Matters (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |              |              |              |
|---|--------------|--------------|--------------|
| Sales of goods and services               |              |              |              |
| Contributions by legally assisted persons | 364          | 721          | <b>364</b>   |
| Legal aid services - Commonwealth matters | 3,994        | 4,082        | <b>4,082</b> |
| Investment income                         | 161          | 322          | <b>203</b>   |
| Grants and contributions                  | 3,942        | 4,790        | <b>5,159</b> |
| Other revenue                             | ...          | 66           | <b>66</b>    |
| <b>Total Retained Revenue</b>             | <b>8,461</b> | <b>9,981</b> | <b>9,874</b> |
| Other gains/(losses)                      | (114)        | ...          | ...          |
| <b>NET COST OF SERVICES</b>               | <b>6,055</b> | <b>4,828</b> | <b>6,180</b> |

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>233</b> | <b>426</b> | <b>555</b> |
|----------------------------|------------|------------|------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

**13.1 Legal Aid and Other Legal Services**

**13.1.4 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) |         |
|---------------------|----------------|------------------------|---------|
|                     |                | 2005-06                | 2006-07 |
| <u>Activities</u> : | Administration | 4                      | 5       |

| 2005-06         |                  | 2006-07         |
|-----------------|------------------|-----------------|
| Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                               |               |               |               |
| Employee related                                   | 388           | 368           | <b>483</b>    |
| Other operating expenses                           | 212           | 213           | <b>161</b>    |
| Depreciation and amortisation                      | 38            | 29            | <b>33</b>     |
| Grants and subsidies                               |               |               |               |
| Grants to community legal centres                  | 9,939         | 9,788         | <b>9,886</b>  |
| Women's domestic violence court assistance program | 3,679         | 3,812         | <b>3,917</b>  |
| Domestic Violence Advocacy Service                 | 386           | 363           | <b>373</b>    |
| Community Legal Centres Secretariat - NSW          | 247           | 232           | <b>238</b>    |
| <b>Total Expenses Excluding Losses</b>             | <b>14,889</b> | <b>14,805</b> | <b>15,091</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**13 LEGAL AID COMMISSION OF NEW SOUTH WALES**

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**13.1 Legal Aid and Other Legal Services**

**13.1.4 Funding for Community Legal Centres and Other Community Legal  
Services (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| Grants and contributions      | 6,289        | 6,423        | <b>6,639</b> |
| <b>Total Retained Revenue</b> | <b>6,289</b> | <b>6,423</b> | <b>6,639</b> |
| <b>NET COST OF SERVICES</b>   | <b>8,600</b> | <b>8,382</b> | <b>8,452</b> |

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|                            |           |     |     |
|----------------------------|-----------|-----|-----|
| <b>CAPITAL EXPENDITURE</b> | <b>42</b> | ... | ... |
|----------------------------|-----------|-----|-----|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**14 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Employee related                              | 73,500          | 74,255           | <b>76,181</b>                       |
| Other operating expenses                      | 12,110          | 12,361           | <b>13,965</b>                       |
| Depreciation and amortisation                 | 3,603           | 3,965            | <b>4,259</b>                        |
| Other expenses                                | 3,235           | 2,935            | <b>3,323</b>                        |
| <b>Total Expenses Excluding Losses</b>        | <b>92,448</b>   | <b>93,516</b>    | <b>97,728</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 33              | 90               | <b>34</b>                           |
| Investment income                             | 55              | 150              | <b>103</b>                          |
| Other revenue                                 | 234             | 206              | <b>235</b>                          |
| <b>Total Retained Revenue</b>                 | <b>322</b>      | <b>446</b>       | <b>372</b>                          |
| Gain/(loss) on disposal of non current assets | 5               | 5                | <b>5</b>                            |
| <b>NET COST OF SERVICES</b>                   | <b>92,121</b>   | <b>93,065</b>    | <b>97,351</b>                       |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**14 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 67,394          | 66,117           | <b>68,876</b>   |
| Other   | 17,062          | 16,993           | <b>19,217</b>   |
| <b>Total Payments</b>                               | <b>84,456</b>   | <b>83,110</b>    | <b>88,093</b>   |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 33              | 90               | <b>34</b>       |
| Interest  | 61              | 121              | <b>91</b>       |
| Other   | 1,518           | 1,736            | <b>1,784</b>    |
| <b>Total Receipts</b>                               | <b>1,612</b>    | <b>1,947</b>     | <b>1,909</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(82,844)</b> | <b>(81,163)</b>  | <b>(86,184)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | 5               | 5                | <b>5</b>        |
| Purchases of property, plant and equipment          | (4,472)         | (5,532)          | <b>(1,208)</b>  |
| Other   | ...             | ...              | <b>(50)</b>     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(4,467)</b>  | <b>(5,527)</b>   | <b>(1,253)</b>  |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                 |
| Recurrent appropriation                             | 82,860          | 82,785           | <b>86,537</b>   |
| Capital appropriation                               | 4,472           | 5,532            | <b>1,258</b>    |
| Cash transfers to Consolidated Fund                 | ...             | (35)             | ...             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>87,332</b>   | <b>88,282</b>    | <b>87,795</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>21</b>       | <b>1,592</b>     | <b>358</b>      |
| Opening Cash and Cash Equivalents                   | 2,452           | 2,112            | <b>3,704</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>2,473</b>    | <b>3,704</b>     | <b>4,062</b>    |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Net cost of services                                | (92,121)        | (93,065)         | <b>(97,351)</b> |
| Non cash items added back                           | 9,827           | 10,633           | <b>11,366</b>   |
| Change in operating assets and liabilities          | (550)           | 1,269            | <b>(199)</b>    |
| <b>Net cash flow from operating activities</b>      | <b>(82,844)</b> | <b>(81,163)</b>  | <b>(86,184)</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**14 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS**

|                                      | 2005-06       |               |               |
|--------------------------------------|---------------|---------------|---------------|
|                                      | Budget        | Revised       | 2006-07       |
|                                      | \$000         | \$000         | Budget        |
|                                      |               |               | \$000         |
| <b>BALANCE SHEET</b>                 |               |               |               |
| <b>ASSETS -</b>                      |               |               |               |
| <b>Current Assets -</b>              |               |               |               |
| Cash assets                          | 2,473         | 3,704         | <b>4,062</b>  |
| Receivables                          | 398           | 413           | <b>423</b>    |
| Inventories                          | 2             | 2             | <b>2</b>      |
| Other                                | 1,100         | 1,132         | <b>1,326</b>  |
| <b>Total Current Assets</b>          | <b>3,973</b>  | <b>5,251</b>  | <b>5,813</b>  |
| <b>Non Current Assets -</b>          |               |               |               |
| Property, plant and equipment -      |               |               |               |
| Plant and equipment                  | 13,487        | 15,294        | <b>12,809</b> |
| Intangibles                          | 2,400         | 838           | <b>322</b>    |
| <b>Total Non Current Assets</b>      | <b>15,887</b> | <b>16,132</b> | <b>13,131</b> |
| <b>Total Assets</b>                  | <b>19,860</b> | <b>21,383</b> | <b>18,944</b> |
| <b>LIABILITIES -</b>                 |               |               |               |
| <b>Current Liabilities -</b>         |               |               |               |
| Payables                             | 2,226         | 2,329         | <b>2,548</b>  |
| Provisions                           | 3,855         | 5,273         | <b>5,179</b>  |
| Other                                | 203           | 203           | <b>203</b>    |
| <b>Total Current Liabilities</b>     | <b>6,284</b>  | <b>7,805</b>  | <b>7,930</b>  |
| <b>Non Current Liabilities -</b>     |               |               |               |
| Provisions                           | 1,495         | 1,690         | <b>1,762</b>  |
| Other                                | 491           | 532           | <b>345</b>    |
| <b>Total Non Current Liabilities</b> | <b>1,986</b>  | <b>2,222</b>  | <b>2,107</b>  |
| <b>Total Liabilities</b>             | <b>8,270</b>  | <b>10,027</b> | <b>10,037</b> |
| <b>NET ASSETS</b>                    | <b>11,590</b> | <b>11,356</b> | <b>8,907</b>  |
| <b>EQUITY</b>                        |               |               |               |
| Reserves                             | 551           | 551           | <b>551</b>    |
| Accumulated funds                    | 11,039        | 10,805        | <b>8,356</b>  |
| <b>TOTAL EQUITY</b>                  | <b>11,590</b> | <b>11,356</b> | <b>8,907</b>  |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**14 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS**

**14.1 Criminal Prosecutions**

**14.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--------------------------------|-------|---------|---------|---------|----------------|
| Supreme Court -                |       |         |         |         |                |
| Trials registered              | no.   | 122     | 62      | 59      | <b>80</b>      |
| Trials completed               | no.   | 95      | 111     | 75      | <b>80</b>      |
| District Court -               |       |         |         |         |                |
| Trials registered              | no.   | 2,351   | 1,867   | 2,472   | <b>1,500</b>   |
| Trials completed               | no.   | 2,153   | 2,156   | 2,098   | <b>1,500</b>   |
| Sentences registered           | no.   | 1,693   | 1,342   | 1,010   | <b>1,600</b>   |
| Sentences completed            | no.   | 1,764   | 1,504   | 1,470   | <b>1,700</b>   |
| All grounds appeals registered | no.   | 1,331   | 1,434   | 1,893   | <b>1,900</b>   |
| All grounds appeals completed  | no.   | 1,390   | 1,299   | 1,529   | <b>1,600</b>   |
| Local Courts -                 |       |         |         |         |                |
| Committals registered          | no.   | 5,944   | 5,485   | 5,504   | <b>5,500</b>   |
| Committals completed           | no.   | 6,487   | 5,781   | 5,770   | <b>5,500</b>   |
| <u>Average Staffing</u> :      | EFT   | 602     | 635     | 652     | <b>641</b>     |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                                 |               |               |               |
| Employee related                                     | 73,500        | 74,255        | <b>76,181</b> |
| Other operating expenses                             | 12,110        | 12,361        | <b>13,965</b> |
| Depreciation and amortisation                        | 3,603         | 3,965         | <b>4,259</b>  |
| Other expenses                                       |               |               |               |
| Allowances to witnesses                              | 3,145         | 2,845         | <b>3,233</b>  |
| Living expenses of non-Australian citizen defendants | 90            | 90            | <b>90</b>     |
| <b>Total Expenses Excluding Losses</b>               | <b>92,448</b> | <b>93,516</b> | <b>97,728</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**14 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS**

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**14.1 Criminal Prosecutions**

**14.1.1 Crown Representation in Criminal Prosecutions (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

Sales of goods and services

Minor sales of goods and services

Investment income

Other revenue

|     |     |            |
|-----|-----|------------|
| 33  | 90  | <b>34</b>  |
| 55  | 150 | <b>103</b> |
| 234 | 206 | <b>235</b> |

**Total Retained Revenue**

|            |            |            |
|------------|------------|------------|
| <b>322</b> | <b>446</b> | <b>372</b> |
|------------|------------|------------|

Gain/(loss) on disposal of non current assets

|   |   |   |
|---|---|---|
| 5 | 5 | 5 |
|---|---|---|

**NET COST OF SERVICES**

|               |               |               |
|---------------|---------------|---------------|
| <b>92,121</b> | <b>93,065</b> | <b>97,351</b> |
|---------------|---------------|---------------|

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**CAPITAL EXPENDITURE**

|              |              |              |
|--------------|--------------|--------------|
| <b>4,472</b> | <b>5,532</b> | <b>1,258</b> |
|--------------|--------------|--------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Employee related                              | 225,240         | 232,376          | <b>243,458</b>                      |
| Other operating expenses                      | 159,484         | 163,923          | <b>166,542</b>                      |
| Depreciation and amortisation                 | 48,289          | 48,289           | <b>49,150</b>                       |
| Grants and subsidies                          | 73,570          | 39,724           | <b>45,607</b>                       |
| <b>Total Expenses Excluding Losses</b>        | <b>506,583</b>  | <b>484,312</b>   | <b>504,757</b>                      |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 39,328          | 37,535           | <b>41,292</b>                       |
| Investment income                             | 2,218           | 3,530            | <b>3,700</b>                        |
| Retained taxes, fees and fines                | 2,640           | 3,000            | <b>2,730</b>                        |
| Grants and contributions                      | 47,592          | 30,020           | <b>41,500</b>                       |
| Other revenue                                 | 4,500           | 6,500            | <b>6,517</b>                        |
| <b>Total Retained Revenue</b>                 | <b>96,278</b>   | <b>80,585</b>    | <b>95,739</b>                       |
| Gain/(loss) on disposal of non current assets | (60)            | 20               | <b>(60)</b>                         |
| Other gains/(losses)                          | ...             | (400)            | <b>(100)</b>                        |
| <b>NET COST OF SERVICES</b>                   | <b>410,365</b>  | <b>404,107</b>   | <b>409,178</b>                      |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>CASH FLOW STATEMENT</b>                          |                  |                  |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                  |                  |                  |
| <b>Payments</b>                                     |                  |                  |                  |
| Employee related                                    | 208,780          | 212,416          | <b>223,053</b>   |
| Grants and subsidies                                | 73,570           | 39,724           | <b>45,607</b>    |
| Other   | 181,090          | 178,911          | <b>184,642</b>   |
| <b>Total Payments</b>                               | <b>463,440</b>   | <b>431,051</b>   | <b>453,302</b>   |
| <b>Receipts</b>                                     |                  |                  |                  |
| Sale of goods and services                          | 39,033           | 37,135           | <b>41,192</b>    |
| Retained taxes                                      | (162)            | 48               | <b>(210)</b>     |
| Interest  | 2,103            | 3,530            | <b>3,700</b>     |
| Other   | 75,641           | 59,890           | <b>72,627</b>    |
| <b>Total Receipts</b>                               | <b>116,615</b>   | <b>100,603</b>   | <b>117,309</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(346,825)</b> | <b>(330,448)</b> | <b>(335,993)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                  |                  |                  |
| Proceeds from sale of property, plant and equipment | 575              | 655              | <b>4,075</b>     |
| Purchases of property, plant and equipment          | (43,801)         | (54,606)         | <b>(56,572)</b>  |
| Other   | ...              | (1,380)          | ...              |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(43,226)</b>  | <b>(55,331)</b>  | <b>(52,497)</b>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                  |                  |                  |
| Proceeds from borrowings and advances               | ...              | 4,200            | <b>2,481</b>     |
| Repayment of borrowings and advances                | (1,000)          | (10,900)         | <b>(7,900)</b>   |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(1,000)</b>   | <b>(6,700)</b>   | <b>(5,419)</b>   |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                  |                  |                  |
| Recurrent appropriation                             | 355,948          | 342,124          | <b>350,196</b>   |
| Capital appropriation                               | 40,089           | 48,021           | <b>46,327</b>    |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>396,037</b>   | <b>390,145</b>   | <b>396,523</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>4,986</b>     | <b>(2,334)</b>   | <b>2,614</b>     |
| Opening Cash and Cash Equivalents                   | 55,270           | 69,125           | <b>66,791</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>60,256</b>    | <b>66,791</b>    | <b>69,405</b>    |

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ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS

15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION

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|  | 2005-06          |                  | 2006-07          |
|--|------------------|------------------|------------------|
|  | Budget           | Revised          | Budget           |
|  | \$000            | \$000            | \$000            |
| <b>CASH FLOW STATEMENT (cont)</b>              |                  |                  |                  |
| <b>CASH FLOW RECONCILIATION</b>                |                  |                  |                  |
| Net cost of services                           | (410,365)        | (404,107)        | <b>(409,178)</b> |
| Non cash items added back                      | 62,545           | 68,334           | <b>69,977</b>    |
| Change in operating assets and liabilities     | 995              | 5,325            | <b>3,208</b>     |
| <b>Net cash flow from operating activities</b> | <b>(346,825)</b> | <b>(330,448)</b> | <b>(335,993)</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

|                                      | 2005-06          |                  | 2006-07          |
|--------------------------------------|------------------|------------------|------------------|
|                                      | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>BALANCE SHEET</b>                 |                  |                  |                  |
| <b>ASSETS -</b>                      |                  |                  |                  |
| <b>Current Assets -</b>              |                  |                  |                  |
| Cash assets                          | 60,256           | 66,791           | <b>69,405</b>    |
| Receivables                          | 9,308            | 16,287           | <b>12,217</b>    |
| Other financial assets               | 16               | 16               | <b>16</b>        |
| Inventories                          | 1,200            | 1,300            | <b>1,300</b>     |
| Other                                | 1,465            | 1,000            | <b>1,000</b>     |
| <b>Total Current Assets</b>          | <b>72,245</b>    | <b>85,394</b>    | <b>83,938</b>    |
| <b>Non Current Assets -</b>          |                  |                  |                  |
| Property, plant and equipment -      |                  |                  |                  |
| Land and building                    | 1,830,828        | 1,971,221        | <b>1,981,916</b> |
| Plant and equipment                  | 32,298           | 30,463           | <b>35,669</b>    |
| Infrastructure systems               | 715,211          | 721,997          | <b>711,383</b>   |
| Intangibles                          | 4,150            | 6,000            | <b>4,000</b>     |
| Other                                | 52               | 26               | <b>26</b>        |
| <b>Total Non Current Assets</b>      | <b>2,582,539</b> | <b>2,729,707</b> | <b>2,732,994</b> |
| <b>Total Assets</b>                  | <b>2,654,784</b> | <b>2,815,101</b> | <b>2,816,932</b> |
| <b>LIABILITIES -</b>                 |                  |                  |                  |
| <b>Current Liabilities -</b>         |                  |                  |                  |
| Payables                             | 10,043           | 9,578            | <b>9,987</b>     |
| Provisions                           | 21,853           | 25,271           | <b>23,940</b>    |
| Other                                | ...              | 500              | <b>500</b>       |
| <b>Total Current Liabilities</b>     | <b>31,896</b>    | <b>35,349</b>    | <b>34,427</b>    |
| <b>Non Current Liabilities -</b>     |                  |                  |                  |
| Borrowings                           | 20,362           | 32,442           | <b>27,023</b>    |
| Provisions                           | 3,836            | 3,710            | <b>3,710</b>     |
| <b>Total Non Current Liabilities</b> | <b>24,198</b>    | <b>36,152</b>    | <b>30,733</b>    |
| <b>Total Liabilities</b>             | <b>56,094</b>    | <b>71,501</b>    | <b>65,160</b>    |
| <b>NET ASSETS</b>                    | <b>2,598,690</b> | <b>2,743,600</b> | <b>2,751,772</b> |
| <b>EQUITY</b>                        |                  |                  |                  |
| Reserves                             | 953,508          | 1,018,675        | <b>1,018,675</b> |
| Accumulated funds                    | 1,645,182        | 1,724,925        | <b>1,733,097</b> |
| <b>TOTAL EQUITY</b>                  | <b>2,598,690</b> | <b>2,743,600</b> | <b>2,751,772</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

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**15.1 Environment Protection and Regulation**

**15.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Successful prosecutions under EPA legislation   | %     | 94      | 98      | n.a.*   | <b>n.a.</b>    |
| <u>Outputs:</u>   |       |         |         |         |                |
| Inspections for compliance with EPA legislation undertaken outside formal compliance program                                      | no.   | 500     | 1,326   | 900     | <b>900</b>     |
| Penalty Infringement Notices issued   | no.   | 4,627   | 3,539   | 3,300   | <b>3,200</b>   |
| Completed audits for compliance with EPA legislation  | no.   | 200     | 126     | 95      | <b>120</b>     |
| Completed prosecutions under EPA legislation  | no.   | 111     | 127     | n.a.*   | <b>n.a.</b>    |
| Licences under EPA legislation in effect  | no.   | 3,170   | 3,173   | 3,170   | <b>3,100</b>   |
| Hazardous materials incidents where the Department provides technical advice on clean-up  | no.   | 82      | 73      | 50      | <b>50</b>      |
| Regulatory actions on contaminated sites  | no.   | 120     | 102     | 120     | <b>140</b>     |
| General terms of approval issued to consent authorities for Integrated Development Approval processes within statutory timeframes | %     | 95      | 92      | 95      | <b>95</b>      |
| <u>Average Staffing:</u>  | EFT   | ...     | 486     | 486     | <b>511</b>     |

\* It would be inappropriate to forecast successful prosecutions. Therefore, data is not yet available.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**15.1 Environment Protection and Regulation**

**15.1.1 Environment Protection and Regulation (cont)**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                                  |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>                          |                 |                  |                 |
| Operating expenses -  |                 |                  |                 |
| Employee related  | 49,272          | 48,868           | <b>52,964</b>   |
| Other operating expenses                                    | 15,339          | 15,541           | <b>32,156</b>   |
| Depreciation and amortisation                               | 433             | 1,303            | <b>1,522</b>    |
| Grants and subsidies  |                 |                  |                 |
| Environment and conservation organisations                  | 11              | ...              | ...             |
| Waste Levy Rebates to Local Councils                        | ...             | ...              | <b>4,790</b>    |
| Recurrent grants to non-profit organisations                | 202             | 199              | ...             |
| Grants to agencies for recurrent purposes                   | ...             | 21               | ...             |
| Current grants paid to other organisations                  | 76              | 70               | <b>70</b>       |
| Local Government - current grants                           | 76              | 398              | <b>398</b>      |
| Grants to organisations - other general government agencies | 19              | 100              | <b>100</b>      |
| <b>Total Expenses Excluding Losses</b>                      | <b>65,428</b>   | <b>66,500</b>    | <b>92,000</b>   |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                                   |                 |                  |                 |
| Sales of goods and services                                 |                 |                  |                 |
| Publication sales   | ...             | 240              | <b>257</b>      |
| Fees for services   | ...             | 138              | <b>138</b>      |
| Minor sales of goods and services                           | ...             | 19               | <b>20</b>       |
| Investment income   | 161             | 703              | <b>737</b>      |
| Retained taxes, fees and fines                              | ...             | 66               | <b>52</b>       |
| Grants and contributions                                    | 9,312           | 5,536            | <b>20,626</b>   |
| Other revenue   | 27              | 298              | <b>170</b>      |
| <b>Total Retained Revenue</b>                               | <b>9,500</b>    | <b>7,000</b>     | <b>22,000</b>   |
| <b>NET COST OF SERVICES</b>                                 | <b>55,928</b>   | <b>59,500</b>    | <b>70,000</b>   |
| <hr/>   |                 |                  |                 |
| <b>CAPITAL EXPENDITURE</b>                                  | <b>550</b>      | <b>1,735</b>     | <b>5,702</b>    |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**15.2 Sustainability Programs**

**15.2.1 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 programs to deliver on the Waste Avoidance and Resource Recovery Strategy. Providing community education and information. Working with businesses, the community and NSW government agencies to improve their environmental performance.

| <u>Outcomes</u> :   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Beachwatch and Harbourwatch sites with >90% compliance with Beachwatch swimming water quality guidelines:                                     |       |         |         |         |                |
| summer  | %     | 78      | 73      | n.a.*   | <b>n.a.</b>    |
| winter  | %     | 64      | 80      | 87      | <b>n.a.</b>    |
| Beverage Industry Environment Council's community litter disposal behaviour index for Sydney (1=extreme littering, 7=minimal or no littering) | no.   | 6       | 6       | 6       | <b>n.a.</b>    |
| Provision of information to the public:   |       |         |         |         |                |
| external visits to DEC website (incorporating visits to former EPA and NPWS websites)   | thous | 2,211   | 3,240   | 3,800   | <b>4,000</b>   |
| requests to DEC Information Centres (incorporating EPA Pollution Line and National Parks Centre)  | no.   | n.a.    | n.a.    | 175,000 | <b>180,000</b> |
| <u>Outputs</u> :  |       |         |         |         |                |
| Beachwatch and Harbourwatch daily reports providing timely and accurate data  | %     | 97      | 97      | 97      | <b>97</b>      |
| Businesses participating in alliances with DEC to improve resource recovery   | no.   | n.a.    | 78      | 80      | <b>150</b>     |
| NSW Government agencies submitting bi-annual waste reports  | %     | 100     | n.a.    | 100     | <b>n.a.</b>    |
| <u>Average Staffing</u> :   | EFT   | ...     | 94      | 92      | <b>93</b>      |

\* Beachwatch summer water quality not yet available.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**15.2 Sustainability Programs**

**15.2.1 Sustainability Programs (cont)**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                                     |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                             |                 |                  |                                     |
| Operating expenses -   |                 |                  |                                     |
| Employee related   | 10,715          | 11,569           | <b>12,019</b>                       |
| Other operating expenses                                       | 10,710          | 14,883           | <b>14,216</b>                       |
| Depreciation and amortisation                                  | 85              | 251              | <b>352</b>                          |
| Grants and subsidies   |                 |                  |                                     |
| Environment and conservation organisations                     | 2               | ...              | ...                                 |
| Government recurrent contribution to Zoological<br>Parks Board | 14,193          | 14,193           | <b>14,676</b>                       |
| Recurrent grants to non-profit organisations                   | 3,777           | 41               | ...                                 |
| Grant to Waste Fund  | 29,601          | ...              | ...                                 |
| Grants to agencies for recurrent purposes                      | ...             | 4                | ...                                 |
| Current grants paid to other organisations                     | 1,425           | 1,837            | <b>1,837</b>                        |
| Local Government - current grants                              | 1,425           | 81               | <b>81</b>                           |
| Zoological Parks Board - capital grants                        | 18,621          | 18,621           | <b>20,299</b>                       |
| Grants to organisations - other general<br>government agencies | 354             | 20               | <b>20</b>                           |
| <b>Total Expenses Excluding Losses</b>                         | <b>90,908</b>   | <b>61,500</b>    | <b>63,500</b>                       |
| Less:  |                 |                  |                                     |
| <b>Retained Revenue -</b>                                      |                 |                  |                                     |
| Sales of goods and services                                    |                 |                  |                                     |
| Publication sales  | ...             | 60               | <b>303</b>                          |
| Fees for services  | ...             | 10               | <b>282</b>                          |
| Minor sales of goods and services                              | ...             | 4                | <b>4</b>                            |
| Investment income  | 35              | 143              | <b>150</b>                          |
| Retained taxes, fees and fines                                 | ...             | 41               | <b>27</b>                           |
| Grants and contributions                                       | 25,232          | 9,151            | <b>8,665</b>                        |
| Other revenue  | 233             | 91               | <b>69</b>                           |
| <b>Total Retained Revenue</b>                                  | <b>25,500</b>   | <b>9,500</b>     | <b>9,500</b>                        |
| <b>NET COST OF SERVICES</b>                                    | <b>65,408</b>   | <b>52,000</b>    | <b>54,000</b>                       |
| <hr/>  |                 |                  |                                     |
| <b>CAPITAL EXPENDITURE</b>                                     | <b>850</b>      | <b>240</b>       | <b>290</b>                          |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**15.3 Policy and Science**

**15.3.1 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.

| <u>Outcomes</u> :   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| 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.    | 15,194  | 14,350  | <b>13,517</b>  |
| VOC emissions WITH regulation (tonnes)  | no.   | n.a.    | 12,515  | 11,898  | <b>11,383</b>  |
| Days when air quality goals were exceeded in the Sydney GMR   | no.   | 45      | 24      | n.a.    | <b>n.a.</b>    |
| <br><u>Outputs</u> :  |       |         |         |         |                |
| Time the Department of Environment and Conservation's air quality network provided valid data   | %     | 95      | 95      | 95      | <b>95</b>      |
| Major legislative/regulatory reviews undertaken   | no.   | 25      | 25      | 33      | <b>25</b>      |
| Chemical tests undertaken for pollution investigations and air and water monitoring/research  | no.   | 76,200  | 46,439  | 52,000  | <b>50,000</b>  |
| Ecotoxicological tests undertaken for responses to impacts of chemical mixtures on plants and animals   | no.   | 345     | 138     | 150     | <b>150</b>     |
| Threatened species, endangered populations, ecological communities, and key threatening processes for which a plan has been prepared or initiated | no.   | 430     | 442     | n.a.    | <b>n.a.</b>    |
| <u>Average Staffing</u> :   | EFT   | ...     | 280     | 285     | <b>285</b>     |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**15.3 Policy and Science**

**15.3.1 Policy and Science (cont)**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                                  |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>                          |                 |                  |                 |
| Operating expenses -  |                 |                  |                 |
| Employee related  | 24,843          | 25,607           | <b>26,630</b>   |
| Other operating expenses                                    | 10,476          | 8,064            | <b>8,003</b>    |
| Depreciation and amortisation                               | 452             | 2,834            | <b>2,998</b>    |
| Grants and subsidies  |                 |                  |                 |
| Environment and conservation organisations                  | 5               | ...              | ...             |
| Recurrent grants to non-profit organisations                | 315             | 114              | ...             |
| Grants to agencies for recurrent purposes                   | ...             | 12               | ...             |
| Current grants paid to other organisations                  | 119             | 84               | <b>84</b>       |
| Local Government - current grants                           | 119             | 228              | <b>228</b>      |
| Grants to organisations - other general government agencies | 30              | 57               | <b>57</b>       |
| <b>Total Expenses Excluding Losses</b>                      | <b>36,359</b>   | <b>37,000</b>    | <b>38,000</b>   |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                                   |                 |                  |                 |
| Sales of goods and services                                 |                 |                  |                 |
| Publication sales   | ...             | 238              | <b>248</b>      |
| Fees for services   | ...             | 129              | <b>129</b>      |
| Minor sales of goods and services                           | ...             | 11               | <b>11</b>       |
| Investment income   | 79              | 402              | <b>422</b>      |
| Retained taxes, fees and fines                              | ...             | 116              | <b>102</b>      |
| Grants and contributions                                    | 4,386           | 1,351            | <b>881</b>      |
| Other revenue   | 35              | 253              | <b>207</b>      |
| <b>Total Retained Revenue</b>                               | <b>4,500</b>    | <b>2,500</b>     | <b>2,000</b>    |
| <b>NET COST OF SERVICES</b>                                 | <b>31,859</b>   | <b>34,500</b>    | <b>36,000</b>   |
| <b>CAPITAL EXPENDITURE</b>                                  |                 |                  |                 |
|   | <b>2,800</b>    | <b>2,558</b>     | <b>3,283</b>    |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**15.4 Parks and Wildlife**

**15.4.1 Parks and Wildlife**

Program Objective(s): To protect biodiversity and cultural heritage, and provide opportunities for visitor enjoyment, 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.

| <u>Outcomes:</u>  | Units  | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|--------|---------|---------|---------|----------------|
| Area of New South Wales managed by the Department for conservation outcomes:  |        |         |         |         |                |
| NSW land  | %      | 7.4     | 7.6     | 8.2     | <b>8.4</b>     |
| land in New South Wales   | '000ha | 5,949   | 6,067   | 6,600   | <b>6,700</b>   |
| marine areas in New South Wales   | '000ha | 163     | 163     | 344     | <b>344</b>     |
| Agreements in place with Aboriginal communities for management or use of protected areas  | no.    | 4       | 7       | 11      | <b>14</b>      |
| Historic site protection on reserves:   |        |         |         |         |                |
| protected sites   | no.    | 15      | 15      | 15      | <b>15</b>      |
| areas of protected sites  | ha     | 3,065   | 3,065   | 3,065   | <b>3,065</b>   |
| NSW landholders' private lands managed for conservation outcomes in the Department's administered programs (including wildlife refuge and voluntary conservation) | %      | 2.0     | 2.0     | 2.0     | <b>2.2</b>     |
| <u>Outputs:</u>   |        |         |         |         |                |
| Service areas covered by a Plan of Management or where a draft Plan has been on exhibition:   |        |         |         |         |                |
| national parks  | no.    | 104     | 113     | 125     | <b>130</b>     |
| historic sites  | no.    | 10      | 11      | 12      | <b>12</b>      |
| natural reserves  | no.    | 145     | 177     | 190     | <b>210</b>     |
| Discovery community education programs conducted  | no.    | 3,086   | 3,000   | 3,000   | <b>3,000</b>   |
| Participants in community conservation programs   | no.    | 90,000  | 115,978 | 100,000 | <b>100,000</b> |

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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**15.4 Parks and Wildlife**

**15.4.1 Parks and Wildlife (cont)**

Conservation agreements on private land:

|  |     |     |     |     |            |
|--|-----|-----|-----|-----|------------|
| wildlife refuges in place                  | no. | 599 | 620 | 632 | <b>643</b> |
| voluntary conservation agreements in place | no. | 159 | 182 | 205 | <b>228</b> |

Average Staffing: EFT ... 1,676 1,677 **1,726**

|               |         |                |
|---------------|---------|----------------|
| ———2005-06——— |         | <b>2006-07</b> |
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |         |         |                |
|---|---------|---------|----------------|
| Operating expenses -  |         |         |                |
| Employee related  | 134,169 | 140,057 | <b>145,245</b> |
| Other operating expenses                                    | 120,839 | 123,480 | <b>110,339</b> |
| Depreciation and amortisation                               | 47,284  | 43,737  | <b>44,080</b>  |
| Grants and subsidies  |         |         |                |
| Environment and conservation organisations                  | 31      | ...     | ...            |
| Recurrent grants to non-profit organisations                | 983     | 617     | ...            |
| Lord Howe Island Board                                      | 1,305   | 1,305   | <b>1,342</b>   |
| Grants to agencies for recurrent purposes                   | ...     | 65      | ...            |
| Current grants paid to other organisations                  | 371     | 9       | <b>9</b>       |
| Local Government - current grants                           | 371     | 1,234   | <b>1,234</b>   |
| Grants to organisations - other general government agencies | 93      | 308     | <b>308</b>     |

**Total Expenses Excluding Losses** **305,446** **310,812** **302,557**

Less:

**Retained Revenue -**

|                                   |        |        |               |
|-----------------------------------|--------|--------|---------------|
| Sales of goods and services       |        |        |               |
| Rents and leases                  | 11,644 | 9,851  | <b>10,500</b> |
| Publication sales                 | 2,484  | 1,922  | <b>1,739</b>  |
| Fees for services                 | 7,500  | 5,716  | <b>6,166</b>  |
| Entry fees                        | 15,000 | 17,000 | <b>19,300</b> |
| Use of recreation facilities      | 2,500  | 2,000  | <b>2,000</b>  |
| Sale of manufactured goods        | 100    | 100    | <b>100</b>    |
| Minor sales of goods and services | 100    | 66     | <b>68</b>     |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

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**15.4 Parks and Wildlife**

**15.4.1 Parks and Wildlife (cont)**

**OPERATING STATEMENT (cont)**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Investment income                             | 1,923          | 2,179          | <b>2,282</b>   |
| Retained taxes, fees and fines                | 2,640          | 2,777          | <b>2,549</b>   |
| Grants and contributions                      | 8,584          | 13,982         | <b>11,328</b>  |
| Other revenue                                 | 4,203          | 5,854          | <b>6,067</b>   |
| <b>Total Retained Revenue</b>                 | <b>56,678</b>  | <b>61,447</b>  | <b>62,099</b>  |
| Gain/(loss) on disposal of non current assets | (60)           | 20             | <b>(60)</b>    |
| Other gains/(losses)                          | ...            | (400)          | <b>(100)</b>   |
| <b>NET COST OF SERVICES</b>                   | <b>248,828</b> | <b>249,745</b> | <b>240,618</b> |
| <b>CAPITAL EXPENDITURE</b>                    | <b>39,481</b>  | <b>51,010</b>  | <b>46,881</b>  |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**15.5 Cultural Heritage**

**15.5.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Aboriginal remains and cultural materials protected under National Parks' legislation repatriated to Aboriginal communities | no.   | 8       | 41      | 40      | <b>40</b>      |
| Aboriginal Place declarations (for sites of cultural significance) made under NSW legislation                               | no.   | 1       | 1       | 10      | <b>5</b>       |
| Aboriginal oral histories recorded or collected   | no.   | 60      | 64      | 104     | <b>124</b>     |
| <br><u>Outputs</u> :  |       |         |         |         |                |
| Aboriginal communities assisted with repatriation of cultural and ancestral remains protected under NSW legislation         | no.   | 16      | 8       | 12      | <b>10</b>      |
| Aboriginal Place nomination investigations  | no.   | 9       | 6       | 10      | <b>14</b>      |
| Data licence agreements for use of Aboriginal information issued by the Department  | no.   | 17      | 10      | 10      | <b>10</b>      |
| Items and locations listed on the Department's heritage registers:  |       |         |         |         |                |
| Aboriginal Heritage Information Management System   | no.   | 42,231  | 45,769  | 48,200  | <b>55,382</b>  |
| Historic Heritage Information Management System   | no.   | 9,656   | 9,837   | 10,200  | <b>10,255</b>  |
| Searches undertaken for external users on the Department's heritage registers   | no.   | 2,310   | 2,907   | 3,510   | <b>4,120</b>   |
| <u>Average Staffing</u> :   | EFT   | ...     | 64      | 70      | <b>71</b>      |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**15 DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

**15.5 Cultural Heritage**

**15.5.1 Cultural Heritage (cont)**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                                  |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>                          |                 |                  |                 |
| Operating expenses -  |                 |                  |                 |
| Employee related  | 6,241           | 6,275            | <b>6,600</b>    |
| Other operating expenses                                    | 2,120           | 1,955            | <b>1,828</b>    |
| Depreciation and amortisation                               | 35              | 164              | <b>198</b>      |
| Grants and subsidies  |                 |                  |                 |
| Environment and conservation organisations                  | 1               | ...              | ...             |
| Recurrent grants to non-profit organisations                | 23              | 29               | ...             |
| Grants to agencies for recurrent purposes                   | ...             | 3                | ...             |
| Current grants paid to other organisations                  | 9               | ...              | ...             |
| Local Government - current grants                           | 9               | 59               | <b>59</b>       |
| Grants to organisations - other general government agencies | 4               | 15               | <b>15</b>       |
| <b>Total Expenses Excluding Losses</b>                      | <b>8,442</b>    | <b>8,500</b>     | <b>8,700</b>    |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                                   |                 |                  |                 |
| Sales of goods and services                                 |                 |                  |                 |
| Publication sales   | ...             | 24               | <b>21</b>       |
| Fees for services   | ...             | 7                | <b>6</b>        |
| Investment income   | 20              | 103              | <b>109</b>      |
| Grants and contributions                                    | 78              | ...              | ...             |
| Other revenue   | 2               | 4                | <b>4</b>        |
| <b>Total Retained Revenue</b>                               | <b>100</b>      | <b>138</b>       | <b>140</b>      |
| <b>NET COST OF SERVICES</b>                                 | <b>8,342</b>    | <b>8,362</b>     | <b>8,560</b>    |
| <br>  |                 |                  |                 |
| <b>CAPITAL EXPENDITURE</b>                                  | <b>120</b>      | <b>443</b>       | <b>416</b>      |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS  
16 ENVIRONMENTAL TRUST**

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|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>             |               |               |               |
| <b>Expenses Excluding Losses -</b>     |               |               |               |
| Operating expenses -                   |               |               |               |
| Employee related                       | ...           | 3             | ...           |
| Other operating expenses               | 744           | 744           | <b>918</b>    |
| Grants and subsidies                   | 30,023        | 63,758        | <b>93,159</b> |
| <b>Total Expenses Excluding Losses</b> | <b>30,767</b> | <b>64,505</b> | <b>94,077</b> |
| Less:                                  |               |               |               |
| <b>Retained Revenue -</b>              |               |               |               |
| Investment income                      | 1,100         | 1,903         | <b>1,200</b>  |
| Other revenue                          | 2             | 2             | <b>2</b>      |
| <b>Total Retained Revenue</b>          | <b>1,102</b>  | <b>1,905</b>  | <b>1,202</b>  |
| <b>NET COST OF SERVICES</b>            | <b>29,665</b> | <b>62,600</b> | <b>92,875</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS  
16 ENVIRONMENTAL TRUST**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                         |
| <b>Payments</b>                                 |                 |                  |                         |
| Employee related                                | 34              | 3                | ...                     |
| Grants and subsidies                            | 30,023          | 63,758           | <b>93,159</b>           |
| Other   | 994             | 6,757            | <b>5,568</b>            |
| <b>Total Payments</b>                           | <b>31,051</b>   | <b>70,518</b>    | <b>98,727</b>           |
| <b>Receipts</b>                                 |                 |                  |                         |
| Interest  | 1,100           | 1,898            | <b>1,538</b>            |
| Other   | 252             | 252              | <b>252</b>              |
| <b>Total Receipts</b>                           | <b>1,352</b>    | <b>2,150</b>     | <b>1,790</b>            |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(29,699)</b> | <b>(68,368)</b>  | <b>(96,937)</b>         |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                         |
| Recurrent appropriation                         | 17,019          | 35,220           | <b>76,497</b>           |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>17,019</b>   | <b>35,220</b>    | <b>76,497</b>           |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(12,680)</b> | <b>(33,148)</b>  | <b>(20,440)</b>         |
| Opening Cash and Cash Equivalents               | 32,661          | 63,841           | <b>30,693</b>           |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>19,981</b>   | <b>30,693</b>    | <b>10,253</b>           |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                         |
| Net cost of services                            | (29,665)        | (62,600)         | <b>(92,875)</b>         |
| Change in operating assets and liabilities      | (34)            | (5,768)          | <b>(4,062)</b>          |
| <b>Net cash flow from operating activities</b>  | <b>(29,699)</b> | <b>(68,368)</b>  | <b>(96,937)</b>         |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**16 ENVIRONMENTAL TRUST**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 19,981          | 30,693           | <b>10,253</b>   |
| Receivables                          | 884             | 1,266            | <b>928</b>      |
| <b>Total Current Assets</b>          | <b>20,865</b>   | <b>31,959</b>    | <b>11,181</b>   |
| <b>Total Assets</b>                  | <b>20,865</b>   | <b>31,959</b>    | <b>11,181</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 1,494           | 5,391            | <b>991</b>      |
| Provisions                           | 62              | ...              | ...             |
| <b>Total Current Liabilities</b>     | <b>1,556</b>    | <b>5,391</b>     | <b>991</b>      |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 5               | ...              | ...             |
| <b>Total Non Current Liabilities</b> | <b>5</b>        | ...              | ...             |
| <b>Total Liabilities</b>             | <b>1,561</b>    | <b>5,391</b>     | <b>991</b>      |
| <b>NET ASSETS</b>                    | <b>19,304</b>   | <b>26,568</b>    | <b>10,190</b>   |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 19,304          | 26,568           | <b>10,190</b>   |
| <b>TOTAL EQUITY</b>                  | <b>19,304</b>   | <b>26,568</b>    | <b>10,190</b>   |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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16 ENVIRONMENTAL TRUST**

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**16.1 Support of the Environment**

**16.1.1 Support of the Environment**

Program Objective(s): To support environmental restoration and rehabilitation projects that reduce pollution, the waste stream or environmental degradation; promote environmental research and education; fund the acquisition of land for national parks; fund the declaration of marine parks; and fund the purchase of water entitlements for increasing environmental flows.

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.

|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <br><b>OPERATING STATEMENT</b>               |               |               |               |
| <b>Expenses Excluding Losses -</b>           |               |               |               |
| Operating expenses -                         |               |               |               |
| Employee related                             | ...           | 3             | ...           |
| Other operating expenses                     | 744           | 744           | <b>918</b>    |
| Grants and subsidies                         |               |               |               |
| Recurrent grants to non-profit organisations | 2,500         | 2,500         | <b>35,464</b> |
| Grants to agencies for recurrent purposes    | 27,523        | 61,258        | <b>57,695</b> |
| <b>Total Expenses Excluding Losses</b>       | <b>30,767</b> | <b>64,505</b> | <b>94,077</b> |
| Less:  |               |               |               |
| <b>Retained Revenue -</b>                    |               |               |               |
| Investment income                            | 1,100         | 1,903         | <b>1,200</b>  |
| Other revenue                                | 2             | 2             | <b>2</b>      |
| <b>Total Retained Revenue</b>                | <b>1,102</b>  | <b>1,905</b>  | <b>1,202</b>  |
| <b>NET COST OF SERVICES</b>                  | <b>29,665</b> | <b>62,600</b> | <b>92,875</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
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**17 ROYAL BOTANIC GARDENS AND DOMAIN TRUST**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Employee related                              | 19,754          | 20,031           | <b>20,257</b>                       |
| Other operating expenses                      | 8,011           | 7,953            | <b>8,212</b>                        |
| Depreciation and amortisation                 | 3,445           | 4,627            | <b>3,445</b>                        |
| Grants and subsidies                          | 90              | 90               | <b>74</b>                           |
| Finance costs                                 | 3               | ...              | ...                                 |
| <b>Total Expenses Excluding Losses</b>        | <b>31,303</b>   | <b>32,701</b>    | <b>31,988</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 5,504           | 5,929            | <b>6,273</b>                        |
| Investment income                             | 201             | 200              | <b>250</b>                          |
| Retained taxes, fees and fines                | 1,286           | 1,300            | <b>1,352</b>                        |
| Grants and contributions                      | 1,506           | 2,041            | <b>765</b>                          |
| Other revenue                                 | 709             | 700              | <b>348</b>                          |
| <b>Total Retained Revenue</b>                 | <b>9,206</b>    | <b>10,170</b>    | <b>8,988</b>                        |
| Gain/(loss) on disposal of non current assets | 40              | 40               | <b>40</b>                           |
| Other gains/(losses)                          | ...             | (5)              | ...                                 |
| <b>NET COST OF SERVICES</b>                   | <b>22,057</b>   | <b>22,496</b>    | <b>22,960</b>                       |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**17 ROYAL BOTANIC GARDENS AND DOMAIN TRUST**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 18,404          | 17,934           | <b>18,497</b>   |
| Grants and subsidies                                | 90              | 90               | <b>74</b>       |
| Finance costs                                       | 3               | ...              | ...             |
| Other   | 8,610           | 7,773            | <b>8,118</b>    |
| <b>Total Payments</b>                               | <b>27,107</b>   | <b>25,797</b>    | <b>26,689</b>   |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 4,824           | 5,935            | <b>6,273</b>    |
| Interest  | 201             | 200              | <b>250</b>      |
| Other   | 4,049           | 4,521            | <b>2,795</b>    |
| <b>Total Receipts</b>                               | <b>9,074</b>    | <b>10,656</b>    | <b>9,318</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(18,033)</b> | <b>(15,141)</b>  | <b>(17,371)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | 40              | 40               | <b>40</b>       |
| Purchases of property, plant and equipment          | (4,234)         | (4,500)          | <b>(6,020)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(4,194)</b>  | <b>(4,460)</b>   | <b>(5,980)</b>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                 |                  |                 |
| Repayment of borrowings and advances                | (50)            | (50)             | ...             |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(50)</b>     | <b>(50)</b>      | ...             |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                 |
| Recurrent appropriation                             | 17,135          | 17,034           | <b>17,379</b>   |
| Capital appropriation                               | 4,734           | 3,100            | <b>5,540</b>    |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>21,869</b>   | <b>20,134</b>    | <b>22,919</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(408)</b>    | <b>483</b>       | <b>(432)</b>    |
| Opening Cash and Cash Equivalents                   | 4,478           | 2,530            | <b>3,013</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>4,070</b>    | <b>3,013</b>     | <b>2,581</b>    |

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ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS

17 ROYAL BOTANIC GARDENS AND DOMAIN TRUST

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|  | 2005-06         |                 | 2006-07         |
|--|-----------------|-----------------|-----------------|
|  | Budget          | Revised         | Budget          |
|  | \$000           | \$000           | \$000           |
| <b>CASH FLOW STATEMENT (cont)</b>              |                 |                 |                 |
| <b>CASH FLOW RECONCILIATION</b>                |                 |                 |                 |
| Net cost of services                           | (22,057)        | (22,496)        | <b>(22,960)</b> |
| Non cash items added back                      | 5,279           | 6,461           | <b>5,352</b>    |
| Change in operating assets and liabilities     | (1,255)         | 894             | <b>237</b>      |
| <b>Net cash flow from operating activities</b> | <b>(18,033)</b> | <b>(15,141)</b> | <b>(17,371)</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**17 ROYAL BOTANIC GARDENS AND DOMAIN TRUST**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 4,070           | 3,013            | <b>2,581</b>    |
| Receivables                          | 2,280           | 490              | <b>162</b>      |
| Inventories                          | 480             | 376              | <b>376</b>      |
| Other                                | 505             | ...              | ...             |
| <b>Total Current Assets</b>          | <b>7,335</b>    | <b>3,879</b>     | <b>3,119</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 197,745         | 194,849          | <b>195,761</b>  |
| Plant and equipment                  | 37,563          | 38,038           | <b>37,179</b>   |
| Infrastructure systems               | 33,148          | 35,603           | <b>38,125</b>   |
| <b>Total Non Current Assets</b>      | <b>268,456</b>  | <b>268,490</b>   | <b>271,065</b>  |
| <b>Total Assets</b>                  | <b>275,791</b>  | <b>272,369</b>   | <b>274,184</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 870             | 1,024            | <b>1,125</b>    |
| Provisions                           | 1,342           | 1,439            | <b>1,287</b>    |
| Other                                | 200             | 150              | <b>150</b>      |
| <b>Total Current Liabilities</b>     | <b>2,412</b>    | <b>2,613</b>     | <b>2,562</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | ...             | 138              | <b>138</b>      |
| Provisions                           | 375             | 365              | <b>365</b>      |
| <b>Total Non Current Liabilities</b> | <b>375</b>      | <b>503</b>       | <b>503</b>      |
| <b>Total Liabilities</b>             | <b>2,787</b>    | <b>3,116</b>     | <b>3,065</b>    |
| <b>NET ASSETS</b>                    | <b>273,004</b>  | <b>269,253</b>   | <b>271,119</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 108,733         | 109,525          | <b>109,525</b>  |
| Accumulated funds                    | 164,271         | 159,728          | <b>161,594</b>  |
| <b>TOTAL EQUITY</b>                  | <b>273,004</b>  | <b>269,253</b>   | <b>271,119</b>  |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**17 ROYAL BOTANIC GARDENS AND DOMAIN TRUST**

**17.1 Royal Botanic Gardens and Domain Trust**

**17.1.1 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.

|   | Units   | 2003-04        | 2004-05 | 2005-06 | <b>2006-07</b> |         |  |                |        |         |        |       |       |       |
|---|---------|----------------|---------|---------|----------------|---------|--|----------------|--------|---------|--------|-------|-------|-------|
| <u>Outputs:</u>   |         |                |         |         |                |         |  |                |        |         |        |       |       |       |
| Scientific publications   | no.     | 65             | 70      | 70      | <b>70</b>      |         |  |                |        |         |        |       |       |       |
| Species and genera described  | no.     | 25             | 35      | 24      | <b>25</b>      |         |  |                |        |         |        |       |       |       |
| Species reclassified  | no.     | 50             | 40      | 55      | <b>60</b>      |         |  |                |        |         |        |       |       |       |
| Herbarium specimens databased*  | no.     | 70,000         | 96,000  | 35,000  | <b>15,000</b>  |         |  |                |        |         |        |       |       |       |
| Herbarium acquisitions*   | no.     | 25,000         | 22,000  | 10,000  | <b>1,000</b>   |         |  |                |        |         |        |       |       |       |
| Plant identifications   | no.     | 16,000         | 16,000  | 9,500   | <b>10,000</b>  |         |  |                |        |         |        |       |       |       |
| Disease diagnosis   | no.     | 250            | 250     | 300     | <b>300</b>     |         |  |                |        |         |        |       |       |       |
| Books and periodicals catalogued and accessioned  | no.     | 1,700          | 1,900   | 1,900   | <b>2,000</b>   |         |  |                |        |         |        |       |       |       |
| <u>Average Staffing:</u>  | EFT     | 63             | 61      | 60      | <b>60</b>      |         |  |                |        |         |        |       |       |       |
| <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">2005-06</th> <th style="text-align: center;"><b>2006-07</b></th> </tr> <tr> <th style="text-align: center;">Budget</th> <th style="text-align: center;">Revised</th> <th style="text-align: center;">Budget</th> </tr> <tr> <th style="text-align: center;">\$000</th> <th style="text-align: center;">\$000</th> <th style="text-align: center;">\$000</th> </tr> </thead> </table> |         |                |         |         |                | 2005-06 |  | <b>2006-07</b> | Budget | Revised | Budget | \$000 | \$000 | \$000 |
| 2005-06   |         | <b>2006-07</b> |         |         |                |         |  |                |        |         |        |       |       |       |
| Budget  | Revised | Budget         |         |         |                |         |  |                |        |         |        |       |       |       |
| \$000   | \$000   | \$000          |         |         |                |         |  |                |        |         |        |       |       |       |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |              |              |              |  |
|---|--------------|--------------|--------------|--|
| Operating expenses -                              |              |              |              |  |
| Employee related                                  | 3,973        | 4,563        | <b>4,615</b> |  |
| Other operating expenses                          | 1,610        | 733          | <b>861</b>   |  |
| Finance costs                                     |              |              |              |  |
| Interest on public sector borrowings and advances | 1            | ...          | ...          |  |
| <b>Total Expenses Excluding Losses</b>            | <b>5,584</b> | <b>5,296</b> | <b>5,476</b> |  |

\* Additional Commonwealth funding will cease in 2005-06. The Trust will continue normal classifications.

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**17 ROYAL BOTANIC GARDENS AND DOMAIN TRUST**

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**17.1 Royal Botanic Gardens and Domain Trust**

**17.1.1 Research (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

Sales of goods and services

Publication sales

Grants and contributions

|       |       |            |
|-------|-------|------------|
| 12    | 310   | <b>303</b> |
| 1,506 | 2,041 | <b>765</b> |

**Total Retained Revenue**

|              |              |              |
|--------------|--------------|--------------|
| <b>1,518</b> | <b>2,351</b> | <b>1,068</b> |
|--------------|--------------|--------------|

Other gains/(losses)

|     |     |     |
|-----|-----|-----|
| ... | (1) | ... |
|-----|-----|-----|

**NET COST OF SERVICES**

|              |              |              |
|--------------|--------------|--------------|
| <b>4,066</b> | <b>2,946</b> | <b>4,408</b> |
|--------------|--------------|--------------|



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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**17 ROYAL BOTANIC GARDENS AND DOMAIN TRUST**

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**17.1 Royal Botanic Gardens and Domain Trust**

**17.1.2 Botanic Gardens and Parks (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Sales of goods and services                   |               |               |               |
| Entry fees                                    | 538           | 486           | 503           |
| <b>Total Retained Revenue</b>                 | <b>538</b>    | <b>486</b>    | <b>503</b>    |
| Gain/(loss) on disposal of non current assets | 40            | 40            | 40            |
| Other gains/(losses)                          | ...           | (2)           | ...           |
| <b>NET COST OF SERVICES</b>                   | <b>21,086</b> | <b>19,193</b> | <b>17,957</b> |

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|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>4,234</b> | <b>4,500</b> | <b>6,020</b> |
|----------------------------|--------------|--------------|--------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**17 ROYAL BOTANIC GARDENS AND DOMAIN TRUST**

**17.1 Royal Botanic Gardens and Domain Trust**

**17.1.3 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---------------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :                |       |         |         |         |                |
| Community gardens established   | no.   | 60      | 85      | 80      | <b>80</b>      |
| Participants in school programs | no.   | 20,314  | 20,500  | 22,500  | <b>23,000</b>  |
| Participants in guided tours    | no.   | 8,900   | 9,000   | 10,150  | <b>11,000</b>  |
| <u>Average Staffing</u> :       | EFT   | 18      | 17      | 16      | <b>16</b>      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

Operating expenses -

Employee related

Other operating expenses

|  |       |       |              |
|--|-------|-------|--------------|
|  | 1,160 | 1,666 | <b>1,684</b> |
|  | 475   | 444   | <b>612</b>   |

**Total Expenses Excluding Losses**

|  |              |              |              |
|--|--------------|--------------|--------------|
|  | <b>1,635</b> | <b>2,110</b> | <b>2,296</b> |
|--|--------------|--------------|--------------|

Less:

**Retained Revenue -**

Sales of goods and services

Use of recreation facilities

Other revenue

|  |     |     |            |
|--|-----|-----|------------|
|  | 223 | 166 | <b>188</b> |
|  | 211 | 211 | <b>48</b>  |

**Total Retained Revenue**

|  |            |            |            |
|--|------------|------------|------------|
|  | <b>434</b> | <b>377</b> | <b>236</b> |
|--|------------|------------|------------|

**NET COST OF SERVICES**

|  |              |              |              |
|--|--------------|--------------|--------------|
|  | <b>1,201</b> | <b>1,733</b> | <b>2,060</b> |
|--|--------------|--------------|--------------|

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**17 ROYAL BOTANIC GARDENS AND DOMAIN TRUST**

**17.1 Royal Botanic Gardens and Domain Trust**

**17.1.4 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.

| <u>Outputs</u> :                                      | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Premises serviced by commercial horticultural program | no.   | 10      | 10      | 10      | <b>10</b>      |
| Leases and licences                                   | no.   | 43      | 43      | 35      | <b>35</b>      |
| <u>Average Staffing</u> :                             | EFT   | 23      | 24      | 25      | <b>25</b>      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|                          |       |       |              |
|--------------------------|-------|-------|--------------|
| Operating expenses -     |       |       |              |
| Employee related         | 1,723 | 2,949 | <b>2,983</b> |
| Other operating expenses | 697   | 2,629 | <b>2,733</b> |

|  |              |              |              |
|--|--------------|--------------|--------------|
| <b>Total Expenses Excluding Losses</b> | <b>2,420</b> | <b>5,578</b> | <b>5,716</b> |
|--|--------------|--------------|--------------|

Less:

**Retained Revenue -**

|                                   |       |       |              |
|-----------------------------------|-------|-------|--------------|
| Sales of goods and services       |       |       |              |
| Rents and leases                  | 1,556 | 1,090 | <b>1,030</b> |
| Retail sales                      | 1,672 | 1,468 | <b>1,518</b> |
| Use of recreation facilities      | 1,288 | 1,522 | <b>2,088</b> |
| Minor sales of goods and services | 215   | 887   | <b>643</b>   |
| Investment income                 | 201   | 200   | <b>250</b>   |
| Retained taxes, fees and fines    | 1,286 | 1,300 | <b>1,352</b> |
| Other revenue                     | 498   | 489   | <b>300</b>   |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>6,716</b> | <b>6,956</b> | <b>7,181</b> |
|-------------------------------|--------------|--------------|--------------|

|                      |     |     |     |
|----------------------|-----|-----|-----|
| Other gains/(losses) | ... | (2) | ... |
|----------------------|-----|-----|-----|

|                             |                |                |                |
|-----------------------------|----------------|----------------|----------------|
| <b>NET COST OF SERVICES</b> | <b>(4,296)</b> | <b>(1,376)</b> | <b>(1,465)</b> |
|-----------------------------|----------------|----------------|----------------|

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating expenses -                   |                 |                  |                                     |
| Employee related                       | 54,224          | 55,799           | <b>58,385</b>                       |
| Other operating expenses               | 35,529          | 35,553           | <b>36,091</b>                       |
| Depreciation and amortisation          | 9,843           | 10,948           | <b>10,475</b>                       |
| Grants and subsidies                   | 296,903         | 336,944          | <b>304,040</b>                      |
| Other expenses                         | 12,205          | 19,205           | <b>12,205</b>                       |
| <b>Total Expenses Excluding Losses</b> | <b>408,704</b>  | <b>458,449</b>   | <b>421,196</b>                      |
| Less:                                  |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 30,896          | 31,369           | <b>33,015</b>                       |
| Investment income                      | 1,388           | 1,749            | <b>1,739</b>                        |
| Grants and contributions               | 1,038           | 2,137            | <b>2,115</b>                        |
| Other revenue                          | 1,768           | 2,443            | <b>2,449</b>                        |
| <b>Total Retained Revenue</b>          | <b>35,090</b>   | <b>37,698</b>    | <b>39,318</b>                       |
| <b>NET COST OF SERVICES</b>            | <b>373,614</b>  | <b>420,751</b>   | <b>381,878</b>                      |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>CASH FLOW STATEMENT</b>                      |                  |                  |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                  |                  |                  |
| <b>Payments</b>                                 |                  |                  |                  |
| Employee related                                | 50,493           | 51,239           | <b>54,475</b>    |
| Grants and subsidies                            | 296,903          | 343,944          | <b>304,040</b>   |
| Other   | 59,778           | 73,377           | <b>66,910</b>    |
| <b>Total Payments</b>                           | <b>407,174</b>   | <b>468,560</b>   | <b>425,425</b>   |
| <b>Receipts</b>                                 |                  |                  |                  |
| Sale of goods and services                      | 30,856           | 33,364           | <b>33,016</b>    |
| Interest  | 1,572            | 834              | <b>1,739</b>     |
| Other   | 12,314           | 27,041           | <b>23,128</b>    |
| <b>Total Receipts</b>                           | <b>44,742</b>    | <b>61,239</b>    | <b>57,883</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(362,432)</b> | <b>(407,321)</b> | <b>(367,542)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                  |                  |                  |
| Advance repayments received                     | 285              | 330              | ...              |
| Purchases of property, plant and equipment      | (30,990)         | (36,593)         | <b>(32,736)</b>  |
| Advances made                                   | ...              | (2,644)          | ...              |
| Other   | ...              | (795)            | <b>(50)</b>      |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(30,705)</b>  | <b>(39,702)</b>  | <b>(32,786)</b>  |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                  |                  |                  |
| Recurrent appropriation                         | 331,953          | 407,421          | <b>370,303</b>   |
| Capital appropriation                           | 58,898           | 36,166           | <b>32,786</b>    |
| Cash transfers to Consolidated Fund             | ...              | 230              | ...              |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>390,851</b>   | <b>443,817</b>   | <b>403,089</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(2,286)</b>   | <b>(3,206)</b>   | <b>2,761</b>     |
| Opening Cash and Cash Equivalents               | 37,369           | 47,101           | <b>43,895</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>35,083</b>    | <b>43,895</b>    | <b>46,656</b>    |

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ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS

18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION

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|  | 2005-06          |                  | 2006-07          |
|--|------------------|------------------|------------------|
|  | Budget           | Revised          | Budget           |
|  | \$000            | \$000            | \$000            |
| <b>CASH FLOW STATEMENT (cont)</b>              |                  |                  |                  |
| <b>CASH FLOW RECONCILIATION</b>                |                  |                  |                  |
| Net cost of services                           | (373,614)        | (420,751)        | <b>(381,878)</b> |
| Non cash items added back                      | 13,350           | 14,392           | <b>13,986</b>    |
| Change in operating assets and liabilities     | (2,168)          | (962)            | <b>350</b>       |
| <b>Net cash flow from operating activities</b> | <b>(362,432)</b> | <b>(407,321)</b> | <b>(367,542)</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 35,083          | 43,895           | <b>46,656</b>   |
| Receivables                          | 5,019           | 4,464            | <b>4,463</b>    |
| Other financial assets               | 309             | 368              | <b>368</b>      |
| Other                                | 267             | 231              | <b>231</b>      |
| <b>Total Current Assets</b>          | <b>40,678</b>   | <b>48,958</b>    | <b>51,718</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Receivables                          | (52)            | ...              | ...             |
| Other financial assets               | 2,590           | 1,946            | <b>1,946</b>    |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 392,972         | 383,389          | <b>387,324</b>  |
| Plant and equipment                  | 9,928           | 9,462            | <b>14,500</b>   |
| Infrastructure systems               | 22,548          | 31,282           | <b>44,984</b>   |
| Intangibles                          | 2,646           | 1,629            | <b>1,315</b>    |
| <b>Total Non Current Assets</b>      | <b>430,632</b>  | <b>427,708</b>   | <b>450,069</b>  |
| <b>Total Assets</b>                  | <b>471,310</b>  | <b>476,666</b>   | <b>501,787</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 3,383           | 2,717            | <b>2,869</b>    |
| Provisions                           | 4,258           | 4,602            | <b>4,828</b>    |
| Other                                | 2,200           | 4,353            | <b>4,353</b>    |
| <b>Total Current Liabilities</b>     | <b>9,841</b>    | <b>11,672</b>    | <b>12,050</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 615             | 643              | <b>664</b>      |
| Other                                | 50              | 330              | <b>330</b>      |
| <b>Total Non Current Liabilities</b> | <b>665</b>      | <b>973</b>       | <b>994</b>      |
| <b>Total Liabilities</b>             | <b>10,506</b>   | <b>12,645</b>    | <b>13,044</b>   |
| <b>NET ASSETS</b>                    | <b>460,804</b>  | <b>464,021</b>   | <b>488,743</b>  |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**  
**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

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|                                    | ———2005-06———   |                  | <b>2006-07</b>          |
|------------------------------------|-----------------|------------------|-------------------------|
|                                    | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <hr/>                              |                 |                  |                         |
| <b><i>BALANCE SHEET (cont)</i></b> |                 |                  |                         |
| <b>EQUITY</b>                      |                 |                  |                         |
| Reserves                           | 35,370          | 37,749           | <b>37,749</b>           |
| Accumulated funds                  | 425,434         | 426,272          | <b>450,994</b>          |
| <b>TOTAL EQUITY</b>                | <b>460,804</b>  | <b>464,021</b>   | <b>488,743</b>          |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

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**18.1 Arts**

**18.1.1 Arts NSW**

Program Objective(s): To advise the Government on arts and cultural matters, the management of the State's cultural institutions and agencies, the administration 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, administration of grants and other support to non-profit arts organisations and awards and fellowships to individuals.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                        |       |         |         |         |                |
| Cultural Grants Program -              |       |         |         |         |                |
| Funds distributed                      | \$m   | 49.7    | 18.7    | 29.2    | <b>30.5</b>    |
| Organisations/individuals assisted     | no.   | 342     | 263     | 230     | <b>230</b>     |
| Applications approved                  | no.   | 702     | 393     | 375     | <b>375</b>     |
| Applications processed                 | no.   | 2,087   | 1,828   | 1,725   | <b>1,725</b>   |
| Distribution of funds -                |       |         |         |         |                |
| General running                        |       |         |         |         |                |
| costs/salaries/annual programs         | %     | 60      | 52      | 65      | <b>65</b>      |
| Specific projects                      | %     | 40      | 48      | 35      | <b>35</b>      |
| Fellowships, scholarships and awards - |       |         |         |         |                |
| Funds distributed                      | \$000 | 431     | 165     | 160     | <b>160</b>     |
| Individuals assessed                   | no.   | 42      | 8       | 12      | <b>12</b>      |
| Applications processed                 | no.   | 1,028   | 999     | 1,000   | <b>1,000</b>   |
| Sydney Opera House                     |       |         |         |         |                |
| Performances                           | no.   | 1,653   | 1,543   | 1,552   | <b>1,560</b>   |
| Other events (not performances)        | no.   | 773     | 728     | 700     | <b>700</b>     |
| Performance attendance (total)         | mill  | 1.15    | 1.14    | 1.16    | <b>1.16</b>    |
| Other event attendance (total)         | mill  | 0.48    | 0.46    | 0.40    | <b>0.40</b>    |
| Guided tour participants               | thous | 245     | 247     | 270     | <b>318</b>     |
| <u>Average Staffing:</u>               | EFT   | 40      | 40      | 39      | <b>39</b>      |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

**18.1 Arts**

**18.1.1 Arts NSW (cont)**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                 |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>         |                 |                  |                 |
| Operating expenses -                       |                 |                  |                 |
| Employee related                           | 4,102           | 3,864            | <b>4,041</b>    |
| Other operating expenses                   | 3,674           | 5,056            | <b>5,254</b>    |
| Depreciation and amortisation              | 1,210           | 1,525            | <b>1,485</b>    |
| Grants and subsidies                       |                 |                  |                 |
| Museum of Contemporary Art <sup>#</sup>    | 2,700           | 4,050            | ...             |
| Arts development initiatives               | 440             | 1,533            | <b>792</b>      |
| Cultural Grants Program                    | 29,502          | 29,238           | <b>30,469</b>   |
| Annual endowment Sydney Opera House Trust  | 14,294          | 15,565           | <b>13,148</b>   |
| Sydney Festival Ltd                        | 700             | 1,330            | <b>3,330</b>    |
| Sydney Opera House - maintenance*          | 19,627          | 45,606           | ...             |
| Sydney Opera House - capital grants        | 7,108           | 7,108            | <b>9,424</b>    |
| Recurrent grants**                         |                 |                  |                 |
| State Library of New South Wales           | 57,108          | 57,108           | <b>56,780</b>   |
| Australian Museum                          | 22,708          | 22,378           | <b>22,647</b>   |
| Museum of Applied Arts and Sciences        | 29,752          | 31,252           | <b>30,803</b>   |
| Historic Houses Trust of New South Wales   | 17,422          | 17,422           | <b>17,827</b>   |
| Art Gallery of New South Wales             | 18,299          | 18,299           | <b>21,440</b>   |
| State Records Authority                    | 5,061           | 5,061            | <b>5,040</b>    |
| New South Wales Film and Television Office | 9,070           | 9,070            | <b>9,074</b>    |
| Capital grants**                           |                 |                  |                 |
| State Library of New South Wales           | 10,780          | 11,285           | <b>12,915</b>   |
| Australian Museum                          | 5,385           | 5,385            | <b>19,327</b>   |
| Museum of Applied Arts and Sciences        | 4,833           | 4,833            | <b>7,237</b>    |
| Historic Houses Trust of New South Wales   | 231             | 231              | <b>1,631</b>    |
| Art Gallery of New South Wales             | 1,770           | 1,770            | <b>1,770</b>    |
| State Records Authority                    | 345             | 345              | <b>345</b>      |
| New South Wales Film and Television Office | 44              | 44               | <b>44</b>       |
| <b>Total Expenses Excluding Losses</b>     | <b>266,165</b>  | <b>299,358</b>   | <b>274,823</b>  |

<sup>#</sup> Grant for 2006-07 has been brought-forward to 2005-06.

<sup>\*</sup> Additional funds have been paid to the Sydney Opera House in 2005-06 to enable essential maintenance and upgrading work to be brought-forward.

<sup>\*\*</sup> In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

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**18.1 Arts**

**18.1.1 Arts NSW (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                   |       |       |              |
|-----------------------------------|-------|-------|--------------|
| Sales of goods and services       |       |       |              |
| Rents and leases                  | 1,200 | 1,300 | <b>1,490</b> |
| Minor sales of goods and services | 30    | 10    | <b>10</b>    |
| Investment income                 | 250   | 450   | <b>400</b>   |
| Grants and contributions          | 135   | 485   | <b>435</b>   |
| Other revenue                     | ...   | 32    | <b>30</b>    |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>1,615</b> | <b>2,277</b> | <b>2,365</b> |
|-------------------------------|--------------|--------------|--------------|

|                             |                |                |                |
|-----------------------------|----------------|----------------|----------------|
| <b>NET COST OF SERVICES</b> | <b>264,550</b> | <b>297,081</b> | <b>272,458</b> |
|-----------------------------|----------------|----------------|----------------|

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>17,738</b> | <b>15,136</b> | <b>15,140</b> |
|----------------------------|---------------|---------------|---------------|

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

**18.2 Sport and Recreation**

**18.2.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Customers satisfied with services   | %     | 80      | 81      | 81      | <b>83</b>      |
| NSW population 15 years and over participating in organised sport and physical activities | %     | 41.0    | 43.5    | 44.0    | <b>44.5</b>    |
| NSW population aged 5-14 years participating in sport and physical activities             | %     | 62      | 63      | 64      | <b>65</b>      |
| Total NSW population participating in sport and physical activity                         | %     | 81.0    | 82.5    | 83.0    | <b>83.5</b>    |
| <br><u>Outputs:</u>   |       |         |         |         |                |
| Outdoor education program (participants)  | thous | 75      | 79      | 81      | <b>85</b>      |
| Swimsafe program (participants)   | thous | 25      | 22      | 21      | <b>20</b>      |
| Sport and Recreation Centres and Academies (participant days)                             | thous | 455     | 406     | 410     | <b>415</b>     |
| Local level sports facilities (development) supported                                     | no.   | 411     | 274     | 364     | <b>350</b>     |
| Regional sports facilities (development) supported  | no.   | 15      | 25      | 30      | <b>30</b>      |
| <u>Average Staffing:</u>  | EFT   | 351     | 324     | 372     | <b>369</b>     |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

**18.2 Sport and Recreation**

**18.2.1 Sport and Recreation Development (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                                      |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                              |                 |                  |                                     |
| Operating expenses -  |                 |                  |                                     |
| Employee related  | 31,913          | 33,404           | <b>34,912</b>                       |
| Other operating expenses  | 25,828          | 24,849           | <b>24,071</b>                       |
| Depreciation and amortisation                                   | 7,638           | 8,636            | <b>8,105</b>                        |
| Grants and subsidies  |                 |                  |                                     |
| Parramatta Park Trust   | 1,167           | 1,167            | <b>1,214</b>                        |
| World Masters Games   | 1,768           | 1,767            | <b>1,666</b>                        |
| Sporting associations   | 6,700           | 6,916            | <b>5,330</b>                        |
| Sports development assistance                                   | 4,036           | 3,929            | <b>3,820</b>                        |
| Assistance for special community groups                         | 175             | 216              | <b>166</b>                          |
| International Sporting Events Council                           | 510             | 510              | <b>510</b>                          |
| NSW Institute of Sport  | 8,737           | 7,737            | <b>8,517</b>                        |
| National Rugby League towards<br>the cost of the grand final    | ...             | 3,000            | ...                                 |
| Newcastle Entertainment Centre for<br>repayment of loan         | ...             | 3,200            | ...                                 |
| Wollongong Sports Ground Trust for<br>repayment of loans        | ...             | 815              | ...                                 |
| Current grants paid to other organisations                      | ...             | 500              | ...                                 |
| Capital grants to non-profit organisations                      | ...             | ...              | <b>210</b>                          |
| Sporting facilities - capital grants                            | 8,487           | 10,130           | <b>10,342</b>                       |
| Recurrent grant to the Centennial Park and<br>Moore Park Trust* | 2,328           | 2,328            | <b>2,215</b>                        |
| Capital grant to the Centennial Park and Moore<br>Park Trust*   | 4,516           | 4,516            | <b>4,707</b>                        |
| Other expenses  |                 |                  |                                     |
| Contribution towards redevelopment of Kogarah Oval              | ...             | 7,000            | ...                                 |
| <b>Total Expenses Excluding Losses</b>                          | <b>103,803</b>  | <b>120,620</b>   | <b>105,785</b>                      |

\* In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

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**18.2 Sport and Recreation**

**18.2.1 Sport and Recreation Development (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                   |               |               |               |
|-----------------------------------|---------------|---------------|---------------|
| Sales of goods and services       |               |               |               |
| Rents and leases                  | 615           | 342           | <b>354</b>    |
| Sport and recreation centres      | 22,893        | 23,868        | <b>24,991</b> |
| Board and lodging                 | 375           | 558           | <b>577</b>    |
| Minor sales of goods and services | 2,665         | 1,911         | <b>1,976</b>  |
| Investment income                 | 416           | 577           | <b>592</b>    |
| Grants and contributions          | 903           | 1,652         | <b>1,680</b>  |
| Other revenue                     | 656           | 333           | <b>357</b>    |
| <b>Total Retained Revenue</b>     | <b>28,523</b> | <b>29,241</b> | <b>30,527</b> |
| <b>NET COST OF SERVICES</b>       | <b>75,280</b> | <b>91,379</b> | <b>75,258</b> |

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**CAPITAL EXPENDITURE** **11,460**      **20,956**      **16,104**

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

**18.3 Office of Gaming and Racing**

**18.3.1 Office of Liquor, Gaming and Racing**

Program Objective(s): Regulation and balanced development, in the community interest, of the gaming, racing, liquor and charity industries in New South Wales.

Program Description: The Office has three key result areas: industry integrity - industries that meet community expectations and regulatory standards; industry sustainability - industries that are sustainable and in balance with communities' interests; and responsible practices - minimisation of liquor and gambling related harm and promotion of responsible conduct.

| <u>Outcomes:</u>   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Closed treatment episodes in New South Wales for alcohol related abuse   | %     | 41      | 40      | 39      | <b>39</b>      |
| Level of compliance of industries with responsible practices   | %     | 98.5    | 99.0    | 99.0    | <b>98.9</b>    |
| Level of accessibility of gambling counselling and support services to people of New South Wales                 | %     | 100     | 100     | 100     | <b>100</b>     |
| <br><u>Outputs:</u>  |       |         |         |         |                |
| Rate of compliance of gaming, racing, liquor and charities industries with key regulatory requirements           |       |         |         |         |                |
| Audits conducted   | no.   | 6,640   | 6,822   | 10,190  | <b>10,030</b>  |
| Infringement/compliance notices issued   | no.   | 3,097   | 5,223   | 9,335   | <b>8,850</b>   |
| Complaint actions initiated  | no.   | 1,438   | 971     | 1,000   | <b>1,002</b>   |
| Court actions initiated  | no.   | 993     | 1,139   | 1,173   | <b>1,174</b>   |
| Gaming machines connected to Central Monitoring System over a 7-day period                                       | %     | 99.0    | 99.1    | 99.2    | <b>99.3</b>    |
| Totalizator systems connected to the Automated Totalizator Management System                                     | %     | 100     | 100     | 100     | <b>100</b>     |
| Licences/permits granted   | no.   | 22,192  | 28,998  | 30,026  | <b>30,320</b>  |
| Persons attending Responsible Service of Alcohol training  | no.   | n.a.    | 85,800  | 90,000  | <b>95,000</b>  |
| Initiatives implemented from the Policy Framework for Treatment Services for Problem Gamblers and their Families | no.   | 16      | 26      | 30      | <b>32</b>      |
| Legislative initiatives implemented  | no.   | 25      | 30      | 37      | <b>32</b>      |
| <u>Average Staffing:</u>   | EFT   | 197     | 223     | 228     | <b>230</b>     |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**18 DEPARTMENT OF THE ARTS, SPORT AND RECREATION**

**18.3 Office of Gaming and Racing**

**18.3.1 Office of Liquor, Gaming and Racing (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                                  |                 |                  |                                     |
| Operating expenses -  |                 |                  |                                     |
| Employee related  | 18,209          | 18,531           | <b>19,432</b>                       |
| Other operating expenses  | 6,027           | 5,648            | <b>6,766</b>                        |
| Depreciation and amortisation                                       | 995             | 787              | <b>885</b>                          |
| Grants and subsidies  |                 |                  |                                     |
| Central monitoring fee assistance for clubs                         | 1,300           | 1,300            | <b>1,300</b>                        |
| Other expenses  |                 |                  |                                     |
| Bookmakers Revision Committee                                       | 5               | 5                | <b>5</b>                            |
| Responsible Gambling Fund   | 12,200          | 12,200           | <b>12,200</b>                       |
| <b>Total Expenses Excluding Losses</b>                              | <b>38,736</b>   | <b>38,471</b>    | <b>40,588</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>   |                 |                  |                                     |
| Sales of goods and services   |                 |                  |                                     |
| Recoupment of administration costs - general<br>government agencies | 453             | 562              | <b>760</b>                          |
| Device evaluation fees  | 948             | 1,047            | <b>1,082</b>                        |
| Minor sales of goods and services                                   | 1,717           | 1,771            | <b>1,775</b>                        |
| Investment income   | 722             | 722              | <b>747</b>                          |
| Other revenue   | 1,112           | 2,078            | <b>2,062</b>                        |
| <b>Total Retained Revenue</b>                                       | <b>4,952</b>    | <b>6,180</b>     | <b>6,426</b>                        |
| <b>NET COST OF SERVICES</b>   | <b>33,784</b>   | <b>32,291</b>    | <b>34,162</b>                       |
| <hr/>   |                 |                  |                                     |
| <b>CAPITAL EXPENDITURE</b>  | <b>1,796</b>    | <b>1,296</b>     | <b>1,542</b>                        |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**PUBLIC TRUSTEE NSW**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   | 28,509          | 27,509           | <b>29,930</b>   |
| Investment income                             | 2,378           | 2,378            | <b>1,852</b>    |
| Social program policy payments                | 2,390           | 2,390            | <b>2,300</b>    |
| Other revenue                                 | 12              | 12               | <b>13</b>       |
| <b>Total Retained Revenue</b>                 | <b>33,289</b>   | <b>32,289</b>    | <b>34,095</b>   |
| Less:   |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating Expenses -                          |                 |                  |                 |
| Employee related                              | 22,384          | 21,384           | <b>23,051</b>   |
| Other operating expenses                      | 6,575           | 6,575            | <b>7,613</b>    |
| Depreciation and amortisation                 | 1,873           | 1,873            | <b>2,021</b>    |
| <b>Total Expenses Excluding Losses</b>        | <b>30,832</b>   | <b>29,832</b>    | <b>32,685</b>   |
| <b>SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS</b> | <b>2,457</b>    | <b>2,457</b>     | <b>1,410</b>    |
| <b>Distributions -</b>                        |                 |                  |                 |
| Dividends and capital repatriations           | 1,295           | 1,295            | <b>692</b>      |
| Tax equivalents                               | 793             | 793              | <b>423</b>      |
| <b>SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</b>  | <b>369</b>      | <b>369</b>       | <b>295</b>      |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**PUBLIC TRUSTEE NSW**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 28,509          | 28,816           | <b>29,930</b>   |
| Interest  | 2,378           | 2,178            | <b>1,852</b>    |
| Other   | 4,557           | 4,549            | <b>4,468</b>    |
| <b>Total Receipts</b>                           | <b>35,444</b>   | <b>35,543</b>    | <b>36,250</b>   |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 22,242          | 22,921           | <b>22,887</b>   |
| Equivalent Income Tax                           | 883             | 2,207            | <b>515</b>      |
| Other   | 8,722           | 9,316            | <b>9,728</b>    |
| <b>Total Payments</b>                           | <b>31,847</b>   | <b>34,444</b>    | <b>33,130</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>3,597</b>    | <b>1,099</b>     | <b>3,120</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Proceeds from sale of investments               | 1,841           | 3,932            | <b>1,147</b>    |
| Purchases of property, plant and equipment      | (3,160)         | (3,381)          | <b>(2,972)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(1,319)</b>  | <b>551</b>       | <b>(1,825)</b>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                 |
| Dividends paid                                  | (2,278)         | (2,632)          | <b>(1,295)</b>  |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>(2,278)</b>  | <b>(2,632)</b>   | <b>(1,295)</b>  |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | ...             | <b>(982)</b>     | ...             |
| Opening Cash and Cash Equivalents               | 1,506           | 2,488            | <b>1,506</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>1,506</b>    | <b>1,506</b>     | <b>1,506</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Surplus/(deficit) for year before distributions | 1,664           | 1,664            | <b>987</b>      |
| Non cash items added back                       | 1,685           | 1,685            | <b>2,021</b>    |
| Change in operating assets and liabilities      | 248             | (2,250)          | <b>112</b>      |
| <b>Net cash flow from operating activities</b>  | <b>3,597</b>    | <b>1,099</b>     | <b>3,120</b>    |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**PUBLIC TRUSTEE NSW**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 1,506           | 1,506            | <b>1,506</b>    |
| Receivables                          | 260             | 260              | <b>260</b>      |
| Other                                | 80              | 80               | <b>80</b>       |
| <b>Total Current Assets</b>          | <b>1,846</b>    | <b>1,846</b>     | <b>1,846</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Other financial assets               | 36,394          | 36,803           | <b>35,656</b>   |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 11,945          | 18,283           | <b>17,888</b>   |
| Plant and equipment                  | 5,635           | 6,611            | <b>7,957</b>    |
| Intangibles                          | 4,288           | 3,494            | <b>3,494</b>    |
| Other                                | 1,077           | 1,077            | <b>1,077</b>    |
| <b>Total Non Current Assets</b>      | <b>59,339</b>   | <b>66,268</b>    | <b>66,072</b>   |
| <b>Total Assets</b>                  | <b>61,185</b>   | <b>68,114</b>    | <b>67,918</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 270             | 270              | <b>270</b>      |
| Tax                                  | 198             | 198              | <b>106</b>      |
| Provisions                           | 2,895           | 2,895            | <b>2,292</b>    |
| Other                                | 92              | 92               | <b>95</b>       |
| <b>Total Current Liabilities</b>     | <b>3,455</b>    | <b>3,455</b>     | <b>2,763</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 27,422          | 27,422           | <b>27,586</b>   |
| Other                                | 276             | 1,331            | <b>1,368</b>    |
| <b>Total Non Current Liabilities</b> | <b>27,698</b>   | <b>28,753</b>    | <b>28,954</b>   |
| <b>Total Liabilities</b>             | <b>31,153</b>   | <b>32,208</b>    | <b>31,717</b>   |
| <b>NET ASSETS</b>                    | <b>30,032</b>   | <b>35,906</b>    | <b>36,201</b>   |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 3,358           | 11,684           | <b>11,684</b>   |
| Accumulated funds                    | 26,674          | 24,222           | <b>24,517</b>   |
| <b>TOTAL EQUITY</b>                  | <b>30,032</b>   | <b>35,906</b>    | <b>36,201</b>   |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**REGISTRY OF BIRTHS, DEATHS AND MARRIAGES**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 23,373          | 22,619           | <b>24,989</b>                       |
| Investment income                             | 152             | 160              | <b>60</b>                           |
| Other revenue                                 | 1               | 54               | <b>54</b>                           |
| <b>Total Retained Revenue</b>                 | <b>23,526</b>   | <b>22,833</b>    | <b>25,103</b>                       |
| Less:   |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating Expenses -                          |                 |                  |                                     |
| Employee related                              | 10,947          | 12,514           | <b>11,186</b>                       |
| Other operating expenses                      | 7,561           | 7,221            | <b>9,167</b>                        |
| Depreciation and amortisation                 | 1,623           | 1,015            | <b>1,313</b>                        |
| Finance costs                                 | 218             | 119              | <b>220</b>                          |
| <b>Total Expenses Excluding Losses</b>        | <b>20,349</b>   | <b>20,869</b>    | <b>21,886</b>                       |
| Other gains/(losses)                          | ...             | (5)              | <b>(5)</b>                          |
| <b>SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS</b> | <b>3,177</b>    | <b>1,959</b>     | <b>3,212</b>                        |
| <b>Distributions -</b>                        |                 |                  |                                     |
| Dividends and capital repatriations           | 1,211           | 782              | <b>1,282</b>                        |
| Tax equivalents                               | 910             | 588              | <b>964</b>                          |
| <b>SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</b>  | <b>1,056</b>    | <b>589</b>       | <b>966</b>                          |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**REGISTRY OF BIRTHS, DEATHS AND MARRIAGES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 23,359          | 22,581           | <b>24,972</b>   |
| Interest  | 151             | 160              | <b>60</b>       |
| Other   | 770             | 823              | <b>840</b>      |
| <b>Total Receipts</b>                           | <b>24,280</b>   | <b>23,564</b>    | <b>25,872</b>   |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 10,614          | 10,748           | <b>10,838</b>   |
| Finance costs                                   | 218             | 119              | <b>220</b>      |
| Equivalent Income Tax                           | 1,036           | 911              | <b>870</b>      |
| Other   | 8,321           | 7,987            | <b>9,955</b>    |
| <b>Total Payments</b>                           | <b>20,189</b>   | <b>19,765</b>    | <b>21,883</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>4,091</b>    | <b>3,799</b>     | <b>3,989</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (6,019)         | (1,517)          | <b>(1,285)</b>  |
| Other   | ...             | (1,129)          | <b>(3,550)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(6,019)</b>  | <b>(2,646)</b>   | <b>(4,835)</b>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                 |
| Proceeds from borrowings and advances           | 3,000           | ...              | <b>3,000</b>    |
| Repayment of borrowings and advances            | (1,200)         | (1,200)          | <b>(1,200)</b>  |
| Dividends paid                                  | (1,878)         | (1,958)          | <b>(782)</b>    |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>(78)</b>     | <b>(3,158)</b>   | <b>1,018</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(2,006)</b>  | <b>(2,005)</b>   | <b>172</b>      |
| Opening Cash and Cash Equivalents               | 4,269           | 4,233            | <b>2,228</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>2,263</b>    | <b>2,228</b>     | <b>2,400</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Surplus/(deficit) for year before distributions | 2,267           | 1,371            | <b>2,248</b>    |
| Non cash items added back                       | 1,623           | 1,015            | <b>1,313</b>    |
| Change in operating assets and liabilities      | 201             | 1,413            | <b>428</b>      |
| <b>Net cash flow from operating activities</b>  | <b>4,091</b>    | <b>3,799</b>     | <b>3,989</b>    |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**REGISTRY OF BIRTHS, DEATHS AND MARRIAGES**

|                                      | —2005-06—     |               |               |
|--------------------------------------|---------------|---------------|---------------|
|                                      | Budget        | Revised       | 2006-07       |
|                                      | \$000         | \$000         | Budget        |
|                                      |               |               | \$000         |
| <b>BALANCE SHEET</b>                 |               |               |               |
| <b>ASSETS -</b>                      |               |               |               |
| <b>Current Assets -</b>              |               |               |               |
| Cash assets                          | 2,263         | 2,228         | 2,400         |
| Receivables                          | 601           | 885           | 917           |
| Other                                | 241           | 390           | 401           |
| <b>Total Current Assets</b>          | <b>3,105</b>  | <b>3,503</b>  | <b>3,718</b>  |
| <b>Non Current Assets -</b>          |               |               |               |
| Property, plant and equipment -      |               |               |               |
| Land and building                    | 6,250         | 7,163         | 7,364         |
| Plant and equipment                  | 6,148         | 3,316         | 3,609         |
| Intangibles                          | 3,735         | 3,225         | 6,253         |
| Other                                | 2,100         | 1,220         | 1,220         |
| <b>Total Non Current Assets</b>      | <b>18,233</b> | <b>14,924</b> | <b>18,446</b> |
| <b>Total Assets</b>                  | <b>21,338</b> | <b>18,427</b> | <b>22,164</b> |
| <b>LIABILITIES -</b>                 |               |               |               |
| <b>Current Liabilities -</b>         |               |               |               |
| Payables                             | 661           | 724           | 742           |
| Borrowings                           | 1,200         | 1,200         | 1,000         |
| Tax                                  | 227           | 147           | 241           |
| Provisions                           | 2,123         | 1,694         | 2,221         |
| <b>Total Current Liabilities</b>     | <b>4,211</b>  | <b>3,765</b>  | <b>4,204</b>  |
| <b>Non Current Liabilities -</b>     |               |               |               |
| Borrowings                           | 3,000         | ...           | 2,000         |
| Provisions                           | 1,678         | 4,961         | 5,293         |
| <b>Total Non Current Liabilities</b> | <b>4,678</b>  | <b>4,961</b>  | <b>7,293</b>  |
| <b>Total Liabilities</b>             | <b>8,889</b>  | <b>8,726</b>  | <b>11,497</b> |
| <b>NET ASSETS</b>                    | <b>12,449</b> | <b>9,701</b>  | <b>10,667</b> |
| <b>EQUITY</b>                        |               |               |               |
| Reserves                             | ...           | 1,050         | 1,050         |
| Accumulated funds                    | 12,449        | 8,651         | 9,617         |
| <b>TOTAL EQUITY</b>                  | <b>12,449</b> | <b>9,701</b>  | <b>10,667</b> |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**STATE LIBRARY OF NEW SOUTH WALES**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 2,190           | 2,084            | <b>2,114</b>                        |
| Investment income                      | 1,978           | 2,402            | <b>2,046</b>                        |
| Grants and contributions -             |                 |                  |                                     |
| Recurrent Grant *                      | 57,108          | 57,108           | <b>56,780</b>                       |
| Capital Grant *                        | 10,780          | 11,285           | <b>12,915</b>                       |
| Other Grants                           | 3,841           | 3,418            | <b>3,595</b>                        |
| Other revenue                          | 2,833           | 2,796            | <b>2,946</b>                        |
| <b>Total Retained Revenue</b>          | <b>78,730</b>   | <b>79,093</b>    | <b>80,396</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating Expenses -                   |                 |                  |                                     |
| Employee related                       | 28,404          | 27,306           | <b>29,492</b>                       |
| Other operating expenses               | 14,696          | 15,672           | <b>13,403</b>                       |
| Depreciation and amortisation          | 11,275          | 16,233           | <b>17,136</b>                       |
| Grants and subsidies                   | 24,799          | 24,808           | <b>24,548</b>                       |
| Finance costs                          | 38              | 16               | <b>25</b>                           |
| <b>Total Expenses Excluding Losses</b> | <b>79,212</b>   | <b>84,035</b>    | <b>84,604</b>                       |
| Other gains/(losses)                   | (13)            | (6)              | <b>(13)</b>                         |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(495)</b>    | <b>(4,948)</b>   | <b>(4,221)</b>                      |

\* In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**STATE LIBRARY OF NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 2,177           | 1,876            | 2,101           |
| Interest  | 1,978           | 2,395            | 2,046           |
| Other   | 71,873          | 74,197           | 75,888          |
| <b>Total Receipts</b>                           | <b>76,028</b>   | <b>78,468</b>    | <b>80,035</b>   |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 25,496          | 24,307           | 26,556          |
| Grants and subsidies                            | 24,799          | 24,808           | 24,548          |
| Finance costs                                   | 38              | 16               | 25              |
| Other   | 15,105          | 18,660           | 15,991          |
| <b>Total Payments</b>                           | <b>65,438</b>   | <b>67,791</b>    | <b>67,120</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>10,590</b>   | <b>10,677</b>    | <b>12,915</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (10,780)        | (11,285)         | (12,915)        |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(10,780)</b> | <b>(11,285)</b>  | <b>(12,915)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                 |
| Proceeds from borrowings and advances           | ...             | 6                | ...             |
| Repayment of borrowings and advances            | ...             | ...              | (60)            |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>...</b>      | <b>6</b>         | <b>(60)</b>     |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(190)</b>    | <b>(602)</b>     | <b>(60)</b>     |
| Opening Cash and Cash Equivalents               | 481             | 2,371            | 1,769           |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>291</b>      | <b>1,769</b>     | <b>1,709</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Surplus/(deficit)                               | (495)           | (4,948)          | (4,221)         |
| Non cash items added back                       | 11,275          | 16,233           | 17,136          |
| Change in operating assets and liabilities      | (190)           | (608)            | ...             |
| <b>Net cash flow from operating activities</b>  | <b>10,590</b>   | <b>10,677</b>    | <b>12,915</b>   |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**STATE LIBRARY OF NEW SOUTH WALES**

|                                      | 2005-06          |                  | 2006-07          |
|--------------------------------------|------------------|------------------|------------------|
|                                      | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>BALANCE SHEET</b>                 |                  |                  |                  |
| <b>ASSETS -</b>                      |                  |                  |                  |
| <b>Current Assets -</b>              |                  |                  |                  |
| Cash assets                          | 291              | 1,769            | <b>1,709</b>     |
| Receivables                          | 707              | 712              | <b>712</b>       |
| Inventories                          | 246              | 246              | <b>246</b>       |
| Other                                | 163              | 663              | <b>663</b>       |
| <b>Total Current Assets</b>          | <b>1,407</b>     | <b>3,390</b>     | <b>3,330</b>     |
| <b>Non Current Assets -</b>          |                  |                  |                  |
| Other financial assets               | 15,741           | 15,633           | <b>15,633</b>    |
| Property, plant and equipment -      |                  |                  |                  |
| Land and building                    | 166,649          | 240,218          | <b>238,066</b>   |
| Plant and equipment                  | 1,500,941        | 1,882,854        | <b>1,880,785</b> |
| <b>Total Non Current Assets</b>      | <b>1,683,331</b> | <b>2,138,705</b> | <b>2,134,484</b> |
| <b>Total Assets</b>                  | <b>1,684,738</b> | <b>2,142,095</b> | <b>2,137,814</b> |
| <b>LIABILITIES -</b>                 |                  |                  |                  |
| <b>Current Liabilities -</b>         |                  |                  |                  |
| Payables                             | 2,981            | 2,749            | <b>2,749</b>     |
| Borrowings                           | ...              | 166              | <b>106</b>       |
| Provisions                           | 2,138            | 2,311            | <b>2,311</b>     |
| <b>Total Current Liabilities</b>     | <b>5,119</b>     | <b>5,226</b>     | <b>5,166</b>     |
| <b>Non Current Liabilities -</b>     |                  |                  |                  |
| Borrowings                           | 280              | 120              | <b>120</b>       |
| Provisions                           | 545              | 584              | <b>584</b>       |
| <b>Total Non Current Liabilities</b> | <b>825</b>       | <b>704</b>       | <b>704</b>       |
| <b>Total Liabilities</b>             | <b>5,944</b>     | <b>5,930</b>     | <b>5,870</b>     |
| <b>NET ASSETS</b>                    | <b>1,678,794</b> | <b>2,136,165</b> | <b>2,131,944</b> |
| <b>EQUITY</b>                        |                  |                  |                  |
| Reserves                             | 58,248           | 519,098          | <b>519,098</b>   |
| Accumulated funds                    | 1,620,546        | 1,617,067        | <b>1,612,846</b> |
| <b>TOTAL EQUITY</b>                  | <b>1,678,794</b> | <b>2,136,165</b> | <b>2,131,944</b> |

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**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS  
AUSTRALIAN MUSEUM**

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Sales of goods and services            | 5,394           | 6,290            | <b>5,800</b>    |
| Investment income                      | 32              | 293              | <b>300</b>      |
| Grants and contributions -             |                 |                  |                 |
| Recurrent Grant *                      | 22,708          | 22,708           | <b>22,647</b>   |
| Capital Grant *                        | 5,385           | 5,385            | <b>19,327</b>   |
| Other Grants                           | 2,552           | 2,834            | <b>2,663</b>    |
| Other revenue                          | 1,088           | 1,109            | <b>1,106</b>    |
| <b>Total Retained Revenue</b>          | <b>37,159</b>   | <b>38,619</b>    | <b>51,843</b>   |
| Less:                                  |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating Expenses -                   |                 |                  |                 |
| Employee related                       | 19,560          | 19,200           | <b>20,353</b>   |
| Other operating expenses               | 10,646          | 12,113           | <b>10,784</b>   |
| Depreciation and amortisation          | 4,975           | 3,387            | <b>3,387</b>    |
| Grants and subsidies                   | 130             | 87               | <b>87</b>       |
| <b>Total Expenses Excluding Losses</b> | <b>35,311</b>   | <b>34,787</b>    | <b>34,611</b>   |
| Other gains/(losses)                   | (8)             | ...              | ...             |
| <b>SURPLUS/(DEFICIT)</b>               | <b>1,840</b>    | <b>3,832</b>     | <b>17,232</b>   |

\* In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**AUSTRALIAN MUSEUM**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 5,386           | 5,140            | 5,700           |
| Interest  | 32              | 293              | 300             |
| Other   | 32,297          | 35,090           | 44,637          |
| <b>Total Receipts</b>                           | <b>37,715</b>   | <b>40,523</b>    | <b>50,637</b>   |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 18,472          | 17,927           | 18,991          |
| Grants and subsidies                            | 130             | 87               | 87              |
| Other   | 12,298          | 12,526           | 11,305          |
| <b>Total Payments</b>                           | <b>30,900</b>   | <b>30,540</b>    | <b>30,383</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>6,815</b>    | <b>9,983</b>     | <b>20,254</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Advance repayments received                     | ...             | ...              | 10              |
| Purchases of property, plant and equipment      | (6,515)         | (6,515)          | (20,297)        |
| Purchases of investments                        | (260)           | ...              | ...             |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(6,775)</b>  | <b>(6,515)</b>   | <b>(20,287)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>40</b>       | <b>3,468</b>     | <b>(33)</b>     |
| Opening Cash and Cash Equivalents               | 3,554           | 4,532            | 8,000           |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>3,594</b>    | <b>8,000</b>     | <b>7,967</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Surplus/(deficit)                               | 1,840           | 3,832            | 17,232          |
| Non cash items added back                       | 4,975           | 3,387            | 3,387           |
| Change in operating assets and liabilities      | ...             | 2,764            | (365)           |
| <b>Net cash flow from operating activities</b>  | <b>6,815</b>    | <b>9,983</b>     | <b>20,254</b>   |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS  
AUSTRALIAN MUSEUM**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 3,594           | 8,000            | 7,967           |
| Receivables                          | 2,190           | 1,924            | 2,024           |
| Other financial assets               | 610             | 1,810            | 1,800           |
| Inventories                          | 191             | 191              | 191             |
| Other                                | 39              | 200              | ...             |
| <b>Total Current Assets</b>          | <b>6,624</b>    | <b>12,125</b>    | <b>11,982</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 152,231         | 150,163          | 168,663         |
| Plant and equipment                  | 545,533         | 550,324          | 549,389         |
| Infrastructure systems               | 688             | 1,129            | 474             |
| <b>Total Non Current Assets</b>      | <b>698,452</b>  | <b>701,616</b>   | <b>718,526</b>  |
| <b>Total Assets</b>                  | <b>705,076</b>  | <b>713,741</b>   | <b>730,508</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 1,084           | 4,046            | 3,387           |
| Borrowings                           | 200             | 200              | 200             |
| Provisions                           | 1,517           | 1,320            | 1,517           |
| Other                                | 172             | 172              | 172             |
| <b>Total Current Liabilities</b>     | <b>2,973</b>    | <b>5,738</b>     | <b>5,276</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 386             | 389              | 386             |
| <b>Total Non Current Liabilities</b> | <b>386</b>      | <b>389</b>       | <b>386</b>      |
| <b>Total Liabilities</b>             | <b>3,359</b>    | <b>6,127</b>     | <b>5,662</b>    |
| <b>NET ASSETS</b>                    | <b>701,717</b>  | <b>707,614</b>   | <b>724,846</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 154,000         | 154,000          | 154,000         |
| Accumulated funds                    | 547,717         | 553,614          | 570,846         |
| <b>TOTAL EQUITY</b>                  | <b>701,717</b>  | <b>707,614</b>   | <b>724,846</b>  |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**MUSEUM OF APPLIED ARTS AND SCIENCES**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 4,816           | 4,362            | <b>5,379</b>                        |
| Investment income                      | 235             | 135              | <b>135</b>                          |
| Grants and contributions -             |                 |                  |                                     |
| Recurrent Grant *                      | 29,752          | 31,252           | <b>30,803</b>                       |
| Capital Grant *                        | 4,833           | 4,833            | <b>7,237</b>                        |
| Other Grants                           | 3,687           | 3,897            | <b>3,397</b>                        |
| Other revenue                          | 1,901           | 2,495            | <b>1,923</b>                        |
| <b>Total Retained Revenue</b>          | <b>45,224</b>   | <b>46,974</b>    | <b>48,874</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating Expenses -                   |                 |                  |                                     |
| Employee related                       | 26,171          | 26,173           | <b>25,371</b>                       |
| Other operating expenses               | 13,243          | 14,990           | <b>15,136</b>                       |
| Depreciation and amortisation          | 5,207           | 5,269            | <b>5,694</b>                        |
| <b>Total Expenses Excluding Losses</b> | <b>44,621</b>   | <b>46,432</b>    | <b>46,201</b>                       |
| <b>SURPLUS/(DEFICIT)</b>               | <b>603</b>      | <b>542</b>       | <b>2,673</b>                        |

\* In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**MUSEUM OF APPLIED ARTS AND SCIENCES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 4,816           | 3,923            | <b>5,382</b>    |
| Interest  | 235             | 134              | <b>135</b>      |
| Other   | 37,928          | 39,685           | <b>41,451</b>   |
| <b>Total Receipts</b>                               | <b>42,979</b>   | <b>43,742</b>    | <b>46,968</b>   |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 23,738          | 23,569           | <b>23,265</b>   |
| Other   | 13,914          | 14,929           | <b>15,916</b>   |
| <b>Total Payments</b>                               | <b>37,652</b>   | <b>38,498</b>    | <b>39,181</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>5,327</b>    | <b>5,244</b>     | <b>7,787</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | ...             | 220              | ...             |
| Proceeds from sale of investments                   | 7,124           | 7,124            | <b>7,124</b>    |
| Purchases of property, plant and equipment          | (5,383)         | (5,603)          | <b>(7,787)</b>  |
| Purchases of investments                            | (7,124)         | (7,124)          | <b>(7,124)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(5,383)</b>  | <b>(5,383)</b>   | <b>(7,787)</b>  |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(56)</b>     | <b>(139)</b>     | ...             |
| Opening Cash and Cash Equivalents                   | 145             | 228              | <b>89</b>       |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>89</b>       | <b>89</b>        | <b>89</b>       |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Surplus/(deficit)                                   | 603             | 542              | <b>2,673</b>    |
| Non cash items added back                           | 4,227           | 4,289            | <b>4,714</b>    |
| Change in operating assets and liabilities          | 497             | 413              | <b>400</b>      |
| <b>Net cash flow from operating activities</b>      | <b>5,327</b>    | <b>5,244</b>     | <b>7,787</b>    |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**MUSEUM OF APPLIED ARTS AND SCIENCES**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 89              | 89               | <b>89</b>       |
| Receivables                          | 554             | 521              | <b>518</b>      |
| Other                                | 150             | 150              | <b>150</b>      |
| <b>Total Current Assets</b>          | <b>793</b>      | <b>760</b>       | <b>757</b>      |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Other financial assets               | 2,598           | 3,484            | <b>3,749</b>    |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 98,269          | 117,270          | <b>118,118</b>  |
| Plant and equipment                  | 392,255         | 421,161          | <b>423,386</b>  |
| <b>Total Non Current Assets</b>      | <b>493,122</b>  | <b>541,915</b>   | <b>545,253</b>  |
| <b>Total Assets</b>                  | <b>493,915</b>  | <b>542,675</b>   | <b>546,010</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 3,781           | 2,818            | <b>3,126</b>    |
| Provisions                           | 2,403           | 2,411            | <b>2,500</b>    |
| <b>Total Current Liabilities</b>     | <b>6,184</b>    | <b>5,229</b>     | <b>5,626</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 381             | 444              | <b>444</b>      |
| <b>Total Non Current Liabilities</b> | <b>381</b>      | <b>444</b>       | <b>444</b>      |
| <b>Total Liabilities</b>             | <b>6,565</b>    | <b>5,673</b>     | <b>6,070</b>    |
| <b>NET ASSETS</b>                    | <b>487,350</b>  | <b>537,002</b>   | <b>539,940</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 91,824          | 140,757          | <b>141,022</b>  |
| Accumulated funds                    | 395,526         | 396,245          | <b>398,918</b>  |
| <b>TOTAL EQUITY</b>                  | <b>487,350</b>  | <b>537,002</b>   | <b>539,940</b>  |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**HISTORIC HOUSES TRUST OF NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   | 3,719           | 4,010            | <b>4,010</b>    |
| Investment income                             | 330             | 100              | <b>100</b>      |
| Grants and contributions -                    |                 |                  |                 |
| Recurrent Grant *                             | 17,422          | 17,422           | <b>17,827</b>   |
| Capital Grant *                               | 231             | 231              | <b>1,631</b>    |
| Other Grants                                  | 275             | 1,454            | <b>550</b>      |
| Other revenue                                 | 378             | 348              | <b>350</b>      |
| <b>Total Retained Revenue</b>                 | <b>22,355</b>   | <b>23,565</b>    | <b>24,468</b>   |
| Less:   |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating Expenses -                          |                 |                  |                 |
| Employee related                              | 13,519          | 13,506           | <b>14,000</b>   |
| Other operating expenses                      | 8,367           | 8,388            | <b>8,384</b>    |
| Depreciation and amortisation                 | 1,921           | 1,485            | <b>1,485</b>    |
| <b>Total Expenses Excluding Losses</b>        | <b>23,807</b>   | <b>23,379</b>    | <b>23,869</b>   |
| Gain/(loss) on disposal of non current assets | 10              | 8                | <b>10</b>       |
| Other gains/(losses)                          | (1)             | (1)              | <b>(1)</b>      |
| <b>SURPLUS/(DEFICIT)</b>                      | <b>(1,443)</b>  | <b>193</b>       | <b>608</b>      |

\* In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**HISTORIC HOUSES TRUST OF NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 3,718           | 3,810            | <b>4,009</b>    |
| Interest  | 330             | 98               | <b>100</b>      |
| Other   | 18,736          | 20,235           | <b>20,936</b>   |
| <b>Total Receipts</b>                               | <b>22,784</b>   | <b>24,143</b>    | <b>25,045</b>   |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 13,141          | 13,222           | <b>13,770</b>   |
| Other   | 9,175           | 9,255            | <b>9,192</b>    |
| <b>Total Payments</b>                               | <b>22,316</b>   | <b>22,477</b>    | <b>22,962</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>468</b>      | <b>1,666</b>     | <b>2,083</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | 10              | 8                | <b>10</b>       |
| Purchases of property, plant and equipment          | (468)           | (401)            | <b>(1,881)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(458)</b>    | <b>(393)</b>     | <b>(1,871)</b>  |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>10</b>       | <b>1,273</b>     | <b>212</b>      |
| Opening Cash and Cash Equivalents                   | 6,518           | 6,918            | <b>8,191</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>6,528</b>    | <b>8,191</b>     | <b>8,403</b>    |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Surplus/(deficit)                                   | (1,443)         | 193              | <b>608</b>      |
| Non cash items added back                           | 1,921           | 1,485            | <b>1,485</b>    |
| Change in operating assets and liabilities          | (10)            | (12)             | <b>(10)</b>     |
| <b>Net cash flow from operating activities</b>      | <b>468</b>      | <b>1,666</b>     | <b>2,083</b>    |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**HISTORIC HOUSES TRUST OF NEW SOUTH WALES**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 6,528           | 8,191            | <b>8,403</b>    |
| Receivables                          | 642             | 316              | <b>316</b>      |
| Other financial assets               | 1,098           | 1,326            | <b>1,326</b>    |
| Inventories                          | 779             | 701              | <b>701</b>      |
| Other                                | 37              | ...              | ...             |
| <b>Total Current Assets</b>          | <b>9,084</b>    | <b>10,534</b>    | <b>10,746</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 112,325         | 201,113          | <b>201,453</b>  |
| Plant and equipment                  | 20,701          | 26,884           | <b>26,965</b>   |
| Intangibles                          | ...             | 226              | <b>201</b>      |
| <b>Total Non Current Assets</b>      | <b>133,026</b>  | <b>228,223</b>   | <b>228,619</b>  |
| <b>Total Assets</b>                  | <b>142,110</b>  | <b>238,757</b>   | <b>239,365</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 933             | 1,011            | <b>1,011</b>    |
| Provisions                           | 857             | 952              | <b>952</b>      |
| <b>Total Current Liabilities</b>     | <b>1,790</b>    | <b>1,963</b>     | <b>1,963</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 118             | 142              | <b>142</b>      |
| Other                                | 26              | 28               | <b>28</b>       |
| <b>Total Non Current Liabilities</b> | <b>144</b>      | <b>170</b>       | <b>170</b>      |
| <b>Total Liabilities</b>             | <b>1,934</b>    | <b>2,133</b>     | <b>2,133</b>    |
| <b>NET ASSETS</b>                    | <b>140,176</b>  | <b>236,624</b>   | <b>237,232</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 17,120          | 102,504          | <b>102,504</b>  |
| Accumulated funds                    | 123,056         | 134,120          | <b>134,728</b>  |
| <b>TOTAL EQUITY</b>                  | <b>140,176</b>  | <b>236,624</b>   | <b>237,232</b>  |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**ART GALLERY OF NEW SOUTH WALES**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 6,709           | 11,102           | <b>7,288</b>                        |
| Investment income                             | 810             | 810              | <b>810</b>                          |
| Grants and contributions -                    |                 |                  |                                     |
| Recurrent Grant *                             | 18,299          | 18,299           | <b>21,440</b>                       |
| Capital Grant *                               | 1,770           | 1,770            | <b>1,770</b>                        |
| Other Grants                                  | 5,683           | 10,660           | <b>5,700</b>                        |
| Other revenue                                 | 1,030           | 987              | <b>1,089</b>                        |
| <b>Total Retained Revenue</b>                 | <b>34,301</b>   | <b>43,628</b>    | <b>38,097</b>                       |
| Less:   |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating Expenses -                          |                 |                  |                                     |
| Employee related                              | 17,414          | 18,051           | <b>18,449</b>                       |
| Other operating expenses                      | 13,268          | 15,100           | <b>16,792</b>                       |
| Depreciation and amortisation                 | 2,015           | 2,200            | <b>2,362</b>                        |
| <b>Total Expenses Excluding Losses</b>        | <b>32,697</b>   | <b>35,351</b>    | <b>37,603</b>                       |
| Gain/(loss) on disposal of non current assets | ...             | 13               | ...                                 |
| <b>SURPLUS/(DEFICIT)</b>                      | <b>1,604</b>    | <b>8,290</b>     | <b>494</b>                          |

\* In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**ART GALLERY OF NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 6,709           | 10,380           | <b>7,288</b>    |
| Interest  | 470             | 658              | <b>810</b>      |
| Other   | 24,330          | 31,403           | <b>27,094</b>   |
| <b>Total Receipts</b>                               | <b>31,509</b>   | <b>42,441</b>    | <b>35,192</b>   |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 14,776          | 15,421           | <b>15,775</b>   |
| Other   | 14,349          | 15,032           | <b>17,595</b>   |
| <b>Total Payments</b>                               | <b>29,125</b>   | <b>30,453</b>    | <b>33,370</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>2,384</b>    | <b>11,988</b>    | <b>1,822</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | ...             | 13               | ...             |
| Proceeds from sale of investments                   | 20,000          | 37,532           | <b>37,532</b>   |
| Purchases of property, plant and equipment          | (2,770)         | (9,357)          | <b>(2,770)</b>  |
| Purchases of investments                            | (19,926)        | (39,935)         | <b>(37,208)</b> |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(2,696)</b>  | <b>(11,747)</b>  | <b>(2,446)</b>  |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(312)</b>    | <b>241</b>       | <b>(624)</b>    |
| Opening Cash and Cash Equivalents                   | 514             | 613              | <b>854</b>      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>202</b>      | <b>854</b>       | <b>230</b>      |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Surplus/(deficit)                                   | 1,604           | 8,290            | <b>494</b>      |
| Non cash items added back                           | 728             | 943              | <b>1,362</b>    |
| Change in operating assets and liabilities          | 52              | 2,755            | <b>(34)</b>     |
| <b>Net cash flow from operating activities</b>      | <b>2,384</b>    | <b>11,988</b>    | <b>1,822</b>    |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**ART GALLERY OF NEW SOUTH WALES**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 202             | 854              | <b>230</b>      |
| Receivables                          | 2,839           | 930              | <b>964</b>      |
| Other financial assets               | 7,147           | 13,308           | <b>13,308</b>   |
| Inventories                          | 1,134           | 1,260            | <b>1,260</b>    |
| Other                                | 489             | 96               | <b>96</b>       |
| <b>Total Current Assets</b>          | <b>11,811</b>   | <b>16,448</b>    | <b>15,858</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Other financial assets               | 7,190           | 7,862            | <b>8,038</b>    |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 127,592         | 133,390          | <b>133,165</b>  |
| Plant and equipment                  | 616,887         | 623,311          | <b>624,944</b>  |
| <b>Total Non Current Assets</b>      | <b>751,669</b>  | <b>764,563</b>   | <b>766,147</b>  |
| <b>Total Assets</b>                  | <b>763,480</b>  | <b>781,011</b>   | <b>782,005</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 4,057           | 2,002            | <b>2,002</b>    |
| Provisions                           | 1,170           | 1,291            | <b>1,291</b>    |
| <b>Total Current Liabilities</b>     | <b>5,227</b>    | <b>3,293</b>     | <b>3,293</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 221             | 271              | <b>271</b>      |
| <b>Total Non Current Liabilities</b> | <b>221</b>      | <b>271</b>       | <b>271</b>      |
| <b>Total Liabilities</b>             | <b>5,448</b>    | <b>3,564</b>     | <b>3,564</b>    |
| <b>NET ASSETS</b>                    | <b>758,032</b>  | <b>777,447</b>   | <b>778,441</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 143,406         | 150,396          | <b>150,896</b>  |
| Accumulated funds                    | 614,626         | 627,051          | <b>627,545</b>  |
| <b>TOTAL EQUITY</b>                  | <b>758,032</b>  | <b>777,447</b>   | <b>778,441</b>  |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**STATE RECORDS AUTHORITY**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 9,171           | 9,146            | <b>9,743</b>                        |
| Investment income                      | 90              | 40               | <b>20</b>                           |
| Grants and contributions -             |                 |                  |                                     |
| Recurrent Grant *                      | 5,061           | 5,061            | <b>5,040</b>                        |
| Capital Grant *                        | 345             | 345              | <b>345</b>                          |
| Other Grants                           | 14              | 150              | <b>187</b>                          |
| Other revenue                          | 370             | 370              | <b>396</b>                          |
| <b>Total Retained Revenue</b>          | <b>15,051</b>   | <b>15,112</b>    | <b>15,731</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating Expenses -                   |                 |                  |                                     |
| Employee related                       | 9,410           | 9,390            | <b>9,611</b>                        |
| Other operating expenses               | 2,750           | 3,156            | <b>3,252</b>                        |
| Depreciation and amortisation          | 1,850           | 1,867            | <b>1,901</b>                        |
| Finance costs                          | 553             | 564              | <b>519</b>                          |
| <b>Total Expenses Excluding Losses</b> | <b>14,563</b>   | <b>14,977</b>    | <b>15,283</b>                       |
| <b>SURPLUS/(DEFICIT)</b>               | <b>488</b>      | <b>135</b>       | <b>448</b>                          |

\* In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS  
STATE RECORDS AUTHORITY**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                         |
| <b>Receipts</b>                                 |                 |                  |                         |
| Sale of goods and services                      | 9,171           | 8,017            | <b>9,743</b>            |
| Interest  | 60              | 15               | <b>40</b>               |
| Other   | 6,382           | 7,923            | <b>6,308</b>            |
| <b>Total Receipts</b>                           | <b>15,613</b>   | <b>15,955</b>    | <b>16,091</b>           |
| <b>Payments</b>                                 |                 |                  |                         |
| Employee related                                | 9,030           | 9,555            | <b>9,205</b>            |
| Finance costs                                   | 553             | 437              | <b>556</b>              |
| Other   | 3,558           | 3,848            | <b>4,042</b>            |
| <b>Total Payments</b>                           | <b>13,141</b>   | <b>13,840</b>    | <b>13,803</b>           |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>2,472</b>    | <b>2,115</b>     | <b>2,288</b>            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                         |
| Purchases of property, plant and equipment      | (2,845)         | (2,594)          | <b>(1,945)</b>          |
| Other   | ...             | (1)              | ...                     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(2,845)</b>  | <b>(2,595)</b>   | <b>(1,945)</b>          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                         |
| Proceeds from borrowings and advances           | ...             | 1,434            | ...                     |
| Repayment of borrowings and advances            | (83)            | (702)            | <b>(710)</b>            |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>(83)</b>     | <b>732</b>       | <b>(710)</b>            |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(456)</b>    | <b>252</b>       | <b>(367)</b>            |
| Opening Cash and Cash Equivalents               | 470             | 1,237            | <b>1,489</b>            |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>14</b>       | <b>1,489</b>     | <b>1,122</b>            |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                         |
| Surplus/(deficit)                               | 488             | 135              | <b>448</b>              |
| Non cash items added back                       | 1,850           | 1,867            | <b>1,901</b>            |
| Change in operating assets and liabilities      | 134             | 113              | <b>(61)</b>             |
| <b>Net cash flow from operating activities</b>  | <b>2,472</b>    | <b>2,115</b>     | <b>2,288</b>            |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS  
STATE RECORDS AUTHORITY**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 14              | 1,489            | 1,122           |
| Receivables                          | 1,623           | 1,361            | 1,495           |
| Inventories                          | 36              | 55               | 55              |
| Other                                | 118             | 118              | 118             |
| <b>Total Current Assets</b>          | <b>1,791</b>    | <b>3,023</b>     | <b>2,790</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 43,368          | 45,913           | 46,103          |
| Plant and equipment                  | 4,945           | 4,477            | 4,332           |
| Intangibles                          | ...             | 1                | ...             |
| Other                                | 606             | 606              | 606             |
| <b>Total Non Current Assets</b>      | <b>48,919</b>   | <b>50,997</b>    | <b>51,041</b>   |
| <b>Total Assets</b>                  | <b>50,710</b>   | <b>54,020</b>    | <b>53,831</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 1,110           | 1,496            | 1,569           |
| Borrowings                           | 10,088          | 1,636            | 1,127           |
| Provisions                           | 781             | 781              | 781             |
| <b>Total Current Liabilities</b>     | <b>11,979</b>   | <b>3,913</b>     | <b>3,477</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | 279             | 8,107            | 7,906           |
| Provisions                           | 720             | 720              | 720             |
| <b>Total Non Current Liabilities</b> | <b>999</b>      | <b>8,827</b>     | <b>8,626</b>    |
| <b>Total Liabilities</b>             | <b>12,978</b>   | <b>12,740</b>    | <b>12,103</b>   |
| <b>NET ASSETS</b>                    | <b>37,732</b>   | <b>41,280</b>    | <b>41,728</b>   |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 1,250           | 4,823            | 4,823           |
| Accumulated funds                    | 36,482          | 36,457           | 36,905          |
| <b>TOTAL EQUITY</b>                  | <b>37,732</b>   | <b>41,280</b>    | <b>41,728</b>   |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**NEW SOUTH WALES FILM AND TELEVISION OFFICE**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Sales of goods and services            | 476             | ...              | ...             |
| Investment income                      | 259             | 180              | <b>180</b>      |
| Grants and contributions -             |                 |                  |                 |
| Recurrent Grant *                      | 9,070           | 9,070            | <b>9,074</b>    |
| Capital Grant *                        | 44              | 44               | <b>44</b>       |
| Other revenue                          | 26              | 612              | <b>578</b>      |
| <b>Total Retained Revenue</b>          | <b>9,875</b>    | <b>9,906</b>     | <b>9,876</b>    |
| Less:                                  |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating Expenses -                   |                 |                  |                 |
| Employee related                       | 1,966           | 2,004            | <b>1,989</b>    |
| Other operating expenses               | 1,885           | 1,789            | <b>1,793</b>    |
| Depreciation and amortisation          | 32              | 56               | <b>55</b>       |
| Grants and subsidies                   | 6,242           | 6,329            | <b>6,300</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>10,125</b>   | <b>10,178</b>    | <b>10,137</b>   |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(250)</b>    | <b>(272)</b>     | <b>(261)</b>    |

\* In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**NEW SOUTH WALES FILM AND TELEVISION OFFICE**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 476             | (59)             | ...             |
| Interest  | 259             | 43               | <b>180</b>      |
| Other   | 9,754           | 10,715           | <b>10,497</b>   |
| <b>Total Receipts</b>                           | <b>10,489</b>   | <b>10,699</b>    | <b>10,677</b>   |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 1,940           | 1,983            | <b>1,961</b>    |
| Grants and subsidies                            | 6,242           | 6,329            | <b>6,300</b>    |
| Other   | 2,525           | 3,706            | <b>2,622</b>    |
| <b>Total Payments</b>                           | <b>10,707</b>   | <b>12,018</b>    | <b>10,883</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(218)</b>    | <b>(1,319)</b>   | <b>(206)</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Advance repayments received                     | ...             | 109              | ...             |
| Purchases of property, plant and equipment      | (44)            | (44)             | <b>(44)</b>     |
| Advances made                                   | ...             | ...              | <b>(343)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(44)</b>     | <b>65</b>        | <b>(387)</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(262)</b>    | <b>(1,254)</b>   | <b>(593)</b>    |
| Opening Cash and Cash Equivalents               | 6,445           | 6,386            | <b>5,132</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>6,183</b>    | <b>5,132</b>     | <b>4,539</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Surplus/(deficit)                               | (250)           | (272)            | <b>(261)</b>    |
| Non cash items added back                       | 32              | 56               | <b>55</b>       |
| Change in operating assets and liabilities      | ...             | (1,103)          | ...             |
| <b>Net cash flow from operating activities</b>  | <b>(218)</b>    | <b>(1,319)</b>   | <b>(206)</b>    |

**ATTORNEY GENERAL, MINISTER FOR THE ENVIRONMENT, AND  
MINISTER FOR THE ARTS**

**NEW SOUTH WALES FILM AND TELEVISION OFFICE**

|                                      | ———2005-06———   |                  | <b>2006-07</b>          |
|--------------------------------------|-----------------|------------------|-------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>BALANCE SHEET</b>                 |                 |                  |                         |
| <b>ASSETS -</b>                      |                 |                  |                         |
| <b>Current Assets -</b>              |                 |                  |                         |
| Cash assets                          | 6,183           | 5,132            | <b>4,539</b>            |
| Receivables                          | (46)            | 287              | <b>287</b>              |
| Other financial assets               | 1,760           | 1,417            | <b>1,760</b>            |
| Other                                | 57              | 57               | <b>57</b>               |
| <b>Total Current Assets</b>          | <b>7,954</b>    | <b>6,893</b>     | <b>6,643</b>            |
| <b>Non Current Assets -</b>          |                 |                  |                         |
| Property, plant and equipment -      |                 |                  |                         |
| Land and building                    | ...             | 16               | ...                     |
| Plant and equipment                  | 121             | 105              | <b>110</b>              |
| <b>Total Non Current Assets</b>      | <b>121</b>      | <b>121</b>       | <b>110</b>              |
| <b>Total Assets</b>                  | <b>8,075</b>    | <b>7,014</b>     | <b>6,753</b>            |
| <b>LIABILITIES -</b>                 |                 |                  |                         |
| <b>Current Liabilities -</b>         |                 |                  |                         |
| Payables                             | 737             | 729              | <b>729</b>              |
| Provisions                           | 141             | 141              | <b>141</b>              |
| <b>Total Current Liabilities</b>     | <b>878</b>      | <b>870</b>       | <b>870</b>              |
| <b>Non Current Liabilities -</b>     |                 |                  |                         |
| Provisions                           | 5               | 5                | <b>5</b>                |
| Other                                | 52              | 52               | <b>52</b>               |
| <b>Total Non Current Liabilities</b> | <b>57</b>       | <b>57</b>        | <b>57</b>               |
| <b>Total Liabilities</b>             | <b>935</b>      | <b>927</b>       | <b>927</b>              |
| <b>NET ASSETS</b>                    | <b>7,140</b>    | <b>6,087</b>     | <b>5,826</b>            |
| <b>EQUITY</b>                        |                 |                  |                         |
| Accumulated funds                    | 7,140           | 6,087            | <b>5,826</b>            |
| <b>TOTAL EQUITY</b>                  | <b>7,140</b>    | <b>6,087</b>     | <b>5,826</b>            |



# MINISTER FOR ABORIGINAL AFFAIRS

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## OVERVIEW

| <i>Agency</i>                                 | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Department of Aboriginal Affairs</b>       |                                   |                                   |                        |
| Total Expenses .....                          | 56.3                              | 49.5                              | -12.1                  |
| Capital Expenditure .....                     | ...                               | ...                               | ...                    |
| <b>Total, Minister for Aboriginal Affairs</b> |                                   |                                   |                        |
| Total Expenses .....                          | <b>56.3</b>                       | <b>49.5</b>                       | <b>-12.1</b>           |
| Capital Expenditure .....                     | ...                               | ...                               | ...                    |

## DEPARTMENT OF ABORIGINAL AFFAIRS

The Department of Aboriginal Affairs, 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.

## RESULTS AND SERVICES

The Department achieves and facilitates co-ordination of Aboriginal programs by working towards the following results:

- ◆ Achieving social, economic and cultural independence for Aboriginal people in New South Wales by working cooperatively with NSW Government service delivery agencies.
- ◆ Becoming more responsive to the needs of Aboriginal people, increasing the understanding of Aboriginal issues by NSW Government agencies and increased agency cooperation on Aboriginal issues.
- ◆ Developing and implementing policies and programs and working with other government departments in a way that involves Aboriginal people and communities as equal partners.

Key services provided by the Department include:

- ◆ influencing NSW government agencies in their development of policies and delivery of services to overcome Aboriginal disadvantage;
- ◆ facilitating the NSW Government Aboriginal Affairs Plan 2003-2012 - *Two Ways Together* which achieves a collaborative approach by relevant agencies in addressing Aboriginal issues;
- ◆ providing clear and appropriate policy advice to the Minister on the impact of Government programs, services and decisions on Aboriginal people;
- ◆ promoting and advocating Aboriginal culture through administration of the *Aboriginal Land Rights Act 1983*, support for local projects and events and maintenance of Aboriginal family records database;
- ◆ supporting Aboriginal participation in decision making through processes such as the formation of Regional Engagement Groups, Community Working Parties, and register of Aboriginal Owners; and
- ◆ co-ordinating the work of agencies addressing access for Aboriginal communities to satisfactory environmental health infrastructure through the Aboriginal Communities Development Program.

## **RECENT DEVELOPMENTS**

The Aboriginal Communities Development Program (ACDP) is a \$240 million capital construction and infrastructure upgrade program for better wellbeing in Aboriginal Communities across New South Wales.

The program is aimed at raising the health and living standards of 22 priority Aboriginal communities by providing environmental, health and essential infrastructure targeting a high level of identified need in housing, water, sewerage, roads, services, recreational and cultural facilities. The Department works closely with the Aboriginal Housing Office in determining the housing strategy within this program.

In 2005-06, the Department focused on the delivery of services and programs under *Two Ways Together* and utilised its greater regional focus to enhance the delivery of these services to Aboriginal communities across New South Wales. The Department continued researching applications under the Aboriginal Trust Fund Repayment Scheme (ATFRS), established to repay Aboriginal people 'stolen wages'.

## **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*, 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 Ministerial Task Force review of the operation of the *Aboriginal Land Rights Act 1983* presented the Minister with issue papers providing recommendations and options to provide for a more efficient and effective land council system. The Department subsequently conducted community consultation workshops across New South Wales to get community feedback on the Task Force proposals.

Following the abolition of ATSIC by the Commonwealth, New South Wales entered into a bilateral agreement with the Commonwealth on future arrangements for service delivery to Aboriginal people in New South Wales.

The agreement between the two Governments forms the basis for joint planning and investment to fill service gaps and eliminate duplication. The agreement outlines how the Governments will work together (through the establishment of a state-level Steering Committee and involvement of Commonwealth agencies in *Two Ways Together*).

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses for 2006-07 are \$49.5 million. As the Aboriginal Communities Development Program has been implemented, the expenditure has gradually risen each year. This has reflected the increased capacity of the program to provide housing and infrastructure improvements in Aboriginal communities. The previous two financial years have been the peak years of actual expenditure. As the program draws to a conclusion and the program meets its identified outcomes, annual expenditure will decline. Noting this, total agency estimated expenditure is \$6.8 million less than in 2005-06.

A number of projects under the ACDP program that were anticipated to commence in 2005-06 have been rescheduled over the next two financial years due to project refinement issues.

### **Capital Expenditure**

Capital expenditure is budgeted at \$39,000 for 2006-07 for minor improvements and upgrading of computer and office equipment.

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**MINISTER FOR ABORIGINAL AFFAIRS**  
**19 DEPARTMENT OF ABORIGINAL AFFAIRS**

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|   | 2005-06       |               | 2006-07       |
|---|---------------|---------------|---------------|
|   | Budget        | Revised       | Budget        |
|   | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>                    |               |               |               |
| <b>Expenses Excluding Losses -</b>            |               |               |               |
| Operating expenses -                          |               |               |               |
| Employee related                              | 6,254         | 6,221         | <b>6,498</b>  |
| Other operating expenses                      | 3,758         | 4,108         | <b>4,002</b>  |
| Depreciation and amortisation                 | 245           | 402           | <b>402</b>    |
| Grants and subsidies                          | 46,083        | 38,002        | <b>38,598</b> |
| <b>Total Expenses Excluding Losses</b>        | <b>56,340</b> | <b>48,733</b> | <b>49,500</b> |
| Less:   |               |               |               |
| <b>Retained Revenue -</b>                     |               |               |               |
| Investment income                             | 12            | 240           | <b>12</b>     |
| Grants and contributions                      | 18,000        | 18,040        | <b>18,000</b> |
| <b>Total Retained Revenue</b>                 | <b>18,012</b> | <b>18,280</b> | <b>18,012</b> |
| Gain/(loss) on disposal of non current assets | ...           | (1)           | ...           |
| <b>NET COST OF SERVICES</b>                   | <b>38,328</b> | <b>30,454</b> | <b>31,488</b> |

**MINISTER FOR ABORIGINAL AFFAIRS**  
**19 DEPARTMENT OF ABORIGINAL AFFAIRS**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 6,050           | 5,956            | 6,230           |
| Grants and subsidies                            | 46,083          | 38,002           | 38,598          |
| Other   | 5,280           | 7,475            | 8,072           |
| <b>Total Payments</b>                           | <b>57,413</b>   | <b>51,433</b>    | <b>52,900</b>   |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | (22)            | (22)             | ...             |
| Interest  | (20)            | 208              | 12              |
| Other   | 18,297          | 20,949           | 22,058          |
| <b>Total Receipts</b>                           | <b>18,255</b>   | <b>21,135</b>    | <b>22,070</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(39,158)</b> | <b>(30,298)</b>  | <b>(30,830)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (39)            | (76)             | (39)            |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(39)</b>     | <b>(76)</b>      | <b>(39)</b>     |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 37,850          | 37,850           | 30,645          |
| Capital appropriation                           | 39              | 39               | 39              |
| Cash transfers to Consolidated Fund             | 57              | ...              | ...             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>37,946</b>   | <b>37,889</b>    | <b>30,684</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(1,251)</b>  | <b>7,515</b>     | <b>(185)</b>    |
| Opening Cash and Cash Equivalents               | 8,141           | 7,838            | 15,353          |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>6,890</b>    | <b>15,353</b>    | <b>15,168</b>   |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (38,328)        | (30,454)         | (31,488)        |
| Non cash items added back                       | 482             | 660              | 670             |
| Change in operating assets and liabilities      | (1,312)         | (504)            | (12)            |
| <b>Net cash flow from operating activities</b>  | <b>(39,158)</b> | <b>(30,298)</b>  | <b>(30,830)</b> |

**MINISTER FOR ABORIGINAL AFFAIRS**  
**19 DEPARTMENT OF ABORIGINAL AFFAIRS**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 6,890           | 15,353           | <b>15,168</b>   |
| Receivables  | 2,102           | 1,902            | <b>1,914</b>    |
| Other  | 107             | 69               | <b>69</b>       |
| <b>Total Current Assets</b>                            | <b>9,099</b>    | <b>17,324</b>    | <b>17,151</b>   |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Receivables  | 238             | 162              | <b>124</b>      |
| Property, plant and equipment -<br>Plant and equipment | 1,868           | 1,275            | <b>933</b>      |
| Intangibles  | ...             | 68               | <b>47</b>       |
| <b>Total Non Current Assets</b>                        | <b>2,106</b>    | <b>1,505</b>     | <b>1,104</b>    |
| <b>Total Assets</b>                                    | <b>11,205</b>   | <b>18,829</b>    | <b>18,255</b>   |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 485             | 204              | <b>204</b>      |
| Provisions   | 404             | 662              | <b>662</b>      |
| Other  | 57              | ...              | ...             |
| <b>Total Current Liabilities</b>                       | <b>946</b>      | <b>866</b>       | <b>866</b>      |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 26              | 59               | <b>59</b>       |
| Other  | 238             | 162              | <b>124</b>      |
| <b>Total Non Current Liabilities</b>                   | <b>264</b>      | <b>221</b>       | <b>183</b>      |
| <b>Total Liabilities</b>                               | <b>1,210</b>    | <b>1,087</b>     | <b>1,049</b>    |
| <b>NET ASSETS</b>                                      | <b>9,995</b>    | <b>17,742</b>    | <b>17,206</b>   |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 9,995           | 17,742           | <b>17,206</b>   |
| <b>TOTAL EQUITY</b>                                    | <b>9,995</b>    | <b>17,742</b>    | <b>17,206</b>   |

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**MINISTER FOR ABORIGINAL AFFAIRS**  
**19 DEPARTMENT OF ABORIGINAL AFFAIRS**

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**19.1 Improving the Economic and Social Wellbeing of Aboriginal People**

**19.1.1 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) |         |
|--|------------------------|---------|
|  | 2005-06                | 2006-07 |
| Executive, business and policy advisory services | 48                     | 38      |
| Office of the Registrar                          | 8                      | 1       |
|  | 56                     | 39*     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                         |              |              |              |
| Employee related                             | 5,488        | 3,909        | <b>3,923</b> |
| Other operating expenses                     | 2,724        | 3,588        | <b>3,199</b> |
| Depreciation and amortisation                | 245          | 402          | <b>402</b>   |
| Grants and subsidies                         |              |              |              |
| Indigenous Education Projects                | 787          | 787          | <b>787</b>   |
| Recurrent grants to non-profit organisations | 215          | 215          | <b>221</b>   |
| <b>Total Expenses Excluding Losses</b>       | <b>9,459</b> | <b>8,901</b> | <b>8,532</b> |

\* Changes in staffing numbers reflect agency operational and structure changes.

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**MINISTER FOR ABORIGINAL AFFAIRS**  
**19 DEPARTMENT OF ABORIGINAL AFFAIRS**

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**19.1 Improving the Economic and Social Wellbeing of Aboriginal People**

**19.1.1 Policy and Advisory Services on Aboriginal Affairs (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|                          |     |     |     |
|--------------------------|-----|-----|-----|
| Investment income        | 12  | 240 | 12  |
| Grants and contributions | ... | 40  | ... |

|                               |    |     |    |
|-------------------------------|----|-----|----|
| <b>Total Retained Revenue</b> | 12 | 280 | 12 |
|-------------------------------|----|-----|----|

|   |     |     |     |
|---|-----|-----|-----|
| Gain/(loss) on disposal of non current assets | ... | (1) | ... |
|---|-----|-----|-----|

|                             |       |       |       |
|-----------------------------|-------|-------|-------|
| <b>NET COST OF SERVICES</b> | 9,447 | 8,622 | 8,520 |
|-----------------------------|-------|-------|-------|

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|                            |    |    |    |
|----------------------------|----|----|----|
| <b>CAPITAL EXPENDITURE</b> | 39 | 76 | 39 |
|----------------------------|----|----|----|

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**MINISTER FOR ABORIGINAL AFFAIRS**  
**19 DEPARTMENT OF ABORIGINAL AFFAIRS**

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**19.1 Improving the Economic and Social Wellbeing of Aboriginal People**

**19.1.2 Aboriginal State-wide Communities Programs**

Program Objective(s): To work collaboratively to develop innovative and culturally sensitive service plans and programs to Aboriginal communities.

Program Description: Provision of improvements in State Government services and programs to Aboriginal people and communities through whole-of-government co-ordination and through operational delivery of the government's Strategic Policy *Two Ways Together*.

| <u>Activities</u> :                         | Average Staffing (EFT)   |         |         |  |         |        |         |        |       |       |       |
|---|--|---------|---------|--|---------|--------|---------|--------|-------|-------|-------|
|   | 2005-06  | 2006-07 |         |  |         |        |         |        |       |       |       |
| Community consultation and program delivery | 10   | 26*     |         |  |         |        |         |        |       |       |       |
|   | <table style="width: 100%; border-collapse: collapse; margin: 0 auto;"> <thead> <tr> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">2005-06</th> <th style="text-align: center; border-bottom: 1px solid black;">2006-07</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> |         | 2005-06 |  | 2006-07 | Budget | Revised | Budget | \$000 | \$000 | \$000 |
| 2005-06                                     |  | 2006-07 |         |  |         |        |         |        |       |       |       |
| Budget                                      | Revised  | Budget  |         |  |         |        |         |        |       |       |       |
| \$000                                       | \$000  | \$000   |         |  |         |        |         |        |       |       |       |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Operating expenses -                              |               |               |               |
| Employee related                                  | 766           | 2,312         | <b>2,575</b>  |
| Other operating expenses                          | 1,034         | 520           | <b>803</b>    |
| Grants and subsidies                              |               |               |               |
| Aboriginal infrastructure program - capital grant | 45,081        | 37,000        | <b>37,590</b> |
| <b>Total Expenses Excluding Losses</b>            | <b>46,881</b> | <b>39,832</b> | <b>40,968</b> |
| Less:   |               |               |               |
| <b>Retained Revenue -</b>                         |               |               |               |
| Grants and contributions                          | 18,000        | 18,000        | <b>18,000</b> |
| <b>Total Retained Revenue</b>                     | <b>18,000</b> | <b>18,000</b> | <b>18,000</b> |
| <b>NET COST OF SERVICES</b>                       | <b>28,881</b> | <b>21,832</b> | <b>22,968</b> |

\* Changes in staffing numbers reflect agency operational and structure changes.

# **Budget Estimates**

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**2006-07**



**New South Wales**

**Budget Paper No. 3**

**Volume 2**



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**MINISTER FOR COMMERCE,  
MINISTER FOR FINANCE,  
MINISTER FOR INDUSTRIAL RELATIONS,  
MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

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**OVERVIEW**

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Department of Commerce</b>                         |                                   |                                   |                        |
| Total Expenses .....                                  | 606.7                             | 644.7                             | 6.3                    |
| Capital Expenditure .....                             | 281.3                             | 348.4                             | 23.8                   |
| <b>Department of Ageing, Disability and Home Care</b> |                                   |                                   |                        |
| Total Expenses .....                                  | 1,548.9                           | 1,757.6                           | 13.5                   |
| Capital Expenditure .....                             | 66.8                              | 71.1                              | 6.4                    |
| <b>Home Care Service of New South Wales</b>           |                                   |                                   |                        |
| Total Expenses .....                                  | 187.3                             | 186.4                             | -0.5                   |
| Capital Expenditure .....                             | 3.0                               | 3.0                               | ...                    |
| <b>Superannuation Administration Corporation</b>      |                                   |                                   |                        |
| Total Expenses .....                                  | 52.7                              | 50.4                              | -4.2                   |
| Capital Expenditure .....                             | 3.7                               | 4.5                               | 21.6                   |
| <b>Motor Accidents Authority</b>                      |                                   |                                   |                        |
| Total Expenses .....                                  | 39.1                              | 38.7                              | -1.0                   |
| Capital Expenditure .....                             | 0.1                               | 0.2                               | 95.0                   |
| <b>Rental Bond Board</b>                              |                                   |                                   |                        |
| Total Expenses .....                                  | 31.2                              | 33.9                              | 8.8                    |
| Capital Expenditure .....                             | ...                               | ...                               | ...                    |
| <b>WorkCover Authority</b>                            |                                   |                                   |                        |
| Total Expenses .....                                  | 266.7                             | 266.0                             | -0.3                   |
| Capital Expenditure .....                             | 13.4                              | 12.7                              | -5.0                   |
| <b>Workers' Compensation (Dust Diseases) Board</b>    |                                   |                                   |                        |
| Total Expenses .....                                  | 89.6                              | 90.2                              | 0.6                    |
| Capital Expenditure .....                             | 0.6                               | 0.1                               | -80.0                  |

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Building and Construction Industry Long Service Payments Corporation</b>   |                                   |                                   |                        |
| Total Expenses .....  | 91.0                              | 99.7                              | 9.5                    |
| Capital Expenditure .....   | 1.0                               | 0.5                               | -55.0                  |
| <b>Total, Minister for Commerce, Minister for Finance, Minister for Industrial Relations, Minister for Ageing, and Minister for Disability Services</b> |                                   |                                   |                        |
| Total Expenses .....  | <b>2,913.2</b>                    | <b>3,167.6</b>                    | <b>8.7</b>             |
| Capital Expenditure .....   | <b>369.9</b>                      | <b>440.5</b>                      | <b>19.1</b>            |

## DEPARTMENT OF COMMERCE

The Department of Commerce supports the Minister for Commerce and Minister for Industrial Relations and the Minister for Fair Trading (Section 21).

The role of the Department is to help make doing business in New South Wales simple and fair and to ensure Government gets the best value for money when constructing and maintaining public assets or purchasing goods and services.

The Office of Fair Trading, the Office of Industrial Relations, the Office of Public Works and Services (formerly the Office of Government Business) and NSW Procurement form the Department of Commerce.

## RESULTS AND SERVICES

The Department contributes to the NSW Government priorities of a stronger economy and more efficient and economical public service by working towards the following results:

- ◆ Consumers and traders operate in a fair and productive marketplace.
- ◆ New South Wales has fair and productive workplaces.
- ◆ NSW Government performance is improved.

Key services provided by the Department to contribute to these results include:

- ◆ review policy and enforce fair trading and industrial relations legislation;
- ◆ provide marketplace and workplace information and help in fair trading and industrial relations;

- ◆ provide architectural and engineering design services and project management services for water, engineering and waste water services;
- ◆ provide fleet management, vehicle leasing, corporate shared services and facilities management;
- ◆ provide services to manage owned and leased Crown properties;
- ◆ provide government advertising and publication services;
- ◆ assist NSW Treasury in the development and implementation of the NSW Government procurement policy;
- ◆ deliver online procurement tools and solutions;
- ◆ support operations of the State Contracts Control Board;
- ◆ develop and oversight implementation of the NSW Government Information and Communications Technology (ICT) plan;
- ◆ manage operations of key Government ICT infrastructure and co-ordinate emergency services communications; and
- ◆ manage the engineering response to emergencies.

A range of key services in fair trading, industrial relations and public works are delivered through a regional network.

## **RECENT DEVELOPMENTS**

The Department of Commerce works extensively with other NSW Government agencies to help reduce costs and improve government-wide capability in procurement and information and communications technology.

The Government's Economic and Financial Statement in February 2006 sets out further responsibilities for the Department in whole-of-government initiatives including:

- ◆ requiring agencies other than state-owned corporations to manage their procurement through the State Contracts Control Board;
- ◆ introducing an accreditation scheme for goods and services procurement from 2007, modelled on a similar scheme in construction, to further enhance government procurement; and

- ◆ developing a NSW Government ICT plan, implementing a global capital ICT Budget, consolidating telecommunications purchasing, amalgamating ICT between agencies and identifying some agency ICT savings to support frontline services.

During 2005-06:

- ◆ Commerce delivered 30 modular classrooms to support smaller classes as part of a \$371 million program of 76 major schools capital projects for the Department of Education and Training.
- ◆ Commerce helped the Sydney Catchment Authority investigate or undertake several major projects to secure Sydney's water supply including the \$113 million works to tap deep water from the Warragamba and Nepean Dams.
- ◆ Working with the Department of Education and Training and other agencies, Commerce put in place new asset maintenance and cleaning contracts that will cut costs while maintaining or improving service levels.
- ◆ The Department managed a \$105 million capital works program for the Department of Corrective Services, including the construction of the Wellington Corrective Centre.
- ◆ Electricity costs in Government buildings were reduced by between 5 per cent and 21 per cent through upgraded lighting systems.
- ◆ NSW Government agencies are on track to save an estimated \$550 million or 5 per cent of the whole-of-government procurement budget for 2005-06, through increased use of various procurement initiatives including aggregated purchasing contracts, strategic sourcing and e-procurement solutions.
- ◆ In 2005, savings were achieved through the use of e-procurement solutions. The number of agencies using online procurement tools doubled, the volume of purchase transactions increased ten-fold and the number of tenders published online increased by 32 per cent compared to 2004.
- ◆ "Gateway" reviews on over \$2 billion of major ICT and construction projects facilitated by Commerce were undertaken to help minimize the risk of cost and time overruns.
- ◆ The NSW Government Chief Information Officer Executive Council was formed to oversight the development and implementation of a whole-of-government ICT plan that will guide funding priorities and deliver savings.

- ◆ Major new fair trading measures were introduced including controls to stop fringe lenders charging exorbitant fees, better protection for residents when residential parks are sold, closed or redeveloped and new guidelines to help licensed builders obtain affordable home warranty insurance.
- ◆ The Fair Trading Information Centre was launched, streamlining several smaller call centres, and will handle more than 1.3 million calls per annum. Consumers and traders now have better access to services and information on more than 40 different State laws.
- ◆ New technology in Consumer, Trader and Tenancy Tribunal hearing rooms will allow immediate access to written copies of Tribunal orders.
- ◆ Industrial Relations Inspectors carried out Australia's largest workplace compliance program, with more than 14,000 workplaces inspected during 2005.
- ◆ In an Australian-first, a mandatory Code of Practice for the NSW clothing industry took effect on 1 July 2005 to assist clothing outworkers receive their lawful entitlements.
- ◆ A major focus for the Office of Industrial Relations has been preparing and supporting the position of the Minister and the Government in response to the Commonwealth Government's expansion of the federal industrial relations system.

## **STRATEGIC DIRECTIONS**

In order to achieve its major results in 2006-07, the Department is pursuing a number of broad strategies.

- ◆ *Consumers and traders operate in a fair and productive marketplace (the Office of Fair Trading):*
  - Enhance marketplace compliance through cost effective fair trading law enforcement strategies.
  - Provide better services, matching resources to changing customer service delivery preference.
- ◆ *New South Wales has fair and productive workplaces (the Office of Industrial Relations):*
  - Advise Government on the fairness and responsiveness of the industrial relations framework and regulations.

- Provide employers and employees access to information on their rights and obligations.
- Provide effective compliance with industrial relations regulations.
- ◆ *NSW Government performance is improved (the Office of NSW Procurement and the Office of Public Works and Services):*
  - Remove duplication across government through central delivery of procurement systems and services.
  - Improve government procurement capability and productivity through greater use of electronic systems and by using solutions and services tailored to each client.
  - Establish and deliver common ICT infrastructure strategies for government by setting standards and encouraging collaboration across agencies. These include establishing common infrastructure and applications; sharing operational experience and capabilities; and optimising investment in technology.
  - Help agencies maximise the value of existing physical assets through better planning and management.
  - Deliver value and manage time and cost risks in building infrastructure.
  - Deliver optimal outcomes for projects of State significance and mitigate the impact on service delivery from natural disasters or terrorism.

## **2006-07 BUDGET**

### **Total Expenses**

The Department's total expenses for 2006-07 are budgeted to be \$644.7 million compared to the budget estimate of \$606.7 million for 2005-06.

The budgeted operating profit for 2006-07 is \$29.7 million compared to the estimate of \$19.6 million for 2005-06. Commerce has budgeted to pay \$8.8 million to the Consolidated Fund in dividend and tax equivalent payments for 2006-07.

Budgeted expenses of the Department of Commerce include:

- ◆ \$103 million for project management services to assist agencies in the construction of buildings and engineering works;

- ◆ \$85 million for enforcement of fair trading laws including business licensing/registration and the Consumer, Trader and Tenancy Tribunal;
- ◆ \$66 million for fair trading information and assistance services to consumers and traders;
- ◆ \$65 million for Government ICT 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 communications technology;
- ◆ \$28 million for the Central Corporate Services Unit to manage corporate services on behalf of 30 agencies and to reduce the cost of corporate services generally across the Public Sector;
- ◆ \$27 million to provide technical expert advice to agencies and the community on the management and use of water;
- ◆ \$22 million for expert technical advice from the Government Architect's Office;
- ◆ \$21 million for review and advice on industrial relations regulations, compliance and information to employers and employees on regulations;
- ◆ \$14 million for the management of goods and services standing offer agreements and client specific contracts; and
- ◆ \$14 million to deliver online procurement tools including smartbuy® and eTendering and other tools and services.

### **Capital Expenditure**

The Department's capital expenditure in 2006-07 is estimated at \$348.4 million compared to \$281.3 million for the 2005-06 Budget, an increase of 23.8 per cent. This increase is mainly a result of changes to the financial arrangements of StateFleet. Motor vehicles that were formerly leased but are now purchased and held on the Department's balance sheet. Following a change in taxation treatment of leasing arrangements it became more economical for the Government to own its own vehicles.

An amount of \$307.6 million is allocated to motor vehicles for StateFleet, \$4.9 million to the Government Radio Network, which supports the State's emergency response, \$18.7 million for computer upgrades and replacement, \$10 million for accommodation and \$6.7 million for essential office equipment, furniture and fittings.

## **DEPARTMENT OF AGEING, DISABILITY AND HOME CARE**

The Department of Ageing, Disability and Home Care is responsible for delivering programs and policies that assist older people, people with a disability and their families and carers to participate in community life. The Department is both a purchaser and provider of services and shares responsibility for clients with a number of other Government agencies that deliver services in areas such as health care, transport, family and children's services, and housing.

### **RESULTS AND SERVICES**

The Department helps older people, people with a disability and their families and carers to participate in community life by working towards the following results:

- ◆ Older people and people with a disability are able to live in their own homes and have opportunities to participate in community activities.
- ◆ People with a disability who cannot remain in their own home are assisted to live in specialist accommodation.

Key services provided by the Department to contribute to these results include:

- ◆ community support programs including respite, skills development and day activity programs, therapy, case management, personal assistance and community care services for frail older people, people with a disability and their families and carers;
- ◆ intensive personal care (attendant care programs) in in-home settings for people with a disability; and
- ◆ specialist accommodation such as community housing or large residential centres to provide care for people with a disability who cannot remain in their own home.

## RECENT DEVELOPMENTS

Ageing of the population, and increasing medical success contributing to people living longer, has driven increased demand in this sector. Total expenses of the Department are estimated at \$1.5 billion in 2005-06, an increase of \$433 million or 38.7 per cent over the last five years. This significant growth in the Department's spending reflects the Government commitment to improve support for people with disabilities and frail elderly people, their families and their carers.

In the 2005-06 Budget, the Government provided an additional \$376.6 million over four years including \$110.2 million to provide places for high needs children transferring from the Department of Community Services and expected transfers from other agencies.

## STRATEGIC DIRECTIONS

The NSW Government has released a ten-year strategy *Stronger Together: A new direction for disability services*.

*Stronger Together* will provide more assistance for people with disabilities to live in their own home. It will also increase the range of specialist accommodation services for those unable to live at home.

Change will be achieved through three areas of effort:

- ◆ \$83 million over five years to strengthening families – enabling children with disabilities to grow up in a family and participate in the community;
- ◆ \$1,013 million over five years for community inclusion – supporting adults with disabilities to live in and be part of the community; and
- ◆ \$242 million over five years for improving services – fairer and clearer ways to access services, greater accountability and more opportunities for innovation.

The NSW Government has committed more than \$1 billion in new funding over the next five years to support the ten-year plan.

## 2006-07 BUDGET

### Total Expenses

The Department's total expenses in 2006-07 are \$1.8 billion - an increase of \$208.6 million or 13.5 per cent on the 2005-06 Budget. The Department's services will be aligned with the two key result areas.

## **Community Support**

The Government will provide an estimated \$811.4 million for services and support designed to enable older people and people with a disability to continue to live in their own home and to participate in community life.

Total expenditure in 2006-07 on these services is:

- ◆ \$235.3 million over five years (\$20.2 million in 2006-07) for increasing support from three days a week to four days a week for people with a significant disability (and five days for people with very high support needs) who leave school but are unable to enter the workforce. By 2010-11 it is estimated that over 6,200 people will be supported through the Department's post school programs;
- ◆ an additional 70 attendant care (intensive in-home support) places in 2006-07 at \$5.3 million. Over five years there will be 320 additional places - more than double the current number - at a cost of \$66 million;
- ◆ \$31 million over five years to provide intensive support packages for children and young people and their families. By 2010-11 there will be an additional 1,800 places a year;
- ◆ 600 new therapy places in 2006-07 at a cost of \$3.3 million. By 2010-11 the number of therapy places will be nearly 3,000 at a cost of \$41 million over five years;
- ◆ 750 new flexible respite places in 2006-07 at a cost of \$6.6 million. By 2010-11 there will be 1,260 new places at a cost of \$62 million; and
- ◆ 130 new places in day programs for adults with a disability at a cost of \$5.3 million. By 2010-11 there will be 780 new places at a cost of \$33 million.

## **Supported Accommodation**

Under this program, the Department provides and funds specialist care programs to assist people with a disability who are unable to remain in their own home. The services are predominantly supported accommodation in the community or large residential settings.

Total expenditure in 2006-07 on these services is estimated at \$946.2 million. This includes:

- ◆ \$46 million to fund an extra 180 supported accommodation places in 2006-07. By 2010-11 there will be an additional 990 places, with costs over the five years totalling \$514 million;

- ◆ \$10 million over five years (\$0.9 million in 2006-07) to trial, in partnership with the Department of Housing and community housing providers, support models that will allow up to 40 people to transition from group homes; and
- ◆ up to \$80 million over five years (with the Commonwealth Government contributing half) to prevent young people entering nursing homes, improve the circumstances of younger people in nursing homes and develop alternative models of support for young people living in nursing homes.

In addition, across both programs the Government will:

- ◆ employ 100 new case managers at a cost of \$53 million over five years to help 4,000 disabled and frail elderly people access the services they need; and
- ◆ expand training for Government and non-government disability workers at a cost of \$15 million over five years.

### **Commonwealth and State Joint Funding Initiatives**

The Department's expenditure includes \$449.4 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)***

The NSW Government will again be required to meet an increasing proportion of funding to joint Commonwealth/State programs. In 2006-07, the NSW Government's contribution under the Agreement will be \$1,085.5 million to fund a range of programs and services under the Commonwealth-State-Territory Disability Agreement (CSTDA). Australian Government funding of \$200.7 million in 2006-07 brings total funding under this Agreement to \$1,286 million. The NSW Government share of total funding will be 84 per cent in 2006-07, compared to 79 per cent in 2003-04 which was the first year of the current agreement.

#### ***Home and Community Care Agreement***

The Home and Community Care (HACC) Program is a joint Commonwealth/State program which provides funding to assist frail older people, and people with a disability, to live independently. The program tries to minimise premature or inappropriate admission 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 2006-07 Budget Papers.

Total estimated expenditure on the HACC Program in 2006-07 is \$504.7 million (includes estimated expenditure of \$65.2 million by the Department of Health under the HACC program and which is allocated directly to that Department). This expenditure, after excluding some carry over of funding for previous years' commitments, provides an increase of \$36.6 million or 8 per cent on the 2005-06 Budget. The NSW Government's contribution in 2006-07 will be \$197 million, an increase of \$14.7 million or 8 per cent on the 2005-06 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 2006-07, the total expenditure to non-government providers is estimated at \$883 million. NGO partners grants are indexed to accommodate reasonable growth in costs over the life of funding agreements.

### **Capital Expenditure**

The Department's capital expenditure program allocation for 2006-07 is \$71 million. Major capital expenditure projects include:

- ◆ \$16.5 million to reconfigure the Grosvenor and Lachlan Centres as specialist State-wide accommodation services for people with complex health care needs and challenging behaviours respectively;
- ◆ \$18.9 million for acquisition of supported accommodation places for new clients; and
- ◆ \$14.5 million for improvements to, or replacement of, the Department's various existing accommodation facilities.

## **HOME CARE SERVICE OF NEW SOUTH WALES**

The Home Care Service of NSW provides home-based assistance to frail older people and younger people with a disability and their carers. The governing legislation is the *Home Care Service Act 1988*.

## **RESULTS AND SERVICES**

The Home Care Service aims to assist people who are having difficulty managing in their own homes to remain at home by providing basic support services.

Key services provided by the Service which contribute to people remaining at home include:

- ◆ domestic assistance including assistance with cleaning, washing, shopping and bill paying;
- ◆ personal care which includes assistance with bathing, dressing and other personal care tasks; and
- ◆ respite care which helps carers by providing a substitute carer who can provide them with a break.

## **RECENT DEVELOPMENTS**

The Service has implemented new business systems and processes including financial and human resource systems. There has been a focus on analysing unit costs to identify strategies to increase efficiencies. These strategies have included a review of the use of subcontractors and an improved focus on occupational health and safety to reduce workers compensation premiums. Quality improvement is being monitored and will be informed by an independent client survey being undertaken across New South Wales.

## **STRATEGIC DIRECTIONS**

In 2006-07 the Service will continue to focus on:

- ◆ implementing new business systems for client information and rostering care workers;
- ◆ improving the timeliness of intake and assessment processes while ensuring services reflect client need;
- ◆ ensuring client feedback continues to inform service delivery; and
- ◆ delivering hours of service at an efficient cost with improved monitoring of key performance indicators.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenditure for the Home Care Service in 2006-07 is \$186.4 million including employee related expenditure of \$149.4 million and other operating expenditure of \$35.3 million.

### **Capital Expenditure**

Total capital expenditure for the Home Care Service in 2006-07 is \$3 million including \$1.2 million for information technology equipment and \$1.8 million for the replacement of motor vehicles.

## **SUPERANNUATION ADMINISTRATION CORPORATION (TRADING AS PILLAR ADMINISTRATION)**

In November 2001, the Superannuation Administration 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. Through competitive tenders, Pillar has also secured private sector clients with more than 300,000 members in total. The services provided include collecting contributions and paying benefits, maintaining member records, inquiry services, accounting and finance, and statutory reporting.

### **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;
- ◆ profitability; and
- ◆ continuing regional growth after relocation to Wollongong.

The relocation to Wollongong, completed in 2001-02, was a Government funded initiative. There are currently over 400 positions located in the Coniston building and in adjoining leased premises. Expansion in Pillar's client base will provide future employment growth in Wollongong.

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 spread the costs of ongoing systems development and general overheads.

## **STRATEGIC DIRECTIONS**

### **2006-07 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 2006-07 Statement of Corporate Intent will focus on business expansion, particularly in the private sector, and improving service standards and compliance for clients.

Operating expenses for 2006-07 are forecast at \$50.4 million and revenues at \$54.2 million. These are in line with 2005-06, reflecting the efficiencies being achieved in administering accounts while growing the number of accounts under administration.

### **Capital Expenditure**

Capital expenditure is forecast at \$4.5 million. The major program is for computer hardware and storage upgrades to meet new business needs with \$3.5 million to be expended in 2006-07. Minor works cover office fit out costs at Coniston, software licences and upgrades and annual provisions.

## **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;
- ◆ specific functions to support the provision of acute care treatment, rehabilitation, long-term support and other services for persons injured in motor accidents;
- ◆ 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.

## **RECENT DEVELOPMENTS**

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 \$118.7 million (discounted value, net of reinsurance and including claims handling expenses) as at 30 June 2005.

## **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.

The MAA has been closely involved with the setting up of the Lifetime Care and Support Authority to administer care needs to the catastrophic injury cases of motor accident victims. This will mean significant changes to the *Motor Accidents Compensation Act 1999* and a new legislative framework for the new authority.

## **2006-07 BUDGET**

### **Total Expenses**

The MAA's total expenses in 2006-07 are estimated to be \$38.7 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 2006-07 total expenses will decrease by \$0.4 million in comparison to 2005-06 Budget by achieving corporate services efficiencies.

Most of MAA's income is derived from the CTP levy which remains at 2.5 per cent (same as last year) on gross CTP insurance premiums collected by the licensed insurers. In 2006-07 a projected deficit of \$2 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 \$0.2 million for 2006-07.

## 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.

### 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 \$700 million of rental bond deposits on behalf of landlords in 2006-07. These administered funds do not form part of the assets reported within the balance sheet of the Board.

### 2006-07 BUDGET

#### Total Expenses

Total expenses are estimated at \$33.9 million in 2006-07 (\$32.3 million in 2005-06). The Board estimates that it will earn \$38.9 million in revenue to support its activities. The Board's expenses include provision for:

- ◆ \$13.7 million to administer the rental bond scheme;
- ◆ \$8.6 million in grants supporting 50 per cent 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;
- ◆ \$4.4 million in grants including support of 50 per cent 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*;

- ◆ \$6 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
- ◆ \$1.3 million to meet operating costs of strata and mediation services.

## **WORKCOVER AUTHORITY**

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 Office of the WorkCover Authority are included in the Budget, the underwriting and investment activities of the Workers Compensation Insurance Fund are excluded as they are not part of the State accounts.

## **RECENT DEVELOPMENTS**

As a result of reforms to workers' compensation legislation, the NSW Workers' Compensation Scheme financial position continues to improve. Independent valuations estimate the Scheme deficit has reduced by over \$2 billion since December 2002, from \$3.2 billion to \$1.2 billion at December 2005.

Due to the improved performance of the Scheme, a reduction in premiums of 5 per cent was implemented on 31 December 2005 and applies across all WorkCover Industry Classification rates. These premium reductions will directly benefit all businesses in New South Wales. A further 10 per cent reduction in premiums will come into effect on 30 June 2006. In total, these reductions save NSW businesses \$430 million per annum.

## **STRATEGIC DIRECTIONS**

WorkCover NSW is committed to improving the health and safety of the NSW workforce. Work related fatalities and employment injury rates have dropped to their lowest levels in 17 years. In addition, a review of the Occupational Health and Safety Act and industry regulations over the period 2005 to 2007 will help ensure that safety laws continue to reduce accidents.

Other initiatives include:

- ◆ the development of products to assist smaller sized businesses manage their occupational health and safety and workers compensation obligations; and
- ◆ the development of nine Industry Action Plans flowing from the 2005 Safety Summit which provide a strategic framework for delivery of the New South Wales Workplace Health and Safety Strategy 2005-2008.

From 1 January 2006, new contractual arrangements apply to the selected agents, mainly insurance companies, who manage individual claims. They comprise performance-based contracts which reward agents on outcomes, making the Scheme more affordable and sustainable by promoting better treatments and a return to work for injured workers.

Scheme assets became assets of the Workers Compensation Nominal Insurer held in the Workers Compensation Insurance Fund from 1 July 2005. The Workers Compensation Insurance Fund has an investment board, which determines the Fund's investment policies and reports on fund performance. The board comprises six expert members from the finance, insurance and legal professions. The Board has appointed 26 sector specialist investment managers to manage the Fund.

## **2006- 07 BUDGET TOTAL EXPENSES**

Total expenses for 2006-07 are budgeted at \$266 million, including:

- ◆ \$71.4 million for the safety inspectorate and the prevention of injuries and diseases at workplaces;
- ◆ \$33.7 million for the resolution of disputes including funding of the Workers' Compensation Commission; and
- ◆ \$26.7 million to meet the cost of claims made against uninsured employers, failed insurers and those arising from bushfire fighting and emergency services activities.

## **Capital Expenditure**

The capital program of \$12.7 million in 2006-07 includes:

- ◆ \$1.3 million for software needed to deliver the business of WorkCover, meet the requirements of the Scheme reform and related Claims Management changes;

- ◆ \$5.8 million for a new computer system to support system infrastructure; and
- ◆ \$3.5 million for the ongoing program to upgrade regional office accommodation including at Wollongong, Tamworth and Ballina.

## **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.

### **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 \$661 million of cash and other financial assets as at June 2007 to offset, together with future levy income, total liabilities of \$1.5 billion.

### **STRATEGIC DIRECTIONS**

The Board's policy is to maintain the Dust Diseases levy rate for 2006-07 at a level sufficient to meet liabilities associated with reported claims and IBNR claims 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 including the construction of a \$6.9 million laboratory to research asbestos-related diseases at Concord Repatriation General Hospital and promotes awareness in occupational respiratory health.

The Board has projected investment income of \$47.4 million in 2006-07 (\$44.9 million in 2005-06) reflecting improved market returns.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are estimated at \$90.2 million including payments of claims liabilities of \$65.8 million.

### **Capital Expenditure**

The Board is budgeting to acquire \$0.1 million of assets in 2006-07, comprising scientific equipment upgrades and replacement of motor vehicles.

## **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.

### **RECENT DEVELOPMENTS**

Long service benefits from the scheme are required to be readily available when members decide to claim them. The Corporation cannot control the number of claims that may be made in any year, and therefore disbursements and cash flows can 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 the latest circumstances and experience.

### **STRATEGIC DIRECTIONS**

The Corporation is continuing to search for and implement improvements to customer service and the effectiveness and efficiency of the organisation's operations.

A major initiative for 2006-07 will be the implementation of a new Worker Registry System. The new system will allow the Corporation to better service the industry including enabling employers and workers direct internet functionality.

## **2006-07 BUDGET**

Total expenses are estimated to be \$99.7 million of which \$89.4 million relates to scheme liabilities. These comprise long service payments made to beneficiaries and changes in outstanding liabilities.

Total income is estimated at \$101.9 million, of which \$69 million is income from the long service levy and \$32.9 million is investment earnings from funds invested through NSW Treasury Corporation.

This will result in an operating surplus of \$2.2 million in 2006-07.

### **Capital Expenditure**

An amount of \$450,000 has been budgeted for capital expenditure in 2006-07 including upgrades to the Corporation's core operational software.

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**20 DEPARTMENT OF COMMERCE**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating expenses -                          |                 |                  |                 |
| Employee related                              | 308,186         | 289,385          | <b>296,732</b>  |
| Other operating expenses                      | 128,207         | 142,708          | <b>126,206</b>  |
| Depreciation and amortisation                 | 111,566         | 115,175          | <b>132,688</b>  |
| Grants and subsidies                          | 22,285          | 39,145           | <b>38,423</b>   |
| Finance costs                                 | 25,343          | 25,672           | <b>39,797</b>   |
| Other expenses                                | 11,102          | 10,492           | <b>10,870</b>   |
| <b>Total Expenses Excluding Losses</b>        | <b>606,689</b>  | <b>622,577</b>   | <b>644,716</b>  |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   | 417,046         | 455,639          | <b>519,854</b>  |
| Investment income                             | 5,155           | 10,100           | <b>9,702</b>    |
| Retained taxes, fees and fines                | 36,623          | 42,332           | <b>43,063</b>   |
| Grants and contributions                      | 9,082           | 10,991           | <b>9,628</b>    |
| Other revenue                                 | 357             | 235              | <b>424</b>      |
| <b>Total Retained Revenue</b>                 | <b>468,263</b>  | <b>519,297</b>   | <b>582,671</b>  |
| Gain/(loss) on disposal of non current assets | (7,863)         | (5,556)          | <b>(30,579)</b> |
| Other gains/(losses)                          | (1,705)         | (1,725)          | <b>(1,749)</b>  |
| <b>NET COST OF SERVICES</b>                   | <b>147,994</b>  | <b>110,561</b>   | <b>94,373</b>   |
| Government Contributions                      | 167,572         | 154,491          | <b>124,113</b>  |
| <b>SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS</b> | <b>19,578</b>   | <b>43,930</b>    | <b>29,740</b>   |
| <b>Distributions -</b>                        |                 |                  |                 |
| Dividends and capital repatriations           | 3,681           | 5,578            | <b>5,034</b>    |
| Tax equivalents                               | 2,761           | 4,183            | <b>3,766</b>    |
| <b>SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</b>  | <b>13,136</b>   | <b>34,169</b>    | <b>20,940</b>   |

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**20 DEPARTMENT OF COMMERCE**

|   | 2005-06          |                  | 2006-07<br>Budget<br>\$000 |
|---|------------------|------------------|----------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                          |                  |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                  |                  |                            |
| <b>Payments</b>                                     |                  |                  |                            |
| Employee related                                    | 306,293          | 297,074          | <b>305,612</b>             |
| Grants and subsidies                                | 22,285           | 39,145           | <b>38,423</b>              |
| Finance costs                                       | 25,343           | 25,672           | <b>39,797</b>              |
| Other   | 441,366          | 444,916          | <b>420,906</b>             |
| <b>Total Payments</b>                               | <b>795,287</b>   | <b>806,807</b>   | <b>804,738</b>             |
| <b>Receipts</b>                                     |                  |                  |                            |
| Sale of goods and services                          | 446,337          | 449,345          | <b>518,392</b>             |
| Retained taxes                                      | 410              | 503              | ...                        |
| Interest  | 3,848            | 8,793            | <b>8,384</b>               |
| Other   | 330,367          | 355,100          | <b>336,409</b>             |
| <b>Total Receipts</b>                               | <b>780,962</b>   | <b>813,741</b>   | <b>863,185</b>             |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(14,325)</b>  | <b>6,934</b>     | <b>58,447</b>              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                  |                  |                            |
| Proceeds from sale of property, plant and equipment | 153,227          | 131,398          | <b>118,668</b>             |
| Advance repayments received                         | ...              | 20               | ...                        |
| Purchases of property, plant and equipment          | (281,275)        | (247,278)        | <b>(332,530)</b>           |
| Purchases of investments                            | (4,253)          | (4,473)          | <b>(4,584)</b>             |
| Other   | ...              | (17,358)         | <b>(15,838)</b>            |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(132,301)</b> | <b>(137,691)</b> | <b>(234,284)</b>           |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                  |                  |                            |
| Proceeds from borrowings and advances               | ...              | 4,576            | <b>74,476</b>              |
| Repayment of borrowings and advances                | (8,919)          | (20)             | ...                        |
| Other   | (1,743)          | (27,246)         | <b>(5,578)</b>             |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(10,662)</b>  | <b>(22,690)</b>  | <b>68,898</b>              |

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**20 DEPARTMENT OF COMMERCE**

|  | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--|-----------------|------------------|----------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT (cont)</b>              |                 |                  |                            |
| <b>CASH FLOWS FROM GOVERNMENT</b>              |                 |                  |                            |
| Recurrent appropriation                        | 145,427         | 140,162          | 111,221                    |
| Capital appropriation                          | 17,730          | 22,995           | 7,820                      |
| Cash transfers to Consolidated Fund            | ...             | (30,610)         | ...                        |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>          | <b>163,157</b>  | <b>132,547</b>   | <b>119,041</b>             |
| <b>NET INCREASE/(DECREASE) IN CASH</b>         | <b>5,869</b>    | <b>(20,900)</b>  | <b>12,102</b>              |
| Opening Cash and Cash Equivalents              | 147,807         | 140,516          | 119,616                    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>       | <b>153,676</b>  | <b>119,616</b>   | <b>131,718</b>             |
| <b>CASH FLOW RECONCILIATION</b>                |                 |                  |                            |
| Net cost of services                           | (147,994)       | (110,561)        | (94,373)                   |
| Non cash items added back                      | 114,685         | 118,760          | 136,460                    |
| Change in operating assets and liabilities     | 18,984          | (1,265)          | 16,360                     |
| <b>Net cash flow from operating activities</b> | <b>(14,325)</b> | <b>6,934</b>     | <b>58,447</b>              |

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**20 DEPARTMENT OF COMMERCE**

|                                  | 2005-06          |                  | 2006-07<br>Budget<br>\$000 |
|----------------------------------|------------------|------------------|----------------------------|
|                                  | Budget<br>\$000  | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>             |                  |                  |                            |
| <b>ASSETS -</b>                  |                  |                  |                            |
| <b>Current Assets -</b>          |                  |                  |                            |
| Cash assets                      | 153,676          | 119,616          | <b>131,718</b>             |
| Receivables                      | 200,367          | 160,617          | <b>164,351</b>             |
| Other financial assets           | 171,893          | 211,317          | <b>217,201</b>             |
| Inventories                      | 22,907           | 956              | <b>972</b>                 |
| Assets held for sale             | ...              | 16,000           | ...                        |
| Other                            | 32,174           | 35,446           | <b>49,845</b>              |
| <b>Total Current Assets</b>      | <b>581,017</b>   | <b>543,952</b>   | <b>564,087</b>             |
| <b>Non Current Assets -</b>      |                  |                  |                            |
| Inventories                      | 6,153            | 11,898           | <b>11,752</b>              |
| Property, plant and equipment -  |                  |                  |                            |
| Land and building                | 45,235           | 30,242           | <b>30,050</b>              |
| Plant and equipment              | 476,164          | 476,664          | <b>548,040</b>             |
| Intangibles                      | ...              | 45,843           | <b>57,268</b>              |
| Other                            | 62,893           | 57,950           | <b>59,399</b>              |
| <b>Total Non Current Assets</b>  | <b>590,445</b>   | <b>622,597</b>   | <b>706,509</b>             |
| <b>Total Assets</b>              | <b>1,171,462</b> | <b>1,166,549</b> | <b>1,270,596</b>           |
| <b>LIABILITIES -</b>             |                  |                  |                            |
| <b>Current Liabilities -</b>     |                  |                  |                            |
| Payables                         | 341,733          | 307,975          | <b>315,445</b>             |
| Borrowings                       | 82,223           | 86,181           | <b>86,181</b>              |
| Tax                              | 690              | 1,045            | <b>942</b>                 |
| Provisions                       | 33,529           | 38,321           | <b>38,086</b>              |
| Other                            | 1,100            | 1,100            | <b>1,100</b>               |
| <b>Total Current Liabilities</b> | <b>459,275</b>   | <b>434,622</b>   | <b>441,754</b>             |

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**20 DEPARTMENT OF COMMERCE**

|                                      | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--------------------------------------|-----------------|------------------|-------------------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>BALANCE SHEET (cont)</b>          |                 |                  |                                     |
| <b>Non Current Liabilities -</b>     |                 |                  |                                     |
| Borrowings                           | 260,374         | 277,482          | <b>351,958</b>                      |
| Provisions                           | 66,462          | 62,344           | <b>63,792</b>                       |
| Other                                | 2,432           | 2,270            | <b>2,321</b>                        |
| <b>Total Non Current Liabilities</b> | <b>329,268</b>  | <b>342,096</b>   | <b>418,071</b>                      |
| <b>Total Liabilities</b>             | <b>788,543</b>  | <b>776,718</b>   | <b>859,825</b>                      |
| <b>NET ASSETS</b>                    | <b>382,919</b>  | <b>389,831</b>   | <b>410,771</b>                      |
| <b>EQUITY</b>                        |                 |                  |                                     |
| Reserves                             | 21,502          | 18,607           | <b>18,607</b>                       |
| Accumulated funds                    | 361,417         | 371,224          | <b>392,164</b>                      |
| <b>TOTAL EQUITY</b>                  | <b>382,919</b>  | <b>389,831</b>   | <b>410,771</b>                      |

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**20 DEPARTMENT OF COMMERCE**

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**20.1 Commerce**

**20.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Legislation assessed as fair to consumers/traders | %     | 100     | 100     | 100     | <b>100</b>     |
| Customer satisfaction with services               | %     | 89      | 87      | ≥90     | ≥90            |
| Accuracy of information provided to public        | %     | 99      | 83      | ≥90     | ≥90            |
| Informal consumer complaint resolution rate       | %     | 67      | 74      | 77      | ≥70            |
| Prosecutions which are successful                 | %     | 91      | 94      | 90      | ≥90            |
| <br><u>Outputs:</u>                               |       |         |         |         |                |
| Enquiries   | thous | 2,779   | 3,149   | 3,200   | <b>3,300</b>   |
| Investigations                                    | no.   | 2,163   | 2,222   | 2,100   | <b>2,200</b>   |
| Complaints  | no.   | 29,758  | 30,305  | 32,000  | <b>32,000</b>  |
| Business name and Licensing transactions          | thous | 606     | 618     | 600     | <b>600</b>     |
| Consumer Trader and Tenancy Tribunal Applications | no.   | 59,936  | 60,114  | 59,000  | <b>61,000</b>  |
| <u>Average Staffing:</u>                          | EFT   | 1,160   | 1,119   | 1,119   | <b>1,121</b>   |

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**20 DEPARTMENT OF COMMERCE**

**20.1 Commerce**

**20.1.1 Office of Fair Trading (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                                    |                 |                  |                                     |
| Operating expenses -  |                 |                  |                                     |
| Employee related  | 94,900          | 94,832           | <b>97,628</b>                       |
| Other operating expenses  | 30,153          | 34,107           | <b>34,110</b>                       |
| Depreciation and amortisation   | 7,918           | 10,462           | <b>9,678</b>                        |
| Grants and subsidies  |                 |                  |                                     |
| Financial counselling services  | 1,435           | 1,435            | <b>1,243</b>                        |
| Recurrent grants to non-profit organisations                          | 141             | 141              | <b>80</b>                           |
| Miscellaneous education grants  | 520             | 200              | <b>500</b>                          |
| Co-operative development  | 364             | 364              | <b>300</b>                          |
| Building service grants   | 675             | 375              | <b>400</b>                          |
| Tenancy advice and advocacy education program                         | 3,570           | 3,640            | <b>4,049</b>                        |
| Subsidies to organisations - public financial enterprises             | 10,500          | 10,500           | <b>8,400</b>                        |
| Other expenses  |                 |                  |                                     |
| Settlement of claims for damages                                      | 1,326           | 1,326            | <b>1,500</b>                        |
| Indemnity and guarantee payments under Govt<br>Guaranteed Loan Scheme | 150             | 150              | <b>150</b>                          |
| Legal and other costs   | 561             | 361              | <b>361</b>                          |
| Ex gratia payments  | 5               | 5                | <b>100</b>                          |
| <b>Total Expenses Excluding Losses</b>                                | <b>152,218</b>  | <b>157,898</b>   | <b>158,499</b>                      |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>   |                 |                  |                                     |
| Sales of goods and services   |                 |                  |                                     |
| Publication sales   | 180             | 80               | <b>98</b>                           |
| Fees for services   | 4,872           | 5,072            | <b>6,075</b>                        |
| Recoupment of administration costs                                    | 23,752          | 25,201           | <b>28,188</b>                       |

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**20 DEPARTMENT OF COMMERCE**

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**20.1 Commerce**

**20.1.1 Office of Fair Trading (cont)**

**OPERATING STATEMENT (cont)**

|   |               |               |                |
|---|---------------|---------------|----------------|
| Electrical appliance testing                  | 1,067         | 967           | <b>984</b>     |
| Register of Encumbered Vehicles fees          | 8,324         | 8,874         | <b>8,945</b>   |
| Minor sales of goods and services             | 50            | 150           | <b>126</b>     |
| Investment income                             | 2,520         | 2,685         | <b>3,137</b>   |
| Retained taxes, fees and fines                | 36,623        | 42,332        | <b>43,063</b>  |
| Grants and contributions                      | 8,313         | 8,891         | <b>8,578</b>   |
| Other revenue                                 | 280           | 170           | <b>394</b>     |
| <b>Total Retained Revenue</b>                 | <b>85,981</b> | <b>94,422</b> | <b>99,588</b>  |
| Gain/(loss) on disposal of non current assets | ...           | 10            | ...            |
| Other gains/(losses)                          | (1,705)       | (1,705)       | <b>(1,704)</b> |
| <b>NET COST OF SERVICES</b>                   | <b>67,942</b> | <b>65,171</b> | <b>60,615</b>  |
| <br>  |               |               |                |
| <b>CAPITAL EXPENDITURE</b>                    | <b>4,842</b>  | <b>6,286</b>  | <b>2,750</b>   |

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**20 DEPARTMENT OF COMMERCE**

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**20.1 Commerce**

**20.1.2 Office of Industrial Relations**

Program Objective(s): To ensure industrial relation 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Employers who comply with industrial relation laws within 3 months after being notified they don't comply       | %     | 77      | 75      | 78      | <b>80</b>      |
| Non-compliant employers who comply or who are prosecuted within 6 months after being notified they don't comply | %     | 81      | 91      | 90      | <b>90</b>      |
| <br><u>Outputs:</u>   |       |         |         |         |                |
| Information packages delivered to workplace   | no.   | 7,700   | 10,500  | 11,200  | <b>10,800</b>  |
| Handling of enquiries in a timely manner  | %     | 85      | 85      | 87      | <b>87</b>      |
| Enquiries accessing OIR through online services   | %     | 81      | 83      | 85      | <b>88</b>      |
| <u>Average Staffing:</u>  | EFT   | 195     | 178     | 164     | <b>164</b>     |

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**20 DEPARTMENT OF COMMERCE**

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**20.1 Commerce**

**20.1.2 Office of Industrial Relations (cont)**

|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>             |               |               |               |
| <b>Expenses Excluding Losses -</b>     |               |               |               |
| Operating expenses -                   |               |               |               |
| Employee related                       | 14,299        | 14,020        | <b>15,239</b> |
| Other operating expenses               | 2,488         | 5,879         | <b>5,103</b>  |
| Depreciation and amortisation          | 934           | 934           | <b>821</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>17,721</b> | <b>20,833</b> | <b>21,163</b> |
| Less:                                  |               |               |               |
| <b>Retained Revenue -</b>              |               |               |               |
| Sales of goods and services            |               |               |               |
| Minor sales of goods and services      | 340           | 220           | <b>320</b>    |
| Investment income                      | 35            | 50            | ...           |
| Other revenue                          | 30            | 65            | <b>30</b>     |
| <b>Total Retained Revenue</b>          | <b>405</b>    | <b>335</b>    | <b>350</b>    |
| <b>NET COST OF SERVICES</b>            | <b>17,316</b> | <b>20,498</b> | <b>20,813</b> |
| <br>                                   |               |               |               |
| <b>CAPITAL EXPENDITURE</b>             | <b>160</b>    | <b>78</b>     | <b>835</b>    |

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**20.1 Commerce**

**20.1.3 NSW Procurement**

Program Objective(s): To assist NSW Government agencies in delivering improved services to the community through better solutions to managing their costs and risks.

Program Description: In consultation with government and commercial stakeholders, support NSW Treasury develop and implement NSW Government Procurement Policy; provide operational support for the State Contracts Control Board; deliver electronic procurement tools and solutions; provide government advertising and government publication services; develop and implement the NSW Government Strategic Executive ICT Plan; manage the operation of key government ICT infrastructure and coordinate emergency services communication.

| <u>Outcomes:</u>  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Overall usage of procurement systems and period contracts by relevant agencies compared to agency budget                    | %     | 29      | 23      | 30      | <b>40</b>      |
| Total cost savings in government procurement  | \$m   | 447     | 473     | 550     | <b>700</b>     |
| Savings to NSW Government achieved through the Commerce master media and placement contracts compared to market media rates | \$m   | 32      | 30      | 29      | <b>25</b>      |
| Disputes settlement (\$ settled amount / \$ amount claimed)   | %     | 18      | 37      | 28      | <b>25</b>      |
| <br><u>Outputs:</u>   |       |         |         |         |                |
| Value of transactions using goods and services contracts per quarter  | \$m   | 3,100   | 3,300   | 3,400   | <b>4,100</b>   |
| Accuracy of all advertisements placed as intended   | %     | 99      | 99      | 98      | <b>98</b>      |

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**20 DEPARTMENT OF COMMERCE**

**20.1 Commerce**

**20.1.3 NSW Procurement (cont)**

|   |       |     |     |     |              |
|---|-------|-----|-----|-----|--------------|
| Value of contracts adversely affected<br>by insolvency of prequalified<br>contractors and consultants<br>compared to the value of all contracts | %     | <1  | <1  | <1  | <b>&lt;1</b> |
| Visits to NSW government portal   | mill  | 1.8 | 2.0 | 2.2 | <b>2.3</b>   |
| eTenders as proportion of Government<br>tenders (based on GAI data)   | %     | 30  | 30  | 35  | <b>80</b>    |
| Average performance score of prequalified<br>contractors (for construction works)   | %     | 67  | 68  | 70  | <b>72</b>    |
| Transactions through smartbuy   | thous | ... | 6   | 25  | <b>200</b>   |
| <u>Average Staffing:</u>  | EFT   | 431 | 353 | 370 | <b>344</b>   |

|               |                |
|---------------|----------------|
| ———2005-06——— | <b>2006-07</b> |
| Budget        | Revised        |
| \$000         | \$000          |
| <b>Budget</b> | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Operating expenses -                        |                |                |                |
| Employee related                            | 38,890         | 37,304         | <b>38,458</b>  |
| Other operating expenses                    | 52,700         | 52,809         | <b>35,485</b>  |
| Depreciation and amortisation               | 10,420         | 10,911         | <b>12,513</b>  |
| Grants and subsidies                        |                |                |                |
| Capital grants paid to other organisations  | ...            | 17,109         | <b>16,571</b>  |
| Other expenses                              |                |                |                |
| Information services                        | 1,318          | 1,223          | <b>1,168</b>   |
| Specialist policy advice and investigations | 2,384          | 2,226          | <b>2,308</b>   |
| <b>Total Expenses Excluding Losses</b>      | <b>105,712</b> | <b>121,582</b> | <b>106,503</b> |

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MINISTER FOR DISABILITY SERVICES**

**20 DEPARTMENT OF COMMERCE**

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**20.1 Commerce**

**20.1.3 NSW Procurement (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                  |               |               |               |
|----------------------------------|---------------|---------------|---------------|
| Sales of goods and services      |               |               |               |
| Government Advertising sales     | 18,130        | 17,285        | <b>15,839</b> |
| Other operating revenue          | 4,442         | 4,235         | <b>3,547</b>  |
| Government radio network charges | ...           | 7,700         | <b>9,770</b>  |
| State Procurement - Supply Fees  | 46,172        | 44,018        | <b>45,572</b> |
| Government Procurement Services  | 8,731         | 8,321         | <b>9,515</b>  |
| Investment income                | 520           | 1,321         | <b>1,370</b>  |
| Grants and contributions         | 769           | 2,100         | <b>1,050</b>  |
| Other revenue                    | 44            | ...           | ...           |
| <b>Total Retained Revenue</b>    | <b>78,808</b> | <b>84,980</b> | <b>86,663</b> |
| Other gains/(losses)             | ...           | (6)           | <b>(6)</b>    |
| <b>NET COST OF SERVICES</b>      | <b>26,904</b> | <b>36,608</b> | <b>19,846</b> |

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>23,883</b> | <b>41,105</b> | <b>37,151</b> |
|----------------------------|---------------|---------------|---------------|

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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**20 DEPARTMENT OF COMMERCE**

**20.1 Commerce**

**20.1.4 Office of Public Works and Services**

Program Objective(s): To deliver value and minimise risk for the NSW Government in the creation of assets, maximise the value of existing assets, and 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, and architectural and other technical expertise.

| <u>Outcomes</u> :  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b>  |
|--|-------|---------|---------|---------|-----------------|
| Client satisfaction with the asset outcome               | %     | 82.0    | 84.7    | >80.0   | <b>&gt;80.0</b> |
| <u>Outputs</u> :   |       |         |         |         |                 |
| Projects managed by Commerce completed within budget     | %     | 94      | 89      | 89      | <b>85</b>       |
| Projects managed by Commerce completed on time           | %     | 95      | 88      | 85      | <b>85</b>       |
| Average square meters of government office accommodation | no.   | 17.75   | 17.56   | 17.21   | <b>17</b>       |
| <u>Average Staffing</u> :                                | EFT   | 2,196   | 1,884   | 1,728   | <b>1,689</b>    |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |         |         |                |
|--|---------|---------|----------------|
| Operating expenses -                               |         |         |                |
| Employee related                                   | 160,097 | 143,229 | <b>145,407</b> |
| Other operating expenses                           | 42,866  | 49,914  | <b>51,508</b>  |
| Depreciation and amortisation                      | 92,294  | 92,867  | <b>109,676</b> |
| Grants and subsidies                               |         |         |                |
| Grants to agencies for recurrent purposes          | 495     | 495     | <b>1,995</b>   |
| Government Cleaning Service - sick leave liability | 85      | 85      | <b>85</b>      |

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**20 DEPARTMENT OF COMMERCE**

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**20.1 Commerce**

**20.1.4 Office of Public Works and Services (cont)**

**OPERATING STATEMENT (cont)**

|   |                |                 |                 |
|---|----------------|-----------------|-----------------|
| Heritage buildings programs                   | 4,500          | 4,500           | <b>4,500</b>    |
| Purchase of sandstone                         | ...            | 301             | <b>300</b>      |
| Finance costs                                 | 25,343         | 25,672          | <b>39,797</b>   |
| Other expenses                                |                |                 |                 |
| Parliament House maintenance                  | 1,135          | 1,135           | <b>1,135</b>    |
| Government House maintenance                  | 870            | 870             | <b>870</b>      |
| Public building maintenance                   | 172            | 172             | <b>172</b>      |
| Specialist policy advice and investigations   | 2,384          | 2,227           | <b>2,309</b>    |
| Regulatory compliance                         | 797            | 797             | <b>797</b>      |
| <b>Total Expenses Excluding Losses</b>        | <b>331,038</b> | <b>322,264</b>  | <b>358,551</b>  |
| Less:   |                |                 |                 |
| <b>Retained Revenue -</b>                     |                |                 |                 |
| Sales of goods and services                   |                |                 |                 |
| StateFleet management and lease fees          | 120,632        | 133,720         | <b>192,590</b>  |
| Project fees                                  | 96,041         | 106,394         | <b>106,183</b>  |
| Management fees - budget dependent agencies   | 24,468         | 27,103          | <b>28,227</b>   |
| Other operating revenue                       | 2,837          | 3,143           | <b>3,589</b>    |
| State Property Management Fee                 | 12,652         | 14,017          | <b>10,771</b>   |
| Architectural Service Fees                    | 19,089         | 21,148          | <b>22,544</b>   |
| Sustainable Water Services                    | 25,267         | 27,991          | <b>26,971</b>   |
| Investment income                             | 2,080          | 6,044           | <b>5,195</b>    |
| Other revenue                                 | 3              | ...             | ...             |
| <b>Total Retained Revenue</b>                 | <b>303,069</b> | <b>339,560</b>  | <b>396,070</b>  |
| Gain/(loss) on disposal of non current assets | (7,863)        | (5,566)         | <b>(30,579)</b> |
| Other gains/(losses)                          | ...            | (14)            | <b>(39)</b>     |
| <b>NET COST OF SERVICES</b>                   | <b>35,832</b>  | <b>(11,716)</b> | <b>(6,901)</b>  |
| <br>  |                |                 |                 |
| <b>CAPITAL EXPENDITURE</b>                    | <b>252,390</b> | <b>217,167</b>  | <b>307,456</b>  |

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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**21 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE**

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|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget           | Revised          | Budget           |
|   | \$000            | \$000            | \$000            |
| <b>OPERATING STATEMENT</b>                    |                  |                  |                  |
| <b>Expenses Excluding Losses -</b>            |                  |                  |                  |
| Operating expenses -                          |                  |                  |                  |
| Employee related                              | 480,256          | 490,621          | <b>553,579</b>   |
| Other operating expenses                      | 98,705           | 113,318          | <b>109,902</b>   |
| Depreciation and amortisation                 | 8,397            | 8,889            | <b>10,761</b>    |
| Grants and subsidies                          | 952,154          | 922,235          | <b>1,068,927</b> |
| Other expenses                                | 9,433            | 14,639           | <b>14,422</b>    |
| <b>Total Expenses Excluding Losses</b>        | <b>1,548,945</b> | <b>1,549,702</b> | <b>1,757,591</b> |
| Less:   |                  |                  |                  |
| <b>Retained Revenue -</b>                     |                  |                  |                  |
| Sales of goods and services                   | 27,955           | 27,244           | <b>29,891</b>    |
| Investment income                             | 1,242            | 5,595            | <b>3,271</b>     |
| Grants and contributions                      | 5,941            | 9,633            | <b>10,032</b>    |
| Other revenue                                 | 3,286            | 3,182            | <b>1,344</b>     |
| <b>Total Retained Revenue</b>                 | <b>38,424</b>    | <b>45,654</b>    | <b>44,538</b>    |
| Gain/(loss) on disposal of non current assets | 415              | (500)            | <b>(500)</b>     |
| Other gains/(losses)                          | (85)             | (85)             | <b>(350)</b>     |
| <b>NET COST OF SERVICES</b>                   | <b>1,510,191</b> | <b>1,504,633</b> | <b>1,713,903</b> |

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**21 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE**

|   | 2005-06            |                    | 2006-07            |
|---|--------------------|--------------------|--------------------|
|   | Budget             | Revised            | Budget             |
|   | \$000              | \$000              | \$000              |
| <b>CASH FLOW STATEMENT</b>                          |                    |                    |                    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                    |                    |                    |
| <b>Payments</b>                                     |                    |                    |                    |
| Employee related                                    | 453,261            | 463,022            | <b>522,016</b>     |
| Grants and subsidies                                | 952,154            | 922,235            | <b>1,068,927</b>   |
| Other   | 115,571            | 225,218            | <b>218,324</b>     |
| <b>Total Payments</b>                               | <b>1,520,986</b>   | <b>1,610,475</b>   | <b>1,809,267</b>   |
| <b>Receipts</b>                                     |                    |                    |                    |
| Sale of goods and services                          | 27,955             | 27,244             | <b>29,891</b>      |
| Interest  | 1,242              | 3,863              | <b>3,771</b>       |
| Other   | 12,392             | 109,778            | <b>104,972</b>     |
| <b>Total Receipts</b>                               | <b>41,589</b>      | <b>140,885</b>     | <b>138,634</b>     |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(1,479,397)</b> | <b>(1,469,590)</b> | <b>(1,670,633)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                    |                    |                    |
| Proceeds from sale of property, plant and equipment | 3,015              | 2,633              | <b>2,600</b>       |
| Advance repayments received                         | ...                | 1,250              | <b>1,250</b>       |
| Purchases of property, plant and equipment          | (66,766)           | (57,284)           | <b>(68,460)</b>    |
| Other   | ...                | (5,982)            | <b>(2,600)</b>     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(63,751)</b>    | <b>(59,383)</b>    | <b>(67,210)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                    |                    |                    |
| Recurrent appropriation                             | 1,480,573          | 1,475,570          | <b>1,681,647</b>   |
| Capital appropriation                               | 66,766             | 63,266             | <b>71,060</b>      |
| Cash transfers to Consolidated Fund                 | (1,848)            | ...                | ...                |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>1,545,491</b>   | <b>1,538,836</b>   | <b>1,752,707</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>2,343</b>       | <b>9,863</b>       | <b>14,864</b>      |

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MINISTER FOR DISABILITY SERVICES**

**21 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE**

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|  | 2005-06            |                    | 2006-07            |
|--|--------------------|--------------------|--------------------|
|  | Budget             | Revised            | Budget             |
|  | \$000              | \$000              | \$000              |
| <b>CASH FLOW STATEMENT (cont)</b>              |                    |                    |                    |
| Opening Cash and Cash Equivalents              | 15,045             | 30,706             | <b>40,569</b>      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>       | <b>17,388</b>      | <b>40,569</b>      | <b>55,433</b>      |
| <b>CASH FLOW RECONCILIATION</b>                |                    |                    |                    |
| Net cost of services                           | (1,510,191)        | (1,504,633)        | <b>(1,713,903)</b> |
| Non cash items added back                      | 34,792             | 35,125             | <b>39,341</b>      |
| Change in operating assets and liabilities     | (3,998)            | (82)               | <b>3,929</b>       |
| <b>Net cash flow from operating activities</b> | <b>(1,479,397)</b> | <b>(1,469,590)</b> | <b>(1,670,633)</b> |

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**21 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 17,388          | 40,569           | <b>55,433</b>   |
| Receivables                          | 28,692          | 11,741           | <b>11,295</b>   |
| Inventories                          | 247             | 266              | <b>266</b>      |
| Other                                | 169             | 200              | <b>200</b>      |
| <b>Total Current Assets</b>          | <b>46,496</b>   | <b>52,776</b>    | <b>67,194</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Other financial assets               | ...             | 2,500            | <b>1,250</b>    |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 452,572         | 453,098          | <b>510,791</b>  |
| Plant and equipment                  | 35,056          | 19,911           | <b>18,567</b>   |
| Intangibles                          | 8,967           | 18,793           | <b>19,643</b>   |
| <b>Total Non Current Assets</b>      | <b>496,595</b>  | <b>494,302</b>   | <b>550,251</b>  |
| <b>Total Assets</b>                  | <b>543,091</b>  | <b>547,078</b>   | <b>617,445</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 25,694          | 23,740           | <b>24,640</b>   |
| Provisions                           | 30,532          | 31,377           | <b>33,147</b>   |
| <b>Total Current Liabilities</b>     | <b>56,226</b>   | <b>55,117</b>    | <b>57,787</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 2,710           | 10,964           | <b>11,277</b>   |
| <b>Total Non Current Liabilities</b> | <b>2,710</b>    | <b>10,964</b>    | <b>11,277</b>   |
| <b>Total Liabilities</b>             | <b>58,936</b>   | <b>66,081</b>    | <b>69,064</b>   |
| <b>NET ASSETS</b>                    | <b>484,155</b>  | <b>480,997</b>   | <b>548,381</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 133,561         | 135,259          | <b>135,259</b>  |
| Accumulated funds                    | 350,594         | 345,738          | <b>413,122</b>  |
| <b>TOTAL EQUITY</b>                  | <b>484,155</b>  | <b>480,997</b>   | <b>548,381</b>  |

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**21 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE**

**21.1 Supported Accommodation**

**21.1.1 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 | 2003-04          | 2004-05 | 2005-06 | <b>2006-07</b> |
|--------------------------------|-------|------------------|---------|---------|----------------|
| <u>Outputs</u> :               |       |                  |         |         |                |
| Supported accommodation places | no.   | 5,053            | 5,179   | 5,314   | <b>5,600</b>   |
| <u>Average Staffing</u> :      | EFT   | 4,376            | 4,796   | 4,765   | <b>4,924</b>   |
|                                |       | ————2005-06————— |         |         | <b>2006-07</b> |
|                                |       | Budget           | Revised | Budget  |                |
|                                |       | \$000            | \$000   | \$000   |                |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |                |                |                |
|--|----------------|----------------|----------------|
| Operating expenses -   |                |                |                |
| Employee related   | 344,475        | 359,225        | <b>388,095</b> |
| Other operating expenses                                     | 56,089         | 64,945         | <b>57,801</b>  |
| Depreciation and amortisation                                | 4,448          | 4,692          | <b>5,876</b>   |
| Grants and subsidies   |                |                |                |
| Disability Services program                                  | 319,288        | 319,964        | <b>384,482</b> |
| Grants to agencies for recurrent purposes                    | 223            | 1,229          | <b>223</b>     |
| Home and Community Care program                              | 91,466         | 90,404         | <b>95,252</b>  |
| Capital grants to non-profit organisations                   | 5,674          | 5,674          | ...            |
| Other expenses   |                |                |                |
| Expenses for child support and departmental residential care | 9,433          | 14,639         | <b>14,422</b>  |
| <b>Total Expenses Excluding Losses</b>                       | <b>831,096</b> | <b>860,772</b> | <b>946,151</b> |

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**21 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE**

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**21.1 Supported Accommodation**

**21.1.1 Supported Accommodation (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Sales of goods and services                   |                |                |                |
| Residential client fees                       | 27,955         | 26,444         | <b>29,599</b>  |
| Minor sales of goods and services             | ...            | 800            | ...            |
| Investment income                             | 716            | 3,646          | <b>1,876</b>   |
| Grants and contributions                      | ...            | 4,100          | <b>4,311</b>   |
| <b>Total Retained Revenue</b>                 | <b>28,671</b>  | <b>34,990</b>  | <b>35,786</b>  |
| Gain/(loss) on disposal of non current assets | 415            | (500)          | <b>(500)</b>   |
| Other gains/(losses)                          | (61)           | (85)           | <b>(350)</b>   |
| <b>NET COST OF SERVICES</b>                   | <b>802,071</b> | <b>826,367</b> | <b>911,215</b> |

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>59,067</b> | <b>32,713</b> | <b>38,372</b> |
|----------------------------|---------------|---------------|---------------|

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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**21 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE**

**21.2 Community Support**

**21.2.1 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.

|                                      | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--------------------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                      |       |         |         |         |                |
| Respite clients                      | no.   | 22,000  | 23,000  | 24,000  | <b>26,000</b>  |
| Post-school program places           | no.   | n.a.    | n.a.    | 3,931   | <b>4,290</b>   |
| Personal assistance services (hours) | thous | 6,214   | 6,798   | 7,206   | <b>7,570</b>   |
| Attendant Care places                | no.   | 314     | 314     | 314     | <b>390</b>     |
| <u>Average Staffing:</u>             | EFT   | 960     | 1,053   | 1,065   | <b>1,127</b>   |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |         |         |                |
|--|---------|---------|----------------|
| Operating expenses -                             |         |         |                |
| Employee related                                 | 135,781 | 131,396 | <b>165,484</b> |
| Other operating expenses                         | 42,616  | 48,373  | <b>52,101</b>  |
| Depreciation and amortisation                    | 3,949   | 4,197   | <b>4,885</b>   |
| Grants and subsidies                             |         |         |                |
| Disability Services program                      | 208,575 | 203,806 | <b>233,102</b> |
| Community development                            | 137     | 137     | <b>192</b>     |
| Financial Assistance for Veterans Access Program | 5,533   | 7,533   | <b>5,741</b>   |
| Home and Community Care program                  | 314,937 | 286,080 | <b>344,240</b> |
| Ageing program                                   | 5,298   | 5,491   | <b>5,497</b>   |

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**21 DEPARTMENT OF AGEING, DISABILITY AND HOME CARE**

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**21.2 Community Support**

**21.2.1 Community Support (cont)**

**OPERATING STATEMENT (cont)**

|  |                |                |                |
|--|----------------|----------------|----------------|
| Grants to agencies for recurrent purposes  | 198            | 1,092          | <b>198</b>     |
| Capital grants to non-profit organisations | 825            | 825            | ...            |
| <b>Total Expenses Excluding Losses</b>     | <b>717,849</b> | <b>688,930</b> | <b>811,440</b> |
| Less:                                      |                |                |                |
| <b>Retained Revenue –</b>                  |                |                |                |
| Sales of goods and services                | ...            | ...            | <b>292</b>     |
| Investment income                          | 526            | 1,949          | <b>1,395</b>   |
| Grants and contributions                   | 5,941          | 5,533          | <b>5,721</b>   |
| Other revenue                              | 3,286          | 3,182          | <b>1,344</b>   |
| <b>Total Retained Revenue</b>              | <b>9,753</b>   | <b>10,664</b>  | <b>8,752</b>   |
| Other gains/(losses)                       | (24)           | ...            | ...            |
| <b>NET COST OF SERVICES</b>                | <b>708,120</b> | <b>678,266</b> | <b>802,688</b> |
| <br>                                       |                |                |                |
| <b>CAPITAL EXPENDITURE</b>                 | <b>7,699</b>   | <b>30,553</b>  | <b>32,688</b>  |

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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MINISTER FOR DISABILITY SERVICES**

**22 HOME CARE SERVICE OF NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating expenses -                          |                 |                  |                 |
| Employee related                              | 155,855         | 148,849          | <b>149,444</b>  |
| Other operating expenses                      | 29,615          | 32,367           | <b>35,346</b>   |
| Depreciation and amortisation                 | 1,845           | 1,519            | <b>1,562</b>    |
| <b>Total Expenses Excluding Losses</b>        | <b>187,315</b>  | <b>182,735</b>   | <b>186,352</b>  |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   | 28,581          | 27,562           | <b>28,322</b>   |
| Investment income                             | 1,470           | 2,100            | <b>1,500</b>    |
| Grants and contributions                      | 153,974         | 154,186          | <b>157,501</b>  |
| Other revenue                                 | 1,423           | 1,156            | <b>856</b>      |
| <b>Total Retained Revenue</b>                 | <b>185,448</b>  | <b>185,004</b>   | <b>188,179</b>  |
| Gain/(loss) on disposal of non current assets | ...             | (39)             | ...             |
| Other gains/(losses)                          | (165)           | (197)            | <b>(202)</b>    |
| <b>NET COST OF SERVICES</b>                   | <b>2,032</b>    | <b>(2,033)</b>   | <b>(1,625)</b>  |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**22 HOME CARE SERVICE OF NEW SOUTH WALES**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                                     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                                     |
| <b>Payments</b>                                     |                 |                  |                                     |
| Employee related                                    | 155,845         | 149,830          | <b>149,956</b>                      |
| Other   | 49,563          | 50,441           | <b>52,846</b>                       |
| <b>Total Payments</b>                               | <b>205,408</b>  | <b>200,271</b>   | <b>202,802</b>                      |
| <b>Receipts</b>                                     |                 |                  |                                     |
| Sale of goods and services                          | 28,581          | 27,794           | <b>28,322</b>                       |
| Interest  | 1,470           | 2,100            | <b>1,500</b>                        |
| Other   | 175,232         | 173,199          | <b>175,655</b>                      |
| <b>Total Receipts</b>                               | <b>205,283</b>  | <b>203,093</b>   | <b>205,477</b>                      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(125)</b>    | <b>2,822</b>     | <b>2,675</b>                        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                                     |
| Proceeds from sale of property, plant and equipment | 1,076           | 1,229            | <b>1,200</b>                        |
| Purchases of property, plant and equipment          | (3,000)         | (3,000)          | <b>(3,000)</b>                      |
| Purchases of investments                            | (52)            | ...              | ...                                 |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(1,976)</b>  | <b>(1,771)</b>   | <b>(1,800)</b>                      |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(2,101)</b>  | <b>1,051</b>     | <b>875</b>                          |
| Opening Cash and Cash Equivalents                   | 17,777          | 24,364           | <b>25,415</b>                       |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>15,676</b>   | <b>25,415</b>    | <b>26,290</b>                       |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                                     |
| Net cost of services                                | (2,032)         | 2,033            | <b>1,625</b>                        |
| Non cash items added back                           | 1,845           | 1,519            | <b>1,562</b>                        |
| Change in operating assets and liabilities          | 62              | (730)            | <b>(512)</b>                        |
| <b>Net cash flow from operating activities</b>      | <b>(125)</b>    | <b>2,822</b>     | <b>2,675</b>                        |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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MINISTER FOR DISABILITY SERVICES**

**22 HOME CARE SERVICE OF NEW SOUTH WALES**

|                                      | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>                 |                 |                  |                            |
| <b>ASSETS -</b>                      |                 |                  |                            |
| <b>Current Assets -</b>              |                 |                  |                            |
| Cash assets                          | 15,676          | 25,415           | <b>26,290</b>              |
| Receivables                          | 7,851           | 5,465            | <b>5,465</b>               |
| Other                                | 2               | 2                | <b>2</b>                   |
| <b>Total Current Assets</b>          | <b>23,529</b>   | <b>30,882</b>    | <b>31,757</b>              |
| <b>Non Current Assets -</b>          |                 |                  |                            |
| Other financial assets               | 13,204          | 14,000           | <b>15,000</b>              |
| Property, plant and equipment -      |                 |                  |                            |
| Land and building                    | 720             | 820              | <b>745</b>                 |
| Plant and equipment                  | 5,413           | 4,682            | <b>4,995</b>               |
| Intangibles                          | 51              | ...              | ...                        |
| <b>Total Non Current Assets</b>      | <b>19,388</b>   | <b>19,502</b>    | <b>20,740</b>              |
| <b>Total Assets</b>                  | <b>42,917</b>   | <b>50,384</b>    | <b>52,497</b>              |
| <b>LIABILITIES -</b>                 |                 |                  |                            |
| <b>Current Liabilities -</b>         |                 |                  |                            |
| Payables                             | 5,091           | 5,210            | <b>5,210</b>               |
| Provisions                           | 9,550           | 7,585            | <b>7,595</b>               |
| Other                                | 1,952           | 200              | <b>200</b>                 |
| <b>Total Current Liabilities</b>     | <b>16,593</b>   | <b>12,995</b>    | <b>13,005</b>              |
| <b>Non Current Liabilities -</b>     |                 |                  |                            |
| Provisions                           | 22,574          | 18,919           | <b>18,397</b>              |
| <b>Total Non Current Liabilities</b> | <b>22,574</b>   | <b>18,919</b>    | <b>18,397</b>              |
| <b>Total Liabilities</b>             | <b>39,167</b>   | <b>31,914</b>    | <b>31,402</b>              |
| <b>NET ASSETS</b>                    | <b>3,750</b>    | <b>18,470</b>    | <b>21,095</b>              |
| <b>EQUITY</b>                        |                 |                  |                            |
| Reserves                             | 8,496           | 9,134            | <b>10,134</b>              |
| Accumulated funds                    | (4,746)         | 9,336            | <b>10,961</b>              |
| <b>TOTAL EQUITY</b>                  | <b>3,750</b>    | <b>18,470</b>    | <b>21,095</b>              |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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**22 HOME CARE SERVICE OF NEW SOUTH WALES**

**22.1 Home Care Service**

**22.1.1 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.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :                             |       |         |         |         |                |
| Total hours of service provided for the year | thous | 4,189   | 3,612   | 3,628   | <b>3,700</b>   |
| Domestic Assistance hours                    | %     | 45      | 47      | 48      | <b>48</b>      |
| Personal Care hours                          | %     | 38      | 38      | 38      | <b>38</b>      |
| Respite Care hours                           | %     | 13      | 13      | 12      | <b>12</b>      |
| Other Care hours                             | %     | 4       | 3       | 2       | <b>2</b>       |
| Total number of customers serviced per year  | thous | 56      | 52      | 50      | <b>50</b>      |
| Average hours per customer per year          | no.   | 75      | 70      | 72      | <b>74</b>      |
| <u>Average Staffing</u> :                    | EFT   | 2,925   | 2,773   | 2,703   | <b>2,711</b>   |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |                |                |                |
|--|----------------|----------------|----------------|
| Operating expenses -                   |                |                |                |
| Employee related                       | 155,855        | 148,849        | <b>149,444</b> |
| Other operating expenses               | 29,615         | 32,367         | <b>35,346</b>  |
| Depreciation and amortisation          | 1,845          | 1,519          | <b>1,562</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>187,315</b> | <b>182,735</b> | <b>186,352</b> |

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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**22 HOME CARE SERVICE OF NEW SOUTH WALES**

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**22.1 Home Care Service**

**22.1.1 Home Care Service (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Sales of goods and services                   |                |                |                |
| Home Care Service fees                        | 28,581         | 27,562         | <b>28,322</b>  |
| Investment income                             | 1,470          | 2,100          | <b>1,500</b>   |
| Grants and contributions                      | 153,974        | 154,186        | <b>157,501</b> |
| Other revenue                                 | 1,423          | 1,156          | <b>856</b>     |
| <b>Total Retained Revenue</b>                 | <b>185,448</b> | <b>185,004</b> | <b>188,179</b> |
| Gain/(loss) on disposal of non current assets | ...            | (39)           | ...            |
| Other gains/(losses)                          | (165)          | (197)          | <b>(202)</b>   |
| <b>NET COST OF SERVICES</b>                   | <b>2,032</b>   | <b>(2,033)</b> | <b>(1,625)</b> |
| <br>  |                |                |                |
| <b>CAPITAL EXPENDITURE</b>                    | <b>3,000</b>   | <b>3,000</b>   | <b>3,000</b>   |

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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MINISTER FOR DISABILITY SERVICES**

**SUPERANNUATION ADMINISTRATION CORPORATION**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                            |
| <b>Retained Revenue -</b>                     |                 |                  |                            |
| Sales of goods and services                   | 56,458          | 52,532           | <b>53,708</b>              |
| Investment income                             | 250             | 185              | <b>150</b>                 |
| Other revenue                                 | 478             | 1,800            | <b>311</b>                 |
| <b>Total Retained Revenue</b>                 | <b>57,186</b>   | <b>54,517</b>    | <b>54,169</b>              |
| Less:   |                 |                  |                            |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                            |
| Operating Expenses -                          |                 |                  |                            |
| Employee related                              | 33,078          | 32,740           | <b>31,951</b>              |
| Other operating expenses                      | 15,603          | 15,383           | <b>15,045</b>              |
| Depreciation and amortisation                 | 3,969           | 2,100            | <b>3,442</b>               |
| <b>Total Expenses Excluding Losses</b>        | <b>52,650</b>   | <b>50,223</b>    | <b>50,438</b>              |
| Gain/(loss) on disposal of non current assets | ...             | 6                | ...                        |
| <b>SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS</b> | <b>4,536</b>    | <b>4,300</b>     | <b>3,731</b>               |
| <b>Distributions -</b>                        |                 |                  |                            |
| Dividends and capital repatriations           | 1,144           | 1,204            | <b>1,045</b>               |
| Tax equivalents                               | 1,226           | 1,290            | <b>1,119</b>               |
| <b>SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</b>  | <b>2,166</b>    | <b>1,806</b>     | <b>1,567</b>               |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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MINISTER FOR DISABILITY SERVICES**

**SUPERANNUATION ADMINISTRATION CORPORATION**

|   | ———2005-06———  |                | 2006-07        |
|---|----------------|----------------|----------------|
|   | Budget         | Revised        | Budget         |
|   | \$000          | \$000          | \$000          |
| <b>CASH FLOW STATEMENT</b>                          |                |                |                |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                |                |                |
| <b>Receipts</b>                                     |                |                |                |
| Sale of goods and services                          | 56,427         | 53,795         | <b>53,489</b>  |
| Interest  | 250            | 185            | <b>150</b>     |
| Other   | 4,112          | 6,557          | <b>5,861</b>   |
| <b>Total Receipts</b>                               | <b>60,789</b>  | <b>60,537</b>  | <b>59,500</b>  |
| <b>Payments</b>                                     |                |                |                |
| Employee related                                    | 33,936         | 34,168         | <b>31,113</b>  |
| Equivalent Income Tax                               | 622            | 825            | <b>1,360</b>   |
| Other   | 20,509         | 21,344         | <b>20,423</b>  |
| <b>Total Payments</b>                               | <b>55,067</b>  | <b>56,337</b>  | <b>52,896</b>  |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>5,722</b>   | <b>4,200</b>   | <b>6,604</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                |                |                |
| Proceeds from sale of property, plant and equipment | ...            | 6              | ...            |
| Purchases of property, plant and equipment          | (3,700)        | (3,339)        | <b>(4,500)</b> |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(3,700)</b> | <b>(3,333)</b> | <b>(4,500)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                |                |                |
| Dividends paid                                      | (841)          | (1,418)        | <b>(1,204)</b> |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(841)</b>   | <b>(1,418)</b> | <b>(1,204)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>1,181</b>   | <b>(551)</b>   | <b>900</b>     |
| Opening Cash and Cash Equivalents                   | 6,557          | 5,989          | <b>5,438</b>   |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>7,738</b>   | <b>5,438</b>   | <b>6,338</b>   |
| <b>CASH FLOW RECONCILIATION</b>                     |                |                |                |
| Surplus/(deficit) for year before distributions     | 3,310          | 3,010          | <b>2,612</b>   |
| Non cash items added back                           | 3,969          | 2,100          | <b>3,442</b>   |
| Change in operating assets and liabilities          | (1,557)        | (910)          | <b>550</b>     |
| <b>Net cash flow from operating activities</b>      | <b>5,722</b>   | <b>4,200</b>   | <b>6,604</b>   |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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MINISTER FOR DISABILITY SERVICES**

**SUPERANNUATION ADMINISTRATION CORPORATION**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 7,738           | 5,438            | <b>6,338</b>    |
| Receivables                          | 6,273           | 5,305            | <b>5,474</b>    |
| Other                                | 325             | 324              | <b>325</b>      |
| <b>Total Current Assets</b>          | <b>14,336</b>   | <b>11,067</b>    | <b>12,137</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 4,000           | 7,800            | <b>7,800</b>    |
| Plant and equipment                  | 8,610           | 5,983            | <b>7,041</b>    |
| Intangibles                          | ...             | 227              | <b>227</b>      |
| Other                                | 2,066           | 2,345            | <b>2,415</b>    |
| <b>Total Non Current Assets</b>      | <b>14,676</b>   | <b>16,355</b>    | <b>17,483</b>   |
| <b>Total Assets</b>                  | <b>29,012</b>   | <b>27,422</b>    | <b>29,620</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 3,868           | 2,399            | <b>2,522</b>    |
| Tax                                  | 1,226           | 1,290            | <b>1,119</b>    |
| Provisions                           | 5,395           | 2,914            | <b>3,449</b>    |
| <b>Total Current Liabilities</b>     | <b>10,489</b>   | <b>6,603</b>     | <b>7,090</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Tax                                  | ...             | 1,007            | <b>1,007</b>    |
| Provisions                           | 3,215           | 1,071            | <b>1,215</b>    |
| Other                                | 229             | 230              | <b>230</b>      |
| <b>Total Non Current Liabilities</b> | <b>3,444</b>    | <b>2,308</b>     | <b>2,452</b>    |
| <b>Total Liabilities</b>             | <b>13,933</b>   | <b>8,911</b>     | <b>9,542</b>    |
| <b>NET ASSETS</b>                    | <b>15,079</b>   | <b>18,511</b>    | <b>20,078</b>   |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | ...             | 2,900            | <b>2,900</b>    |
| Accumulated funds                    | 15,079          | 15,611           | <b>17,178</b>   |
| <b>TOTAL EQUITY</b>                  | <b>15,079</b>   | <b>18,511</b>    | <b>20,078</b>   |

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
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**MOTOR ACCIDENTS AUTHORITY**

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|  | 2005-06        |                | 2006-07        |
|--|----------------|----------------|----------------|
|  | Budget         | Revised        | Budget         |
|  | \$000          | \$000          | \$000          |
| <b>OPERATING STATEMENT</b>             |                |                |                |
| <b>Retained Revenue -</b>              |                |                |                |
| Investment income                      | 1,367          | 1,000          | <b>1,017</b>   |
| Retained taxes, fees and fines         | 36,232         | 36,232         | <b>35,516</b>  |
| Other revenue                          | ...            | 106            | <b>167</b>     |
| <b>Total Retained Revenue</b>          | <b>37,599</b>  | <b>37,338</b>  | <b>36,700</b>  |
| Less:                                  |                |                |                |
| <b>Expenses Excluding Losses -</b>     |                |                |                |
| Operating Expenses -                   |                |                |                |
| Employee related                       | 10,033         | 12,000         | <b>16,395</b>  |
| Other operating expenses               | 28,831         | 27,286         | <b>22,045</b>  |
| Depreciation and amortisation          | 219            | 219            | <b>269</b>     |
| <b>Total Expenses Excluding Losses</b> | <b>39,083</b>  | <b>39,505</b>  | <b>38,709</b>  |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(1,484)</b> | <b>(2,167)</b> | <b>(2,009)</b> |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**MOTOR ACCIDENTS AUTHORITY**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                            |
| <b>Receipts</b>                                 |                 |                  |                            |
| Retained taxes                                  | 34,625          | 36,456           | <b>36,016</b>              |
| Interest  | 1,367           | 1,000            | <b>1,017</b>               |
| Other   | 29,664          | 3,002            | <b>23,481</b>              |
| <b>Total Receipts</b>                           | <b>65,656</b>   | <b>40,458</b>    | <b>60,514</b>              |
| <b>Payments</b>                                 |                 |                  |                            |
| Employee related                                | 10,012          | 13,152           | <b>17,166</b>              |
| Finance costs                                   | 10              | ...              | ...                        |
| Other   | 57,801          | 27,709           | <b>48,476</b>              |
| <b>Total Payments</b>                           | <b>67,823</b>   | <b>40,861</b>    | <b>65,642</b>              |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(2,167)</b>  | <b>(403)</b>     | <b>(5,128)</b>             |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                            |
| Purchases of property, plant and equipment      | (100)           | (1)              | <b>(195)</b>               |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(100)</b>    | <b>(1)</b>       | <b>(195)</b>               |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(2,267)</b>  | <b>(404)</b>     | <b>(5,323)</b>             |
| Opening Cash and Cash Equivalents               | 18,966          | 17,001           | <b>16,597</b>              |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>16,699</b>   | <b>16,597</b>    | <b>11,274</b>              |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                            |
| Surplus/(deficit)                               | (1,484)         | (2,167)          | <b>(2,009)</b>             |
| Non cash items added back                       | 219             | 219              | <b>269</b>                 |
| Change in operating assets and liabilities      | (902)           | 1,545            | <b>(3,388)</b>             |
| <b>Net cash flow from operating activities</b>  | <b>(2,167)</b>  | <b>(403)</b>     | <b>(5,128)</b>             |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**MOTOR ACCIDENTS AUTHORITY**

|                                      | 2005-06        |                | 2006-07        |
|--------------------------------------|----------------|----------------|----------------|
|                                      | Budget         | Revised        | Budget         |
|                                      | \$000          | \$000          | \$000          |
| <b>BALANCE SHEET</b>                 |                |                |                |
| <b>ASSETS -</b>                      |                |                |                |
| <b>Current Assets -</b>              |                |                |                |
| Cash assets                          | 16,699         | 16,597         | <b>11,274</b>  |
| Receivables                          | 23,646         | 27,309         | <b>20,985</b>  |
| Other                                | 3,987          | 4,318          | <b>1,000</b>   |
| <b>Total Current Assets</b>          | <b>44,332</b>  | <b>48,224</b>  | <b>33,259</b>  |
| <b>Non Current Assets -</b>          |                |                |                |
| Receivables                          | 57,149         | 94,208         | <b>77,123</b>  |
| Property, plant and equipment -      |                |                |                |
| Land and building                    | 807            | 807            | <b>781</b>     |
| Plant and equipment                  | 111            | 137            | <b>89</b>      |
| <b>Total Non Current Assets</b>      | <b>58,067</b>  | <b>95,152</b>  | <b>77,993</b>  |
| <b>Total Assets</b>                  | <b>102,399</b> | <b>143,376</b> | <b>111,252</b> |
| <b>LIABILITIES -</b>                 |                |                |                |
| <b>Current Liabilities -</b>         |                |                |                |
| Payables                             | 505            | 6,922          | <b>5</b>       |
| Provisions                           | 780            | 931            | <b>631</b>     |
| Other                                | 19,095         | 22,109         | <b>17,085</b>  |
| <b>Total Current Liabilities</b>     | <b>20,380</b>  | <b>29,962</b>  | <b>17,721</b>  |
| <b>Non Current Liabilities -</b>     |                |                |                |
| Provisions                           | 1,771          | 1,960          | <b>1,171</b>   |
| Other                                | 57,149         | 94,208         | <b>77,123</b>  |
| <b>Total Non Current Liabilities</b> | <b>58,920</b>  | <b>96,168</b>  | <b>78,294</b>  |
| <b>Total Liabilities</b>             | <b>79,300</b>  | <b>126,130</b> | <b>96,015</b>  |
| <b>NET ASSETS</b>                    | <b>23,099</b>  | <b>17,246</b>  | <b>15,237</b>  |
| <b>EQUITY</b>                        |                |                |                |
| Accumulated funds                    | 23,099         | 17,246         | <b>15,237</b>  |
| <b>TOTAL EQUITY</b>                  | <b>23,099</b>  | <b>17,246</b>  | <b>15,237</b>  |

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**RENTAL BOND BOARD**

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|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>             |               |               |               |
| <b>Retained Revenue -</b>              |               |               |               |
| Investment income                      | 35,133        | 38,563        | <b>38,913</b> |
| <b>Total Retained Revenue</b>          | <b>35,133</b> | <b>38,563</b> | <b>38,913</b> |
| Less:                                  |               |               |               |
| <b>Expenses Excluding Losses -</b>     |               |               |               |
| Operating Expenses -                   |               |               |               |
| Other operating expenses               | 18,614        | 19,675        | <b>20,914</b> |
| Grants and subsidies                   | 12,582        | 12,615        | <b>13,027</b> |
| <b>Total Expenses Excluding Losses</b> | <b>31,196</b> | <b>32,290</b> | <b>33,941</b> |
| Other gains/(losses)                   | ...           | (20)          | <b>(20)</b>   |
| <b>SURPLUS/(DEFICIT)</b>               | <b>3,937</b>  | <b>6,253</b>  | <b>4,952</b>  |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**RENTAL BOND BOARD**

|   | 2005-06       |               | 2006-07       |
|---|---------------|---------------|---------------|
|   | Budget        | Revised       | Budget        |
|   | \$000         | \$000         | \$000         |
| <b>CASH FLOW STATEMENT</b>                      |               |               |               |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |               |               |               |
| <b>Receipts</b>                                 |               |               |               |
| Sale of goods and services                      | ...           | (20)          | (20)          |
| Interest  | 33,773        | 36,701        | 37,373        |
| Other   | 170           | 42            | 190           |
| <b>Total Receipts</b>                           | <b>33,943</b> | <b>36,723</b> | <b>37,543</b> |
| <b>Payments</b>                                 |               |               |               |
| Grants and subsidies                            | 12,582        | 12,615        | 13,027        |
| Other   | 18,784        | 21,915        | 21,104        |
| <b>Total Payments</b>                           | <b>31,366</b> | <b>34,530</b> | <b>34,131</b> |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>2,577</b>  | <b>2,193</b>  | <b>3,412</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |               |               |               |
| Advance repayments received                     | 60            | 329           | 60            |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>60</b>     | <b>329</b>    | <b>60</b>     |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>2,637</b>  | <b>2,522</b>  | <b>3,472</b>  |
| Opening Cash and Cash Equivalents               | 21,813        | 24,838        | 27,360        |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>24,450</b> | <b>27,360</b> | <b>30,832</b> |
| <b>CASH FLOW RECONCILIATION</b>                 |               |               |               |
| Surplus/(deficit) for year                      | 3,937         | 6,253         | 4,952         |
| Non cash items added back                       | (1,260)       | (1,690)       | (1,540)       |
| Change in operating assets and liabilities      | (100)         | (2,370)       | ...           |
| <b>Net cash flow from operating activities</b>  | <b>2,577</b>  | <b>2,193</b>  | <b>3,412</b>  |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**RENTAL BOND BOARD**

|                                  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|----------------------------------|-----------------|------------------|-------------------------------------|
|                                  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>BALANCE SHEET</b>             |                 |                  |                                     |
| <b>ASSETS -</b>                  |                 |                  |                                     |
| <b>Current Assets -</b>          |                 |                  |                                     |
| Cash assets                      | 24,450          | 27,360           | <b>30,832</b>                       |
| Receivables                      | 277             | 277              | <b>277</b>                          |
| Other financial assets           | 25,842          | 26,373           | <b>27,893</b>                       |
| <b>Total Current Assets</b>      | <b>50,569</b>   | <b>54,010</b>    | <b>59,002</b>                       |
| <b>Non Current Assets -</b>      |                 |                  |                                     |
| Other financial assets           | 136             | 136              | <b>96</b>                           |
| <b>Total Non Current Assets</b>  | <b>136</b>      | <b>136</b>       | <b>96</b>                           |
| <b>Total Assets</b>              | <b>50,705</b>   | <b>54,146</b>    | <b>59,098</b>                       |
| <b>LIABILITIES -</b>             |                 |                  |                                     |
| <b>Current Liabilities -</b>     |                 |                  |                                     |
| Other                            | 600             | 600              | <b>600</b>                          |
| <b>Total Current Liabilities</b> | <b>600</b>      | <b>600</b>       | <b>600</b>                          |
| <b>Total Liabilities</b>         | <b>600</b>      | <b>600</b>       | <b>600</b>                          |
| <b>NET ASSETS</b>                | <b>50,105</b>   | <b>53,546</b>    | <b>58,498</b>                       |
| <b>EQUITY</b>                    |                 |                  |                                     |
| Accumulated funds                | 50,105          | 53,546           | <b>58,498</b>                       |
| <b>TOTAL EQUITY</b>              | <b>50,105</b>   | <b>53,546</b>    | <b>58,498</b>                       |

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**WORKCOVER AUTHORITY**

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|  | 2005-06         |                | 2006-07         |
|--|-----------------|----------------|-----------------|
|  | Budget          | Revised        | Budget          |
|  | \$000           | \$000          | \$000           |
| <b>OPERATING STATEMENT</b>             |                 |                |                 |
| <b>Retained Revenue -</b>              |                 |                |                 |
| Sales of goods and services            | 36,742          | 31,982         | <b>42,109</b>   |
| Investment income                      | 11,637          | 44,620         | <b>15,083</b>   |
| Retained taxes, fees and fines         | 198,037         | 179,000        | <b>181,759</b>  |
| Other revenue                          | 7,769           | 10,497         | <b>4,548</b>    |
| <b>Total Retained Revenue</b>          | <b>254,185</b>  | <b>266,099</b> | <b>243,499</b>  |
| Less:                                  |                 |                |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                |                 |
| Operating Expenses -                   |                 |                |                 |
| Employee related                       | 87,117          | 94,923         | <b>105,601</b>  |
| Other operating expenses               | 124,409         | 103,203        | <b>105,910</b>  |
| Depreciation and amortisation          | 10,444          | 9,746          | <b>11,167</b>   |
| Grants and subsidies                   | 10,300          | 3,200          | <b>9,600</b>    |
| Other expenses                         | 34,413          | 34,727         | <b>33,727</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>266,683</b>  | <b>245,799</b> | <b>266,005</b>  |
| Other gains/(losses)                   | ...             | ...            | (2)             |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(12,498)</b> | <b>20,300</b>  | <b>(22,508)</b> |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**WORKCOVER AUTHORITY**

|   | 2005-06         |                 | 2006-07          |
|---|-----------------|-----------------|------------------|
|   | Budget          | Revised         | Budget           |
|   | \$000           | \$000           | \$000            |
| <b>CASH FLOW STATEMENT</b>                      |                 |                 |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                 |                  |
| <b>Receipts</b>                                 |                 |                 |                  |
| Sale of goods and services                      | 36,742          | 44,675          | <b>42,787</b>    |
| Retained taxes                                  | 198,037         | 187,976         | <b>174,283</b>   |
| Interest  | 11,317          | 1,800           | ...              |
| Other   | 18,765          | 21,518          | <b>4,548</b>     |
| <b>Total Receipts</b>                           | <b>264,861</b>  | <b>255,969</b>  | <b>221,618</b>   |
| <b>Payments</b>                                 |                 |                 |                  |
| Employee related                                | 87,507          | 97,634          | <b>109,106</b>   |
| Grants and subsidies                            | 10,300          | 3,200           | <b>9,600</b>     |
| Other   | 252,649         | 140,199         | <b>254,580</b>   |
| <b>Total Payments</b>                           | <b>350,456</b>  | <b>241,033</b>  | <b>373,286</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(85,595)</b> | <b>14,936</b>   | <b>(151,668)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                 |                  |
| Proceeds from sale of investments               | 155,401         | 295,732         | <b>175,669</b>   |
| Purchases of property, plant and equipment      | (13,363)        | (12,129)        | <b>(4,106)</b>   |
| Purchases of investments                        | (58,059)        | (295,947)       | <b>(17,478)</b>  |
| Other   | ...             | (7,111)         | <b>(8,590)</b>   |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>83,979</b>   | <b>(19,455)</b> | <b>145,495</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(1,616)</b>  | <b>(4,519)</b>  | <b>(6,173)</b>   |
| Opening Cash and Cash Equivalents               | 30,354          | 34,203          | <b>29,684</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>28,738</b>   | <b>29,684</b>   | <b>23,511</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                 |                  |
| Surplus/(deficit)                               | (12,498)        | 20,300          | <b>(22,508)</b>  |
| Non cash items added back                       | 10,124          | (33,074)        | <b>(3,916)</b>   |
| Change in operating assets and liabilities      | (83,221)        | 27,710          | <b>(125,244)</b> |
| <b>Net cash flow from operating activities</b>  | <b>(85,595)</b> | <b>14,936</b>   | <b>(151,668)</b> |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**WORKCOVER AUTHORITY**

|                                  | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|----------------------------------|-----------------|------------------|----------------------------|
|                                  | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>             |                 |                  |                            |
| <b>ASSETS -</b>                  |                 |                  |                            |
| <b>Current Assets -</b>          |                 |                  |                            |
| Cash assets                      | 28,738          | 29,684           | <b>23,511</b>              |
| Receivables                      | 29,940          | 29,940           | <b>30,900</b>              |
| Other financial assets           | 10,217          | 23,418           | <b>13,000</b>              |
| Inventories                      | 89              | 89               | <b>15</b>                  |
| Other                            | 1,008           | 1,008            | <b>370</b>                 |
| <b>Total Current Assets</b>      | <b>69,992</b>   | <b>84,139</b>    | <b>67,796</b>              |
| <b>Non Current Assets -</b>      |                 |                  |                            |
| Receivables                      | 45,134          | 10,501           | <b>17,128</b>              |
| Other financial assets           | 126,888         | 287,172          | <b>154,482</b>             |
| Property, plant and equipment -  |                 |                  |                            |
| Land and building                | 22,592          | 27,375           | <b>8,994</b>               |
| Plant and equipment              | 37,326          | 10,904           | <b>26,006</b>              |
| Infrastructure systems           | (8)             | 1,156            | <b>924</b>                 |
| Intangibles                      | ...             | 21,096           | <b>26,136</b>              |
| <b>Total Non Current Assets</b>  | <b>231,932</b>  | <b>358,204</b>   | <b>233,670</b>             |
| <b>Total Assets</b>              | <b>301,924</b>  | <b>442,343</b>   | <b>301,466</b>             |
| <b>LIABILITIES -</b>             |                 |                  |                            |
| <b>Current Liabilities -</b>     |                 |                  |                            |
| Payables                         | 13,621          | 17,802           | <b>12,015</b>              |
| Provisions                       | 13,214          | 14,083           | <b>12,873</b>              |
| Other                            | 12,743          | 23,836           | <b>13,114</b>              |
| <b>Total Current Liabilities</b> | <b>39,578</b>   | <b>55,721</b>    | <b>38,002</b>              |

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**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**WORKCOVER AUTHORITY**

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|                                      | 2005-06        |                | 2006-07        |
|--------------------------------------|----------------|----------------|----------------|
|                                      | Budget         | Revised        | Budget         |
|                                      | \$000          | \$000          | \$000          |
| <b>BALANCE SHEET (cont)</b>          |                |                |                |
| <b>Non Current Liabilities -</b>     |                |                |                |
| Provisions                           | 190,959        | 306,136        | <b>205,093</b> |
| Other                                | 32,096         | ...            | <b>393</b>     |
| <b>Total Non Current Liabilities</b> | <b>223,055</b> | <b>306,136</b> | <b>205,486</b> |
| <b>Total Liabilities</b>             | <b>262,633</b> | <b>361,857</b> | <b>243,488</b> |
| <b>NET ASSETS</b>                    | <b>39,291</b>  | <b>80,486</b>  | <b>57,978</b>  |
| <b>EQUITY</b>                        |                |                |                |
| Reserves                             | 51,924         | 49,408         | <b>49,408</b>  |
| Accumulated funds                    | (12,633)       | 31,078         | <b>8,570</b>   |
| <b>TOTAL EQUITY</b>                  | <b>39,291</b>  | <b>80,486</b>  | <b>57,978</b>  |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**WORKERS' COMPENSATION (DUST DISEASES) BOARD**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   | 430             | 357              | <b>350</b>      |
| Investment income                             | 42,763          | 44,937           | <b>47,428</b>   |
| Retained taxes, fees and fines                | 46,880          | 65,200           | <b>56,596</b>   |
| Other revenue                                 | 384             | 5,550            | <b>16,524</b>   |
| <b>Total Retained Revenue</b>                 | <b>90,457</b>   | <b>116,044</b>   | <b>120,898</b>  |
| Less:   |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating Expenses -                          |                 |                  |                 |
| Employee related                              | 3,793           | 4,010            | <b>3,942</b>    |
| Other operating expenses                      | 80,274          | 80,158           | <b>79,427</b>   |
| Depreciation and amortisation                 | 415             | 384              | <b>339</b>      |
| Grants and subsidies                          | 5,148           | 6,315            | <b>6,455</b>    |
| <b>Total Expenses Excluding Losses</b>        | <b>89,630</b>   | <b>90,867</b>    | <b>90,163</b>   |
| Gain/(loss) on disposal of non current assets | 9               | 20               | <b>20</b>       |
| Other gains/(losses)                          | ...             | (3)              | <b>(4)</b>      |
| <b>SURPLUS/(DEFICIT)</b>                      | <b>836</b>      | <b>25,194</b>    | <b>30,751</b>   |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**WORKERS' COMPENSATION (DUST DISEASES) BOARD**

|   | 2005-06         |                 | 2006-07       |
|---|-----------------|-----------------|---------------|
|   | Budget          | Revised         | Budget        |
|   | \$000           | \$000           | \$000         |
| <b>CASH FLOW STATEMENT</b>                          |                 |                 |               |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                 |               |
| <b>Receipts</b>                                     |                 |                 |               |
| Sale of goods and services                          | 454             | 381             | 374           |
| Retained taxes                                      | 65,426          | 73,794          | 72,987        |
| Interest  | 40,263          | 5,459           | 3,210         |
| Other   | 947             | 1,936           | 2,096         |
| <b>Total Receipts</b>                               | <b>107,090</b>  | <b>81,570</b>   | <b>78,667</b> |
| <b>Payments</b>                                     |                 |                 |               |
| Employee related                                    | 3,751           | 4,142           | 3,926         |
| Grants and subsidies                                | 5,148           | 6,315           | 6,455         |
| Other   | 66,207          | 73,548          | 59,232        |
| <b>Total Payments</b>                               | <b>75,106</b>   | <b>84,005</b>   | <b>69,613</b> |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>31,984</b>   | <b>(2,435)</b>  | <b>9,054</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                 |               |
| Proceeds from sale of property, plant and equipment | 94              | 30              | 30            |
| Proceeds from sale of investments                   | 164,826         | 95,000          | 164,195       |
| Purchases of property, plant and equipment          | (560)           | (100)           | (100)         |
| Purchases of investments                            | (180,951)       | (123,683)       | (155,699)     |
| Other   | ...             | ...             | (12)          |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(16,591)</b> | <b>(28,753)</b> | <b>8,414</b>  |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>15,393</b>   | <b>(31,188)</b> | <b>17,468</b> |
| Opening Cash and Cash Equivalents                   | 4,403           | 34,950          | 3,762         |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>19,796</b>   | <b>3,762</b>    | <b>21,230</b> |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                 |               |
| Surplus/(deficit)                                   | 836             | 25,194          | 30,751        |
| Non cash items added back                           | (2,125)         | (39,094)        | (43,879)      |
| Change in operating assets and liabilities          | 33,273          | 11,465          | 22,182        |
| <b>Net cash flow from operating activities</b>      | <b>31,984</b>   | <b>(2,435)</b>  | <b>9,054</b>  |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**WORKERS' COMPENSATION (DUST DISEASES) BOARD**

|                                      | 2005-06          |                  | 2006-07<br>Budget<br>\$000 |
|--------------------------------------|------------------|------------------|----------------------------|
|                                      | Budget<br>\$000  | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>                 |                  |                  |                            |
| <b>ASSETS -</b>                      |                  |                  |                            |
| <b>Current Assets -</b>              |                  |                  |                            |
| Cash assets                          | 19,796           | 3,762            | 21,230                     |
| Receivables                          | 5,950            | 5,446            | 13,191                     |
| Other financial assets               | 161,604          | 201,752          | 237,033                    |
| Other                                | 21               | 21               | 18                         |
| <b>Total Current Assets</b>          | <b>187,371</b>   | <b>210,981</b>   | <b>271,472</b>             |
| <b>Non Current Assets -</b>          |                  |                  |                            |
| Receivables                          | 799,598          | 979,898          | 970,835                    |
| Other financial assets               | 352,776          | 380,747          | 403,028                    |
| Property, plant and equipment -      |                  |                  |                            |
| Land and building                    | 3,102            | 3,187            | 3,101                      |
| Plant and equipment                  | 1,390            | 368              | 208                        |
| Intangibles                          | ...              | ...              | 9                          |
| <b>Total Non Current Assets</b>      | <b>1,156,866</b> | <b>1,364,200</b> | <b>1,377,181</b>           |
| <b>Total Assets</b>                  | <b>1,344,237</b> | <b>1,575,181</b> | <b>1,648,653</b>           |
| <b>LIABILITIES -</b>                 |                  |                  |                            |
| <b>Current Liabilities -</b>         |                  |                  |                            |
| Payables                             | 631              | 659              | 1,239                      |
| Provisions                           | 73,972           | 73,223           | 74,826                     |
| <b>Total Current Liabilities</b>     | <b>74,603</b>    | <b>73,882</b>    | <b>76,065</b>              |
| <b>Non Current Liabilities -</b>     |                  |                  |                            |
| Provisions                           | 1,268,452        | 1,445,597        | 1,464,295                  |
| <b>Total Non Current Liabilities</b> | <b>1,268,452</b> | <b>1,445,597</b> | <b>1,464,295</b>           |
| <b>Total Liabilities</b>             | <b>1,343,055</b> | <b>1,519,479</b> | <b>1,540,360</b>           |
| <b>NET ASSETS</b>                    | <b>1,182</b>     | <b>55,702</b>    | <b>108,293</b>             |
| <b>EQUITY</b>                        |                  |                  |                            |
| Reserves                             | 15,429           | 65,135           | 86,975                     |
| Accumulated funds                    | (14,247)         | (9,433)          | 21,318                     |
| <b>TOTAL EQUITY</b>                  | <b>1,182</b>     | <b>55,702</b>    | <b>108,293</b>             |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE  
PAYMENTS CORPORATION**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                            |
| <b>Retained Revenue -</b>                     |                 |                  |                            |
| Investment income                             | 28,980          | 76,156           | <b>32,850</b>              |
| Retained taxes, fees and fines                | 37,300          | 45,000           | <b>69,000</b>              |
| Other revenue                                 | 10              | 1                | <b>5</b>                   |
| <b>Total Retained Revenue</b>                 | <b>66,290</b>   | <b>121,157</b>   | <b>101,855</b>             |
| Less:   |                 |                  |                            |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                            |
| Operating Expenses -                          |                 |                  |                            |
| Employee related                              | 6,344           | 5,218            | <b>5,820</b>               |
| Other operating expenses                      | 3,792           | 3,458            | <b>3,795</b>               |
| Depreciation and amortisation                 | 365             | 446              | <b>655</b>                 |
| Other expenses                                | 80,500          | 90,353           | <b>89,400</b>              |
| <b>Total Expenses Excluding Losses</b>        | <b>91,001</b>   | <b>99,475</b>    | <b>99,670</b>              |
| Gain/(loss) on disposal of non current assets | 10              | 8                | <b>10</b>                  |
| Other gains/(losses)                          | (10)            | ...              | <b>(8)</b>                 |
| <b>SURPLUS/(DEFICIT)</b>                      | <b>(24,711)</b> | <b>21,690</b>    | <b>2,187</b>               |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE  
PAYMENTS CORPORATION**

|   | 2005-06         |                 | 2006-07         |
|---|-----------------|-----------------|-----------------|
|   | Budget          | Revised         | Budget          |
|   | \$000           | \$000           | \$000           |
| <b>CASH FLOW STATEMENT</b>                          |                 |                 |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                 |                 |
| <b>Receipts</b>                                     |                 |                 |                 |
| Sale of goods and services                          | (10)            | ...             | ...             |
| Retained taxes                                      | 37,800          | 43,485          | <b>68,500</b>   |
| Interest  | 180             | 156             | <b>150</b>      |
| Other   | 340             | 644             | <b>257</b>      |
| <b>Total Receipts</b>                               | <b>38,310</b>   | <b>44,285</b>   | <b>68,907</b>   |
| <b>Payments</b>                                     |                 |                 |                 |
| Employee related                                    | 6,174           | 5,056           | <b>5,528</b>    |
| Other   | 47,357          | 54,194          | <b>54,449</b>   |
| <b>Total Payments</b>                               | <b>53,531</b>   | <b>59,250</b>   | <b>59,977</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(15,221)</b> | <b>(14,965)</b> | <b>8,930</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                 |                 |
| Proceeds from sale of property, plant and equipment | 60              | 45              | <b>20</b>       |
| Proceeds from sale of investments                   | 16,500          | 16,000          | ...             |
| Purchases of property, plant and equipment          | (1,000)         | (200)           | <b>(200)</b>    |
| Purchases of investments                            | ...             | ...             | <b>(8,000)</b>  |
| Other   | ...             | (1,800)         | <b>(250)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>15,560</b>   | <b>14,045</b>   | <b>(8,430)</b>  |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>339</b>      | <b>(920)</b>    | <b>500</b>      |
| Opening Cash and Cash Equivalents                   | 2,251           | 3,921           | <b>3,001</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>2,590</b>    | <b>3,001</b>    | <b>3,501</b>    |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                 |                 |
| Surplus/(deficit)                                   | (24,711)        | 21,690          | <b>2,187</b>    |
| Non cash items added back                           | (28,435)        | (75,554)        | <b>(32,045)</b> |
| Change in operating assets and liabilities          | 37,925          | 38,899          | <b>38,788</b>   |
| <b>Net cash flow from operating activities</b>      | <b>(15,221)</b> | <b>(14,965)</b> | <b>8,930</b>    |

**MINISTER FOR COMMERCE, MINISTER FOR FINANCE, MINISTER  
FOR INDUSTRIAL RELATIONS, MINISTER FOR AGEING, AND  
MINISTER FOR DISABILITY SERVICES**

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE  
PAYMENTS CORPORATION**

|  | 2005-06         |                 | 2006-07         |
|--|-----------------|-----------------|-----------------|
|  | Budget          | Revised         | Budget          |
|  | \$000           | \$000           | \$000           |
| <b>BALANCE SHEET</b>                                   |                 |                 |                 |
| <b>ASSETS -</b>  |                 |                 |                 |
| <b>Current Assets -</b>                                |                 |                 |                 |
| Cash assets  | 2,590           | 3,001           | <b>3,501</b>    |
| Receivables  | 2,075           | 3,600           | <b>4,150</b>    |
| Other  | 150             | 100             | <b>100</b>      |
| <b>Total Current Assets</b>                            | <b>4,815</b>    | <b>6,701</b>    | <b>7,751</b>    |
| <b>Non Current Assets -</b>                            |                 |                 |                 |
| Other financial assets                                 | 434,311         | 490,921         | <b>531,621</b>  |
| Property, plant and equipment -<br>Plant and equipment | 3,143           | 997             | <b>892</b>      |
| Intangibles  | ...             | 1,826           | <b>1,716</b>    |
| <b>Total Non Current Assets</b>                        | <b>437,454</b>  | <b>493,744</b>  | <b>534,229</b>  |
| <b>Total Assets</b>                                    | <b>442,269</b>  | <b>500,445</b>  | <b>541,980</b>  |
| <b>LIABILITIES -</b>                                   |                 |                 |                 |
| <b>Current Liabilities -</b>                           |                 |                 |                 |
| Payables   | 361             | 1,010           | <b>946</b>      |
| Provisions   | 47,575          | 50,675          | <b>57,590</b>   |
| <b>Total Current Liabilities</b>                       | <b>47,936</b>   | <b>51,685</b>   | <b>58,536</b>   |
| <b>Non Current Liabilities -</b>                       |                 |                 |                 |
| Provisions   | 439,610         | 472,023         | <b>504,520</b>  |
| <b>Total Non Current Liabilities</b>                   | <b>439,610</b>  | <b>472,023</b>  | <b>504,520</b>  |
| <b>Total Liabilities</b>                               | <b>487,546</b>  | <b>523,708</b>  | <b>563,056</b>  |
| <b>NET ASSETS</b>                                      | <b>(45,277)</b> | <b>(23,263)</b> | <b>(21,076)</b> |
| <b>EQUITY</b>  |                 |                 |                 |
| Accumulated funds                                      | (45,277)        | (23,263)        | <b>(21,076)</b> |
| <b>TOTAL EQUITY</b>                                    | <b>(45,277)</b> | <b>(23,263)</b> | <b>(21,076)</b> |

# MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR YOUTH

## OVERVIEW

| <i>Agency</i>  | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| <b>Department of Community Services</b>  |                                   |                                   |                        |
| Total Expenses .....   | 1,014.0                           | 1,129.1                           | 11.4                   |
| Capital Expenditure .....  | 20.6                              | 26.2                              | 27.2                   |
| <b>Office for Children</b>   |                                   |                                   |                        |
| Total Expenses .....   | 12.0                              | 12.1                              | 0.9                    |
| Capital Expenditure .....  | 0.2                               | 0.3                               | 61.2                   |
| <b>NSWbusinesslink</b>   |                                   |                                   |                        |
| Total Expenses .....   | 109.3                             | 114.1                             | 4.4                    |
| Capital Expenditure .....  | 12.0                              | 6.9                               | -42.7                  |
| <b>Total, Minister for Community Services, and<br/>Minister for Youth <sup>(a)</sup></b> |                                   |                                   |                        |
| Total Expenses .....   | <b>1,110.7</b>                    | <b>1,227.0</b>                    | <b>10.5</b>            |
| Capital Expenditure .....  | <b>32.8</b>                       | <b>33.4</b>                       | <b>1.8</b>             |

*(a) The Ministerial totals have been reduced to exclude recurrent payments of the Department of Community Services to NSWbusinesslink.*

## 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 and to provide services that support and strengthen the community.

In fulfilling its role, the Department operates in close collaboration with other government and non-government agencies and within the legal framework set by the *Children and Young Persons (Care & Protection) Act 1998*, the *Community Welfare Act 1987* and the *Adoptions Act 2000*.

## RESULTS AND SERVICES

The Department is only one contributor among many to the wellbeing, resilience and ongoing development of its client families and children. In most cases, therefore, the results it seeks to achieve are affected by the actions of other agencies and the wider social environment.

Within these constraints, the Department seeks to achieve the following results:

- ◆ Children, young people and their families are supported so children reach development milestones without ongoing involvement in the child protection system.
- ◆ Where a child or young person is at risk and the Department determines that it must intervene, the child or young person and any relevant siblings are safe following that intervention.
- ◆ Children or young people who are removed from their family are cared for in a safe, well-functioning and stable placement and are successfully restored to their families where appropriate.
- ◆ Strong communities have the ability and support to identify and resolve problems as they arise; and provide an environment for everyone, including families and children, to reach their full potential.
- ◆ Persons who experience natural or other disasters are supported to recover and to resume self-sufficient living.

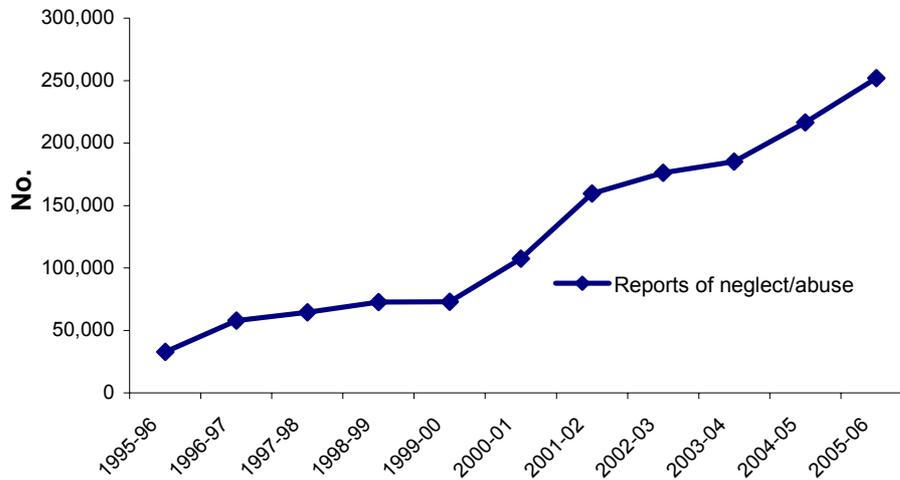
Key services provided by the Department that contribute to these results include:

- ◆ community services including community development and capacity building, crisis support and disaster recovery services;
- ◆ prevention and early intervention services providing early support to vulnerable families, with particular focus on those with very young children;
- ◆ statutory child protection services in accordance with the requirements of the child protection legislation; and
- ◆ out-of-home care services for children and young people whose ongoing protection has required that they be removed from their homes.

## RECENT DEVELOPMENTS

Reports of children at risk of harm or neglect have increased significantly over recent years as shown in the Chart below.

**Chart 6.1: Reports of Neglect and Abuse to DoCS**



In response to this increase, in December 2002 the Government announced additional recurrent funding of \$1.2 billion over the following five full years (the funding package). By the end of 2005-06 the Department will have received \$538.2 million from this package including:

- ◆ \$239 million to improve the out-of-home care system, including additional caseworkers and service reform;
- ◆ \$151.1 million to improve the child protection system (including extra caseworkers and support services) and to introduce the early intervention program to assist vulnerable families and begin to manage demand for more intensive services;
- ◆ \$103.9 million to cover increased costs for crisis support and for existing staff to manage baseline demand; and
- ◆ \$44.2 million to improve accommodation, training, Occupational Health and Safety, research and legal support and information systems for new and existing staff.

The funding package has allowed the Department to deal with continued increases in demand: 185,198 reports were received in 2003-04, 216,386 in 2004-05, and it is estimated that 252,000 reports (representing 110,000 children) will be received in 2005-06, an increase of 16.5 per cent over the previous year. The reasons for this continued increase will be the subject of a research project in 2006-07.

The package provides \$256 million over five full years for early intervention. This program supports vulnerable families and children to prevent their entry to, or escalation within, the child protection system. Over time it is anticipated that this program will reduce child abuse and neglect.

As at 30 June 2005, 10,041 children and young people were receiving out-of-home care services. It is estimated that by 30 June 2006 that number will be closer to 10,540, an increase of 5 per cent.

Key results in 2005-06 were:

- ◆ By 30 June 2006, the Department will have created 450 additional caseworker positions from the funding package. As at February 2006, the Department had 349 more child protection, early intervention and out-of-home care caseworkers than were employed in June 2003 (prior to the funding package). A further recruitment round is under way.
- ◆ Over 12,500 training days have been delivered in 2005-06 to ensure quality and consistency of staff performance. The Caseworker Development Course is attended by all new caseworkers and is essential in integrating new staff into the Department. To date, 187 caseworkers have attended the course in 2005-06. Training in new programs and techniques has also been provided to existing caseworkers. In addition, 150 caseworkers have completed the Introduction to Early Intervention course in 2005-06.
- ◆ By the end of 2005-06 over 40 per cent of the Department's Community Service Centre outlets will have been fully resourced to the level envisaged under the funding package. These Enhanced Service Delivery sites use the funding package to do things better and more consistently as well as on an expanded scale. They typically include additional teams of caseworkers, extra professional and casework support positions, new services, and new or renovated office space to accommodate new and existing staff.

- ◆ Over 60 per cent of the Department's budget, or approximately \$626 million in 2005-06, is used to purchase contracted early intervention, child protection and out-of-home care services from external suppliers. Reforms to improve the efficiency and diversity of this system can, therefore, make a critical difference to client services. In 2005-06 the Department developed and released a new Funding Policy designed to improve the processes involved in purchasing services and ensuring value-for-money outcomes. Work also commenced on developing an out-of-home care funding model and a performance monitoring framework for funded services.
- ◆ The Department co-ordinated the recovery response to 36 disaster events across New South Wales, receiving requests for formal assistance from 650 families and helping hundreds more.
- ◆ The Department continued its work supporting Indigenous families through Intensive Family Based Services at Casino, Bourke and Dapto. Staff are being recruited for another service at Campbelltown and preparatory work was completed for a service at Blacktown.

## **STRATEGIC DIRECTIONS**

### **Strategic Objectives**

The Department continues to pursue its stated five year objectives:

- ◆ major expansion and upgrade of child protection and out-of-home care services, appropriate 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 delivery based on sound research and analysis, including economic analysis and feedback from evaluations.

The Department's key priorities for 2006-07 are to:

- ◆ recruit a further 225 caseworkers under the funding package target of 875 over five full years;
- ◆ commence hiring 150 out-of-home care caseworkers additional to this target, using out-of-home care resources from the funding package. This will take the total of new caseworkers to be recruited by June 2008 to 1,025. Up to 75 of these caseworkers will be recruited during 2006-07;
- ◆ these additional caseworkers will ensure children and young people in out-of-home care and their carers receive appropriate levels of support and bring the Department's caseloads into line with international benchmarks;
- ◆ roll out 20 new Enhanced Service Delivery sites across New South Wales: Albury, Auburn, Bathurst, Bourke, Brewarrina, Cardiff, Clarence Valley, Goulburn, Ingleburn, Lismore, Lithgow, Liverpool, Nowra, Parramatta, Port Macquarie, Raymond Terrace, St Marys, Sutherland, Orange and Taree;
- ◆ continue rollout of the early intervention program within the Department and across the service sector and commence its four year evaluation;
- ◆ continue reform of the out-of-home care system including significant improvements in caseworker support for carers. The Department will also commission a large scale evaluation of the efficiency and effectiveness of out-of-home care in delivering results for clients;
- ◆ develop and implement an interagency Youth Action Plan 2006-2010 to inform young people, their families and communities about the results the NSW Government seeks for young people and the key actions it will implement over the next four years to achieve these results;
- ◆ review community development and capacity-building initiatives and construct an integrated cross-agency program based on the best available evidence, including strategies to enrich the evidence base over time;
- ◆ with interagency partners, continue the development of improved integrated service responses to family and domestic violence;
- ◆ finalise the review of the *Children and Young Persons (Care and Protection Act) 1998*; and
- ◆ continue work with our service provider partners to improve the range, quality, efficiency and consistency of services available for clients across New South Wales.

## 2006-07 BUDGET

### Total Expenses

Total expenses for the Department in 2006-07 are estimated at \$1,129 million, an increase of \$115 million or 11.4 per cent on the 2005-06 Budget.

Funding in 2006-07 from the Government's 2002 commitment is \$308.4 million, an increase of \$89.8 million on the \$218.6 million provided in 2005-06. Major initiatives include:

- ◆ an extra \$24.4 million for child protection and early intervention caseworkers and associated professional support staff. This will allow 200 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 \$17 million for services to assist vulnerable and at-risk families under the early intervention program including quality childcare, sustained home visiting and parental education; and
- ◆ an extra \$52.2 million for out-of-home care 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 Government recognises the critical importance of children's services in improving life chances for children, and will be expanding its commitment with the following initiatives:

- ◆ an extra \$8.8 million per year from 2006-07 to improve the viability of community-based preschools, boost sector sustainability and increase access to affordable, high quality services for families; and
- ◆ from 2008-09 an extra \$21 million per year to expand community-based services to provide subsidised pre-school places for another 10,500 children. This will bring levels of attendance at pre-school programs in New South Wales to 95 per cent, in line with other Australian jurisdictions.

The program areas and their forecast expenditure in 2006-07 are:

- ◆ Community Services - \$263.6 million towards community development and capacity building projects (including Area Assistance Scheme; Families First; Better Futures; Community Solutions; Community Services Grants Program; Violence Against Women Program; and the Aboriginal Child, Youth and Family Strategy), crisis support services, and disaster response services;

- ◆ Prevention and Early Intervention - \$203.2 million towards children's services programs and early intervention services 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;
- ◆ Statutory Child Protection - \$279.2 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 - \$383.1 million to provide support, care and stability for children and young people who are unable to live at home.

### **Capital Expenditure**

The Department's \$26.2 million capital program will provide:

- ◆ \$23.3 million for the continued relocation and/or expansion of Community Services Centres to accommodate additional caseworkers and associated staff; and
- ◆ \$2.9 million for refurbishment, essential maintenance and minor works.

### **OFFICE FOR CHILDREN**

The Office for Children provides administrative and financial support to the Commissioner for Children and Young People and the Children's Guardian. The Commissioner for Children and Young People promotes the well-being and interests of children, including contributing to their safety and welfare. The Children's Guardian regulates the provision of out-of-home care (OOHC), provision of adoption services and the employment of children under 15 in entertainment, exhibitions, still photography and door-to-door sales.

### **RESULTS AND SERVICES**

The Commissioner for Children and Young People aims to make New South Wales a better place for children and young people by working towards the following results:

- ◆ Child-related employers and the community generally adopting practices to keep children and young people safe.
- ◆ The community, opinion leaders and organisations taking action to support children and young people's development and well-being.
- ◆ Organisations and decision-makers engaging children and young people in decision-making.

Key services provided by the Commissioner which contribute to these results include:

- ◆ Working With Children program including accreditation of child-safe and child-friendly organisations, background checking and prohibited employment reviews;
- ◆ reviewing of child deaths;
- ◆ providing policy advice on children's issues;
- ◆ research and promotion of children's issues; and
- ◆ providing participation in programs for children and young people.

The Children's Guardian aims to promote the best interests and rights of children who are:

- ◆ In out-of-home care subject to orders of the Children's Court.
- ◆ Placed for adoption.
- ◆ Under 15 years of age and working in entertainment, exhibitions, still photography or door-to-door sales.

Key services provided by the Children's Guardian to contribute to these results include:

- ◆ accreditation of out-of-home care and adoption service providers that demonstrate achievement of approved standards;
- ◆ monitoring the continuing provision of out-of-home care and adoption services against accreditation standards and conditions; and
- ◆ authorisation of prescribed employers of children and monitoring of compliance with conditions of their authorities and the mandatory Code of Practice.

## **RECENT DEVELOPMENTS**

During 2005-06, the Commissioner released her report "Children at Work" which surveyed 11,000 children and young people's experience of work. The Commissioner has established a Taskforce to provide advice on the report's findings.

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* led to the passage of the *Commission for Children and Young People Amendment Act 2005* in November 2005.

During 2005-06 the Commissioner made submissions to a number of inquiries, including the Joint Parliamentary Committee on Children and Young People's inquiry into children and the built environment.

Overall, total 2005-06 expenditure on the Commissioner's functions is projected at \$8.5 million.

During 2005-06 the Children's Guardian measured compliance with legislative requirements of 63 designated agencies that provide out-of-home care for children and young persons who are subject to care orders of the Children's Court. The performance of all 63 designated agencies was monitored through audits of 748 case files.

The Children's Guardian continued to regulate employment of children under 15 years of age in the entertainment, exhibitions, still photography and door-to-door sales. Employer's authorities were granted to 105 prescribed employers, whose compliance was monitored over 430 productions.

The additional function of accreditation of adoption service providers was conferred on the Children's Guardian in 2005-06. The role relates to adoption of children born in Australia and overseas. The list of countries permitting adoption of their children by NSW families is increasing and will soon include China.

## **STRATEGIC DIRECTIONS**

In 2006-07, the Commissioner for Children and Young People will support children by:

- ◆ implementing legislative amendments to improve background checking and prohibited employment programs;
- ◆ developing new models for children's participation;
- ◆ promoting the findings of research into children at work and the research into children's views of well-being; and
- ◆ advising decision-makers on children's issues.

In 2006-07, the Children's Guardian will support children by:

- ◆ conducting a review of its current accreditation process for out-of-home care providers;
- ◆ implementing procedures for accreditation of adoption service providers; and
- ◆ refining its systems for regulation of children's employment to cater for the increasing demand.

## **2006-07 BUDGET**

### **Total Expenses**

The estimated total expenditure for the Office for Children in 2006-07 is \$12.1 million which is consistent with total 2005-06 expenditure.

### **Capital Expenditure**

The Office for Children's capital allocation of \$345,000 in 2006-07 will allow for the upgrade of background checking systems and the purchase of minor plant and equipment.

## **NSWBUSINESSLINK**

NSWbusinesslink was established to provide shared corporate services for the Departments of Ageing, Disability and Home Care, Community Services and Housing. These services cover the areas of finance, human resources, property, records management and information technology services.

NSWbusinesslink aims to support these agencies in their service delivery by providing more efficient and better services through economies of scale, productivity gains and process improvements.

From 1 July 2004, NSWbusinesslink 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 the 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.
- ◆ NSWbusinesslink 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 NSWbusinesslink 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.

## **RECENT DEVELOPMENT**

During 2005-06, NSWbusinesslink has progressed its Future Directions Strategy which focuses on the long term efficiency and sustainability of NSWbusinesslink. A key component of this Strategy is the introduction by 1 July 2006 of a unitised pricing revenue model that is underpinned by a comprehensive product and service catalogue.

## **STRATEGIC DIRECTIONS**

In 2006-07, the major focus of NSWbusinesslink will be:

- ◆ provision of product and services at market competitive levels;
- ◆ to manage client demand through unitised prices;
- ◆ sustained high level of customer satisfaction in the provision of shared services for Human Services Departments; and
- ◆ phasing in of the NSWbusinesslink Future Directions Strategy.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for NSWbusinesslink in 2006-07 are estimated at \$114.1 million. This excludes discretionary expenditure on client billable projects which varies year-on-year depending on client demand.

## **Capital Expenditure**

NSWbusinesslink's 2006-07 capital program of \$6.9 million will fund the following minor works program initiatives:

- ◆ share services technology infrastructure including desktops, networks, printers, servers and databases (\$2.1 million);
- ◆ a client portal (\$1.5 million) to integrate NSWbusinesslink's systems with those of its clients;
- ◆ information security and compliance (\$700,000); and
- ◆ periodic replacement of plant, equipment, motor vehicles and administrative assets (\$2.6 million).

There is scope for NSWbusinesslink's capital program to vary in response to changing priorities and emerging demand of its client agencies.

**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
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|   | 2005-06          |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|------------------|------------------|-------------------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                  |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                  |                  |                                     |
| Operating expenses -                          |                  |                  |                                     |
| Employee related                              | 261,040          | 271,182          | <b>315,624</b>                      |
| Other operating expenses                      | 111,077          | 109,927          | <b>124,407</b>                      |
| Depreciation and amortisation                 | 15,400           | 17,000           | <b>20,592</b>                       |
| Grants and subsidies                          | 502,126          | 514,171          | <b>525,357</b>                      |
| Other expenses                                | 124,329          | 99,300           | <b>143,129</b>                      |
| <b>Total Expenses Excluding Losses</b>        | <b>1,013,972</b> | <b>1,011,580</b> | <b>1,129,109</b>                    |
| Less:   |                  |                  |                                     |
| <b>Retained Revenue -</b>                     |                  |                  |                                     |
| Sales of goods and services                   | 3,985            | 2,929            | <b>2,782</b>                        |
| Investment income                             | 952              | 2,002            | <b>984</b>                          |
| Grants and contributions                      | 7,347            | 8,983            | <b>7,484</b>                        |
| Other revenue                                 | ...              | 3,000            | ...                                 |
| <b>Total Retained Revenue</b>                 | <b>12,284</b>    | <b>16,914</b>    | <b>11,250</b>                       |
| Gain/(loss) on disposal of non current assets | 4,520            | (227)            | <b>(167)</b>                        |
| <b>NET COST OF SERVICES</b>                   | <b>997,168</b>   | <b>994,893</b>   | <b>1,118,026</b>                    |

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|   | ———2005-06———    |                  | <b>2006-07</b>          |
|---|------------------|------------------|-------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                          |                  |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                  |                  |                         |
| <b>Payments</b>                                     |                  |                  |                         |
| Employee related                                    | 240,778          | 250,730          | <b>288,260</b>          |
| Grants and subsidies                                | 502,126          | 514,171          | <b>525,357</b>          |
| Other   | 286,775          | 252,685          | <b>338,818</b>          |
| <b>Total Payments</b>                               | <b>1,029,679</b> | <b>1,017,586</b> | <b>1,152,435</b>        |
| <b>Receipts</b>                                     |                  |                  |                         |
| Sale of goods and services                          | 3,985            | 2,929            | <b>2,782</b>            |
| Interest  | 1,277            | 2,327            | <b>805</b>              |
| Other   | 58,777           | 63,502           | <b>68,092</b>           |
| <b>Total Receipts</b>                               | <b>64,039</b>    | <b>68,758</b>    | <b>71,679</b>           |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(965,640)</b> | <b>(948,828)</b> | <b>(1,080,756)</b>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                  |                  |                         |
| Proceeds from sale of property, plant and equipment | 4,520            | (4,228)          | <b>2,011</b>            |
| Purchases of property, plant and equipment          | (20,593)         | (27,843)         | <b>(26,203)</b>         |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(16,073)</b>  | <b>(32,071)</b>  | <b>(24,192)</b>         |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                  |                  |                         |
| Recurrent appropriation                             | 963,849          | 959,857          | <b>1,066,477</b>        |
| Capital appropriation                               | 20,593           | 25,593           | <b>26,203</b>           |
| Cash transfers to Consolidated Fund                 | ...              | (1,073)          | ...                     |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>984,442</b>   | <b>984,377</b>   | <b>1,092,680</b>        |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>2,729</b>     | <b>3,478</b>     | <b>(12,268)</b>         |
| Opening Cash and Cash Equivalents                   | 245              | 9,305            | <b>12,783</b>           |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>2,974</b>     | <b>12,783</b>    | <b>515</b>              |
| <b>CASH FLOW RECONCILIATION</b>                     |                  |                  |                         |
| Net cost of services                                | (997,168)        | (994,893)        | <b>(1,118,026)</b>      |
| Non cash items added back                           | 33,319           | 35,109           | <b>41,292</b>           |
| Change in operating assets and liabilities          | (1,791)          | 10,956           | <b>(4,022)</b>          |
| <b>Net cash flow from operating activities</b>      | <b>(965,640)</b> | <b>(948,828)</b> | <b>(1,080,756)</b>      |

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|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 2,974           | 12,783           | <b>515</b>      |
| Receivables                          | 7,781           | 10,801           | <b>8,173</b>    |
| Assets held for sale                 | 9,294           | 9,294            | <b>13,051</b>   |
| Other                                | 727             | 1,556            | <b>815</b>      |
| <b>Total Current Assets</b>          | <b>20,776</b>   | <b>34,434</b>    | <b>22,554</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 63,310          | 62,593           | <b>54,308</b>   |
| Plant and equipment                  | 41,769          | 47,868           | <b>55,829</b>   |
| Intangibles                          | 3,822           | 3,822            | <b>3,822</b>    |
| <b>Total Non Current Assets</b>      | <b>108,901</b>  | <b>114,283</b>   | <b>113,959</b>  |
| <b>Total Assets</b>                  | <b>129,677</b>  | <b>148,717</b>   | <b>136,513</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 5,487           | 21,660           | <b>6,760</b>    |
| Provisions                           | 16,413          | 19,261           | <b>26,603</b>   |
| <b>Total Current Liabilities</b>     | <b>21,900</b>   | <b>40,921</b>    | <b>33,363</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 4,732           | 7,378            | <b>7,378</b>    |
| Other                                | ...             | 8,000            | <b>8,000</b>    |
| <b>Total Non Current Liabilities</b> | <b>4,732</b>    | <b>15,378</b>    | <b>15,378</b>   |
| <b>Total Liabilities</b>             | <b>26,632</b>   | <b>56,299</b>    | <b>48,741</b>   |
| <b>NET ASSETS</b>                    | <b>103,045</b>  | <b>92,418</b>    | <b>87,772</b>   |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 47,851          | 51,652           | <b>51,652</b>   |
| Accumulated funds                    | 55,194          | 40,766           | <b>36,120</b>   |
| <b>TOTAL EQUITY</b>                  | <b>103,045</b>  | <b>92,418</b>    | <b>87,772</b>   |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
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**23 DEPARTMENT OF COMMUNITY SERVICES**

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**23.1 Child, Family and Community Services**

**23.1.1 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.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Clients receiving assistance under the Supported Accommodation Assistance Program                               | thous | 25      | 24      | 23      | <b>23</b>      |
| Clients of the Supported Accommodation Assistance Program who return to a SAAP service within 12 months of exit | %     | 24      | 25      | 25      | <b>25</b>      |
| <u>Average Staffing:</u>  | EFT   | 40      | 100     | 104     | <b>129</b>     |

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| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|                               |       |       |               |
|-------------------------------|-------|-------|---------------|
| Operating expenses -          |       |       |               |
| Employee related              | 8,654 | 9,307 | <b>11,853</b> |
| Other operating expenses      | 3,834 | 3,773 | <b>4,672</b>  |
| Depreciation and amortisation | 535   | 584   | <b>773</b>    |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
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**23.1 Child, Family and Community Services**

**23.1.1 Community Services (cont)**

**OPERATING STATEMENT (CONT)**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Grants and subsidies                        |                |                |                |
| Community development and capacity building | 128,571        | 116,336        | <b>121,910</b> |
| Crisis support services                     | 114,241        | 114,150        | <b>116,480</b> |
| Disaster response services                  | 1,400          | 2,200          | <b>1,400</b>   |
| Concessions and charitable programs         | 6,162          | 6,152          | <b>6,428</b>   |
| Grants to agencies                          | 84             | 84             | <b>85</b>      |
| Capital grant to NSWbusinesslink            | 189            | 189            | ...            |
| <b>Total Expenses Excluding Losses</b>      | <b>263,670</b> | <b>252,775</b> | <b>263,601</b> |
| Less:                                       |                |                |                |
| <b>Retained Revenue -</b>                   |                |                |                |
| Sales of goods and services                 |                |                |                |
| Recoupment of administration costs          | 139            | 102            | <b>97</b>      |
| Investment income                           | 33             | 69             | <b>35</b>      |
| Grants and contributions                    | 3,783          | 5,109          | <b>3,784</b>   |
| Other revenue                               | ...            | 22             | ...            |
| <b>Total Retained Revenue</b>               | <b>3,955</b>   | <b>5,302</b>   | <b>3,916</b>   |
| <b>NET COST OF SERVICES</b>                 | <b>259,715</b> | <b>247,473</b> | <b>259,685</b> |
| <br>  |                |                |                |
| <b>CAPITAL EXPENDITURE</b>                  | <b>1,372</b>   | <b>1,372</b>   | <b>111</b>     |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
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**23 DEPARTMENT OF COMMUNITY SERVICES**

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**23.1 Child, Family and Community Services**

**23.1.2 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 well-being 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.

|   | Units | 2003-04  | 2004-05 | 2005-06 | <b>2006-07</b>                      |
|---|-------|--|---------|---------|-------------------------------------|
| <u>Outputs:</u>   |       |  |         |         |                                     |
| No. of licensed children's services                                   | thous | 3  | 3       | 3       | <b>3</b>                            |
| Total licensed places in children's services                          | thous | 128  | 132     | 136     | <b>140</b>                          |
| Total DoCS-funded child care places per day (excluding vacation care) | thous | 46   | 46      | 46      | <b>46</b>                           |
| <u>Average Staffing:</u>  | EFT   | 319  | 355     | 362     | <b>378</b>                          |
|   |       | ———2005-06———<br>Budget      Revised<br>\$000      \$000 |         |         | <b>2006-07<br/>Budget<br/>\$000</b> |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |         |         |                |
|--|---------|---------|----------------|
| Operating expenses -                   |         |         |                |
| Employee related                       | 31,182  | 32,399  | <b>34,733</b>  |
| Other operating expenses               | 13,631  | 13,134  | <b>13,690</b>  |
| Depreciation and amortisation          | 1,895   | 2,030   | <b>2,266</b>   |
| Grants and subsidies                   |         |         |                |
| Pre-school and child care services     | 101,749 | 100,670 | <b>113,312</b> |
| Contracted early intervention services | 37,378  | 32,378  | <b>38,206</b>  |
| Grants to agencies                     | 337     | 337     | <b>339</b>     |
| Capital grant to NSWbusinesslink       | 690     | 690     | ...            |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
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**23.1 Child, Family and Community Services**

**23.1.2 Prevention and Early Intervention Services (cont)**

**OPERATING STATEMENT (cont)**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Other expenses                          |                |                |                |
| Early intervention support for families | 625            | 625            | <b>625</b>     |
| <b>Total Expenses Excluding Losses</b>  | <b>187,487</b> | <b>182,263</b> | <b>203,171</b> |
| Less:                                   |                |                |                |
| <b>Retained Revenue -</b>               |                |                |                |
| Sales of goods and services             |                |                |                |
| Recoupment of administration costs      | 494            | 363            | <b>345</b>     |
| Investment income                       | 119            | 251            | <b>130</b>     |
| Grants and contributions                | 130            | 116            | <b>136</b>     |
| Other revenue                           | ...            | 161            | ...            |
| <b>Total Retained Revenue</b>           | <b>743</b>     | <b>891</b>     | <b>611</b>     |
| <b>NET COST OF SERVICES</b>             | <b>186,744</b> | <b>181,372</b> | <b>202,560</b> |
| <hr/>                                   |                |                |                |
| <b>CAPITAL EXPENDITURE</b>              | <b>426</b>     | <b>2,844</b>   | <b>2,002</b>   |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
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**23 DEPARTMENT OF COMMUNITY SERVICES**

**23.1 Child, Family and Community Services**

**23.1.3 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 well-being of children are assured.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |       |         |         |         |                |
| Children receiving protective services   | thous | 47      | 49      | 51      | <b>53</b>      |
| Total number of children for whom the Department receives reports, under the age of 18 at time of report | thous | 94      | 102     | 110     | <b>118</b>     |
| Reports concerning children and young people   | thous | 185     | 216     | 252     | <b>286</b>     |
| <u>Average Staffing:</u>   | EFT   | 1,501   | 1,690   | 1,797   | <b>2,016</b>   |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |                |                |                |
|--|----------------|----------------|----------------|
| Operating expenses -                   |                |                |                |
| Employee related                       | 154,976        | 160,829        | <b>185,239</b> |
| Other operating expenses               | 65,179         | 65,194         | <b>73,013</b>  |
| Depreciation and amortisation          | 9,024          | 10,082         | <b>12,085</b>  |
| Grants and subsidies                   |                |                |                |
| Contracted child protection services   | 3,711          | 3,711          | <b>3,781</b>   |
| Grants to agencies                     | 1,656          | 1,656          | <b>1,664</b>   |
| Capital grant to NSWbusinesslink       | 3,121          | 3,121          | ...            |
| Other expenses                         |                |                |                |
| Child protection support for families  | 3,421          | 3,421          | <b>3,420</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>241,088</b> | <b>248,014</b> | <b>279,202</b> |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
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**23.1 Child, Family and Community Services**

**23.1.3 Statutory Child Protection (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                    |       |       |              |
|------------------------------------|-------|-------|--------------|
| Sales of goods and services        |       |       |              |
| Recoupment of administration costs | 2,329 | 1,712 | <b>1,626</b> |
| Investment income                  | 553   | 1,163 | <b>558</b>   |
| Grants and contributions           | 1,212 | 2,127 | <b>1,231</b> |
| Other revenue                      | ...   | 1,622 | ...          |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>4,094</b> | <b>6,624</b> | <b>3,415</b> |
|-------------------------------|--------------|--------------|--------------|

|                             |                |                |                |
|-----------------------------|----------------|----------------|----------------|
| <b>NET COST OF SERVICES</b> | <b>236,994</b> | <b>241,390</b> | <b>275,787</b> |
|-----------------------------|----------------|----------------|----------------|

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>10,478</b> | <b>13,864</b> | <b>16,559</b> |
|----------------------------|---------------|---------------|---------------|

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
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**23 DEPARTMENT OF COMMUNITY SERVICES**

**23.1 Child, Family and Community Services**

**23.1.4 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.

|  |       |         |         |         |                |
|--|-------|---------|---------|---------|----------------|
|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|

Outputs:

|  |       |    |    |    |           |
|--|-------|----|----|----|-----------|
| Children receiving out-of-home care services | thous | 15 | 16 | 13 | <b>13</b> |
| Children in out-of-home care at year end     | thous | 10 | 10 | 11 | <b>11</b> |

|                           |     |     |     |     |            |
|---------------------------|-----|-----|-----|-----|------------|
| <u>Average Staffing</u> : | EFT | 651 | 739 | 767 | <b>912</b> |
|---------------------------|-----|-----|-----|-----|------------|

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |                |                |                |
|--|----------------|----------------|----------------|
| Operating expenses -                           |                |                |                |
| Employee related                               | 66,228         | 68,647         | <b>83,799</b>  |
| Other operating expenses                       | 28,433         | 27,826         | <b>33,032</b>  |
| Depreciation and amortisation                  | 3,946          | 4,304          | <b>5,468</b>   |
| Grants and subsidies                           |                |                |                |
| Contracted residential care and support        | 100,717        | 130,377        | <b>121,019</b> |
| Grants to agencies                             | 730            | 730            | <b>733</b>     |
| Capital grant to NSWbusinesslink               | 1,390          | 1,390          | ...            |
| Other expenses                                 |                |                |                |
| Foster care allowances and associated expenses | 120,283        | 95,254         | <b>139,084</b> |
| <b>Total Expenses Excluding Losses</b>         | <b>321,727</b> | <b>328,528</b> | <b>383,135</b> |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**23 DEPARTMENT OF COMMUNITY SERVICES**

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**23.1 Child, Family and Community Services**

**23.1.4 Out-of-Home Care (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                    |       |       |              |
|------------------------------------|-------|-------|--------------|
| Sales of goods and services        |       |       |              |
| Recoupment of administration costs | 1,023 | 752   | <b>714</b>   |
| Investment income                  | 247   | 519   | <b>261</b>   |
| Grants and contributions           | 2,222 | 1,631 | <b>2,333</b> |
| Other revenue                      | ...   | 1,195 | ...          |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>3,492</b> | <b>4,097</b> | <b>3,308</b> |
|-------------------------------|--------------|--------------|--------------|

|   |       |       |              |
|---|-------|-------|--------------|
| Gain/(loss) on disposal of non current assets | 4,520 | (227) | <b>(167)</b> |
|---|-------|-------|--------------|

|                             |                |                |                |
|-----------------------------|----------------|----------------|----------------|
| <b>NET COST OF SERVICES</b> | <b>313,715</b> | <b>324,658</b> | <b>379,994</b> |
|-----------------------------|----------------|----------------|----------------|

---

|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>8,317</b> | <b>9,763</b> | <b>7,531</b> |
|----------------------------|--------------|--------------|--------------|

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**24 OFFICE FOR CHILDREN**

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|  | 2005-06       |               | <b>2006-07</b> |
|--|---------------|---------------|----------------|
|  | Budget        | Revised       | <b>Budget</b>  |
|  | \$000         | \$000         | <b>\$000</b>   |
| <b>OPERATING STATEMENT</b>             |               |               |                |
| <b>Expenses Excluding Losses -</b>     |               |               |                |
| Operating expenses -                   |               |               |                |
| Employee related                       | 6,179         | 6,345         | <b>6,457</b>   |
| Other operating expenses               | 5,005         | 4,879         | <b>4,914</b>   |
| Depreciation and amortisation          | 403           | 402           | <b>319</b>     |
| Grants and subsidies                   | 385           | 385           | <b>385</b>     |
| <b>Total Expenses Excluding Losses</b> | <b>11,972</b> | <b>12,011</b> | <b>12,075</b>  |
| Less:                                  |               |               |                |
| <b>Retained Revenue -</b>              |               |               |                |
| Sales of goods and services            | 100           | 111           | <b>100</b>     |
| Investment income                      | 51            | 51            | <b>51</b>      |
| Other revenue                          | 60            | 49            | <b>60</b>      |
| <b>Total Retained Revenue</b>          | <b>211</b>    | <b>211</b>    | <b>211</b>     |
| <b>NET COST OF SERVICES</b>            | <b>11,761</b> | <b>11,800</b> | <b>11,864</b>  |

**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**24 OFFICE FOR CHILDREN**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 5,678           | 5,451            | <b>6,095</b>    |
| Grants and subsidies                            | 385             | 385              | <b>385</b>      |
| Other   | 5,300           | 5,550            | <b>5,300</b>    |
| <b>Total Payments</b>                           | <b>11,363</b>   | <b>11,386</b>    | <b>11,780</b>   |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 100             | 111              | <b>100</b>      |
| Interest  | 51              | 38               | <b>51</b>       |
| Other   | 317             | 439              | <b>336</b>      |
| <b>Total Receipts</b>                           | <b>468</b>      | <b>588</b>       | <b>487</b>      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(10,895)</b> | <b>(10,798)</b>  | <b>(11,293)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (214)           | (220)            | <b>(105)</b>    |
| Other   | ...             | ...              | <b>(240)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(214)</b>    | <b>(220)</b>     | <b>(345)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 11,060          | 11,060           | <b>11,325</b>   |
| Capital appropriation                           | 214             | 214              | <b>145</b>      |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>11,274</b>   | <b>11,274</b>    | <b>11,470</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>165</b>      | <b>256</b>       | <b>(168)</b>    |
| Opening Cash and Cash Equivalents               | 1,244           | 1,080            | <b>1,336</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>1,409</b>    | <b>1,336</b>     | <b>1,168</b>    |

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MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH

24 OFFICE FOR CHILDREN

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|  | 2005-06         |                 | 2006-07         |
|--|-----------------|-----------------|-----------------|
|  | Budget          | Revised         | Budget          |
|  | \$000           | \$000           | \$000           |
| <b>CASH FLOW STATEMENT (cont)</b>              |                 |                 |                 |
| <b>CASH FLOW RECONCILIATION</b>                |                 |                 |                 |
| Net cost of services                           | (11,761)        | (11,800)        | <b>(11,864)</b> |
| Non cash items added back                      | 904             | 861             | <b>668</b>      |
| Change in operating assets and liabilities     | (38)            | 141             | <b>(97)</b>     |
| <b>Net cash flow from operating activities</b> | <b>(10,895)</b> | <b>(10,798)</b> | <b>(11,293)</b> |

**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**24 OFFICE FOR CHILDREN**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 1,409           | 1,336            | 1,168           |
| Receivables  | 166             | 318              | 318             |
| Other  | 23              | 19               | 23              |
| <b>Total Current Assets</b>                            | <b>1,598</b>    | <b>1,673</b>     | <b>1,509</b>    |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Property, plant and equipment -<br>Plant and equipment | 687             | 648              | 503             |
| Intangibles  | ...             | 70               | 241             |
| <b>Total Non Current Assets</b>                        | <b>687</b>      | <b>718</b>       | <b>744</b>      |
| <b>Total Assets</b>                                    | <b>2,285</b>    | <b>2,391</b>     | <b>2,253</b>    |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 387             | 620              | 527             |
| Provisions   | 410             | 548              | 548             |
| Other  | 209             | 46               | 46              |
| <b>Total Current Liabilities</b>                       | <b>1,006</b>    | <b>1,214</b>     | <b>1,121</b>    |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 60              | 45               | 45              |
| <b>Total Non Current Liabilities</b>                   | <b>60</b>       | <b>45</b>        | <b>45</b>       |
| <b>Total Liabilities</b>                               | <b>1,066</b>    | <b>1,259</b>     | <b>1,166</b>    |
| <b>NET ASSETS</b>                                      | <b>1,219</b>    | <b>1,132</b>     | <b>1,087</b>    |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 1,219           | 1,132            | 1,087           |
| <b>TOTAL EQUITY</b>                                    | <b>1,219</b>    | <b>1,132</b>     | <b>1,087</b>    |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**24 OFFICE FOR CHILDREN**

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**24.1 Commission for Children and Young People**

**24.1.1 Commission for Children and Young People**

Program Objective(s): To promote and enhance the safety, welfare and well-being 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 well-being 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.

|                                  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|----------------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                  |       |         |         |         |                |
| Background checks done           | no.   | 43,645  | 80,000  | 83,000  | <b>83,000</b>  |
| Counsellors accredited           | no.   | 41      | 50      | 65      | <b>60</b>      |
| Reports and guidelines published | no.   | 10      | 9       | 4       | <b>4</b>       |
| Courses and seminars conducted   | no.   | 14      | 10      | 14      | <b>14</b>      |
| Research project completed       | no.   | 2       | 3       | 3       | <b>2</b>       |
| <u>Average Staffing:</u>         | EFT   | 43      | 42      | 42      | <b>42</b>      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |  |              |              |              |
|---|--|--------------|--------------|--------------|
| Operating expenses -  |  |              |              |              |
| Employee related  |  | 4,060        | 4,092        | <b>4,041</b> |
| Other operating expenses                                    |  | 3,726        | 3,734        | <b>4,093</b> |
| Depreciation and amortisation                               |  | 273          | 272          | <b>286</b>   |
| Grants and subsidies  |  |              |              |              |
| Grants to organisations - other general government agencies |  | 385          | 385          | <b>385</b>   |
| <b>Total Expenses Excluding Losses</b>                      |  | <b>8,444</b> | <b>8,483</b> | <b>8,805</b> |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**24 OFFICE FOR CHILDREN**

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**24.1 Commission for Children and Young People**

**24.1.1 Commission for Children and Young People (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                   |              |              |              |
|-----------------------------------|--------------|--------------|--------------|
| Sales of goods and services       |              |              |              |
| Publication sales                 | ...          | 7            | ...          |
| Minor sales of goods and services | ...          | 4            | ...          |
| Investment income                 | 30           | 30           | <b>30</b>    |
| Other revenue                     | 60           | 49           | <b>60</b>    |
| <b>Total Retained Revenue</b>     | <b>90</b>    | <b>90</b>    | <b>90</b>    |
| <b>NET COST OF SERVICES</b>       | <b>8,354</b> | <b>8,393</b> | <b>8,715</b> |

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>174</b> | <b>174</b> | <b>240</b> |
|----------------------------|------------|------------|------------|

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**24 OFFICE FOR CHILDREN**

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**24.2 Children's Guardian**

**24.2.1 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: Accredit and monitor designated agencies, accredit adoption agencies, audit case files, issue authorities to employ.

|                                     | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|-------------------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                     |       |         |         |         |                |
| Accreditations commenced            | no.   | 23      | 21      | 6       | <b>5</b>       |
| Accreditations completed            | no.   | 1       | 8       | 2       | <b>5</b>       |
| Quality improvement participation   | no.   | 23      | 50      | 39      | <b>36</b>      |
| Case file audit                     | no.   | ...     | 723     | 748     | <b>750</b>     |
| Information sessions                | no.   | 20      | 5       | 20      | <b>20</b>      |
| Procedures and guidelines published | no.   | 5       | 5       | 5       | <b>5</b>       |
| Authorised employers                | no.   | 195     | 98      | 105     | <b>100</b>     |
| <u>Average Staffing:</u>            | EFT   | 16      | 19      | 20      | <b>20</b>      |

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| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

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***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 2,119        | 2,253        | <b>2,416</b> |
| Other operating expenses               | 1,279        | 1,145        | <b>821</b>   |
| Depreciation and amortisation          | 130          | 130          | <b>33</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>3,528</b> | <b>3,528</b> | <b>3,270</b> |

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**24 OFFICE FOR CHILDREN**

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**24.2 Children's Guardian**

**24.2.1 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 | <b>100</b> |
|  | 21  | 21  | <b>21</b>  |

**Total Retained Revenue**

|  |            |            |            |
|--|------------|------------|------------|
|  | <b>121</b> | <b>121</b> | <b>121</b> |
|--|------------|------------|------------|

**NET COST OF SERVICES**

|  |              |              |              |
|--|--------------|--------------|--------------|
|  | <b>3,407</b> | <b>3,407</b> | <b>3,149</b> |
|--|--------------|--------------|--------------|

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**CAPITAL EXPENDITURE**

|  |           |           |            |
|--|-----------|-----------|------------|
|  | <b>40</b> | <b>40</b> | <b>105</b> |
|--|-----------|-----------|------------|

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**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**NSWBUSINESSLINK**

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|  | 2005-06         |                 | 2006-07        |
|--|-----------------|-----------------|----------------|
|  | Budget          | Revised         | Budget         |
|  | \$000           | \$000           | \$000          |
| <b>OPERATING STATEMENT</b>             |                 |                 |                |
| <b>Retained Revenue -</b>              |                 |                 |                |
| Sales of goods and services            | 86,592          | 55,553          | <b>62,723</b>  |
| Investment income                      | 369             | 376             | <b>295</b>     |
| Grants and contributions               | 5,390           | 34,154          | <b>33,582</b>  |
| Other revenue                          | 3,693           | 23,418          | <b>13,811</b>  |
| <b>Total Retained Revenue</b>          | <b>96,044</b>   | <b>113,501</b>  | <b>110,411</b> |
| Less:                                  |                 |                 |                |
| <b>Expenses Excluding Losses -</b>     |                 |                 |                |
| Operating Expenses -                   |                 |                 |                |
| Employee related                       | 63,583          | 79,013          | <b>67,625</b>  |
| Other operating expenses               | 26,477          | 27,126          | <b>33,052</b>  |
| Depreciation and amortisation          | 16,663          | 24,838          | <b>12,230</b>  |
| Finance costs                          | 2,549           | 1,346           | <b>1,175</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>109,272</b>  | <b>132,323</b>  | <b>114,082</b> |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(13,228)</b> | <b>(18,822)</b> | <b>(3,671)</b> |

**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**NSWBUSINESSLINK**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                                     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                                     |
| <b>Receipts</b>                                     |                 |                  |                                     |
| Sale of goods and services                          | 86,592          | 55,553           | <b>62,723</b>                       |
| Interest  | 369             | 376              | <b>295</b>                          |
| Other   | 16,656          | 80,915           | <b>65,334</b>                       |
| <b>Total Receipts</b>                               | <b>103,617</b>  | <b>136,844</b>   | <b>128,352</b>                      |
| <b>Payments</b>                                     |                 |                  |                                     |
| Employee related                                    | 67,102          | 78,352           | <b>67,625</b>                       |
| Finance costs                                       | 2,515           | 1,312            | <b>1,175</b>                        |
| Other   | 38,359          | 56,717           | <b>50,993</b>                       |
| <b>Total Payments</b>                               | <b>107,976</b>  | <b>136,381</b>   | <b>119,793</b>                      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(4,359)</b>  | <b>463</b>       | <b>8,559</b>                        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                                     |
| Proceeds from sale of property, plant and equipment | ...             | 250              | ...                                 |
| Purchases of property, plant and equipment          | (12,043)        | (5,773)          | <b>(5,401)</b>                      |
| Other   | ...             | (9,003)          | <b>(1,500)</b>                      |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(12,043)</b> | <b>(14,526)</b>  | <b>(6,901)</b>                      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                 |                  |                                     |
| Proceeds from borrowings and advances               | 10,585          | 10,000           | ...                                 |
| Repayment of borrowings and advances                | ...             | (4,666)          | <b>(500)</b>                        |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>10,585</b>   | <b>5,334</b>     | <b>(500)</b>                        |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(5,817)</b>  | <b>(8,729)</b>   | <b>1,158</b>                        |
| Opening Cash and Cash Equivalents                   | 11,414          | 15,247           | <b>6,518</b>                        |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>5,597</b>    | <b>6,518</b>     | <b>7,676</b>                        |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                                     |
| Surplus/(deficit) for year                          | (13,228)        | (18,822)         | <b>(3,671)</b>                      |
| Non cash items added back                           | 16,663          | 24,838           | <b>12,230</b>                       |
| Change in operating assets and liabilities          | (7,794)         | (5,553)          | ...                                 |
| <b>Net cash flow from operating activities</b>      | <b>(4,359)</b>  | <b>463</b>       | <b>8,559</b>                        |

**MINISTER FOR COMMUNITY SERVICES, AND MINISTER FOR  
YOUTH**

**NSWBUSINESSLINK**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 5,597           | 6,518            | <b>7,676</b>    |
| Receivables                          | 7,545           | 3,470            | <b>3,470</b>    |
| Other                                | 8,379           | 1,785            | <b>1,785</b>    |
| <b>Total Current Assets</b>          | <b>21,521</b>   | <b>11,773</b>    | <b>12,931</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 3,566           | 6,092            | <b>6,092</b>    |
| Plant and equipment                  | 15,975          | 9,552            | <b>9,617</b>    |
| Intangibles                          | 25,564          | 17,500           | <b>12,106</b>   |
| <b>Total Non Current Assets</b>      | <b>45,105</b>   | <b>33,144</b>    | <b>27,815</b>   |
| <b>Total Assets</b>                  | <b>66,626</b>   | <b>44,917</b>    | <b>40,746</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 5,148           | 8,199            | <b>8,199</b>    |
| Provisions                           | 4,872           | 5,733            | <b>5,733</b>    |
| <b>Total Current Liabilities</b>     | <b>10,020</b>   | <b>13,932</b>    | <b>13,932</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | 43,175          | 23,500           | <b>23,000</b>   |
| Provisions                           | 8,438           | 20,908           | <b>20,908</b>   |
| <b>Total Non Current Liabilities</b> | <b>51,613</b>   | <b>44,408</b>    | <b>43,908</b>   |
| <b>Total Liabilities</b>             | <b>61,633</b>   | <b>58,340</b>    | <b>57,840</b>   |
| <b>NET ASSETS</b>                    | <b>4,993</b>    | <b>(13,423)</b>  | <b>(17,094)</b> |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 4,993           | (13,423)         | <b>(17,094)</b> |
| <b>TOTAL EQUITY*</b>                 | <b>4,993</b>    | <b>(13,423)</b>  | <b>(17,094)</b> |

\* NSWbusinesslink's equity position largely reflects the impact of the Australian Equivalents to International Financial Reporting Standards relating to Superannuation fund liabilities. Under NSWbusinesslink's Future Directions Strategy, a number of options will be considered to address the overall equity position into the future.



# MINISTER FOR EDUCATION AND TRAINING

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## OVERVIEW

| <i>Agency</i>                                     | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Department of Education and Training</b>       |                                   |                                   |                        |
| Total Expenses .....                              | 9,567.0                           | 9,989.6                           | 4.4                    |
| Capital Expenditure .....                         | 482.0                             | 573.1                             | 18.9                   |
| <b>Office of the Board of Studies</b>             |                                   |                                   |                        |
| Total Expenses .....                              | 95.8                              | 99.5                              | 3.9                    |
| Capital Expenditure .....                         | 0.5                               | 0.8                               | 72.5                   |
| <b>Total, Minister for Education and Training</b> |                                   |                                   |                        |
| Total Expenses .....                              | <b>9,662.8</b>                    | <b>10,089.1</b>                   | <b>4.4</b>             |
| Capital Expenditure .....                         | <b>482.5</b>                      | <b>573.9</b>                      | <b>18.9</b>            |

## DEPARTMENT OF EDUCATION AND TRAINING

Education is central to the Government's mission to deliver social justice, equal opportunity for all, and sustained economic growth. In 2006-07, the Government will continue to invest in the future of the State by providing a world-class education for all students.

The Department of Education and Training provides schooling and vocational education services to over 1.6 million students each year through an extensive network of government schools, TAFE NSW Institutes, Adult and Community Education colleges and the Adult Migrant English Service. The Department also provides regulatory and quality assurance services to the vocational education and training sector.

The 2006-07 Budget builds on the record levels of investment the NSW Government has made in education and training since 1995.

## RESULTS AND SERVICES

The Department of Education and Training provides a quality education to deliver successful students and a skilled workforce by working towards the following results:

- ◆ Performance for all students is improved.
- ◆ The educational gap for disadvantaged students is being closed.
- ◆ Accountability and reporting of student performance are enhanced.
- ◆ Community, employer and graduate expectations are met.
- ◆ Opportunities for school leavers and TAFE graduates are improved.
- ◆ A range of vocational education and training options for school students is provided.
- ◆ The NSW economy's need for skilled and job-ready workers is met.

Key services provided by the Department which contribute to these results include:

- ◆ quality teaching and education programs across all levels of schooling, including a strong focus in the early years on basic numeracy and literacy through to the rigorous and internationally respected Higher School Certificate (HSC);
- ◆ a comprehensive \$603 million program of reducing class sizes in the early years of schooling to a state-wide average of 20 students in Kindergarten, 22 students in Year 1 and 24 students in Year 2;
- ◆ support and appropriate incentives for new and experienced teachers;
- ◆ programs targeted to meet the diverse needs of individual students;
- ◆ continuing support to New South Wales non-government schools;
- ◆ quality vocational education and training provided by TAFE NSW for full-time and part-time students, trainees and apprentices; and
- ◆ education and training programs to assist community groups, private providers and public sector organisations.

# **SCHOOL EDUCATION SERVICES**

## **RECENT DEVELOPMENTS**

Investment in government pre-school, primary and secondary education programs is estimated at \$7,513 million in 2006-07, an increase of \$307 million on the 2005-06 Budget.

In 2005-06, the Department continued to implement key government initiatives, focussing on reducing class sizes in the early years of schooling, improving quality teaching through the provision of increased funding for teacher professional development and creating an expanded range of support options for students with disruptive behaviour. These strategies are directed at improving student performance and addressing disparity in performance for those students with additional educational needs.

The Department also implemented a range of initiatives (\$65 million over four years) designed to improve learning outcomes for Aboriginal school students, including individual learning plans, teacher incentive packages and curriculum revision.

The Non-Government School Assistance program provides financial support of \$734 million in 2006-07 to non-government schools. This represents an increase of \$36 million on the 2005-06 Budget.

## **STRATEGIC DIRECTIONS**

The following strategies reflect the NSW Government's commitment to education and training:

- ◆ delivering education and training that inspires students to succeed, fosters high expectations and prepares them for participation in a democratic and sustainable society;
- ◆ valuing staff and providing a working environment that acknowledges their contribution and builds capacity;
- ◆ supporting the success of industry and individual learners through customised vocational education and training;
- ◆ maximising return on investment in education and training through responsive and sustainable management; and
- ◆ exercising strong leadership in Australian education and innovation and by shaping national policy and reform.

The Department's 2006-07 Budget allocates resources for initiatives which support existing services, strengthens the provision of education and achieves the best outcomes for all students.

## **2006-07 BUDGET**

### **Total Expenses**

Total investment in school education services for 2006-07 is estimated at \$7,513 million. This represents an increase of \$307 million or 4.3 per cent on last year's budget.

Key initiatives include:

- ◆ an additional \$120 million over the next four years for school maintenance bringing total maintenance expenditure to \$857 million over the next four years. These additional funds reflect the Government's strong commitment to provide quality learning environments for students and teachers. In particular, the additional funds will be targeted to address the current school maintenance backlog. The additional funds also support programs to:
  - improve school facilities through the painting of classrooms and general use areas and the replacement of floor coverings;
  - improve school grounds; and
  - undertake preventative maintenance works to roofs, drains and electrical services.
- ◆ establishing ten trade schools at NSW high schools in key regions of the State over three years, through new vocational education and training facilities within nominated schools and TAFE colleges. The schools will comprise purpose built training facilities in nominated schools and School-TAFE partnerships using existing TAFE infrastructure. The schools will have an industry specialisation based on local labour market opportunities. Over four years \$6 million will be spent to develop industry engagement and support services to facilitate employer participation and support for schools as providers of apprenticeships and traineeship training;
- ◆ \$616 million over four years for the State's Literacy and Numeracy Plans, with \$154 million to be spent in 2006-07. New South Wales has Australia's most rigorous program of assessment which carefully monitors the progress of each student through every stage of schooling from the Basic Skills Test in Year 3 to the Higher School Certificate in Year 12;

- ◆ \$603 million over four years to reduce class sizes in government schools for students enrolled in Kindergarten to Year 2. Kindergarten class sizes have now been reduced to a State-wide average of 20 students and Year 1 class sizes to a State-wide average of 22 students. By 2007, Year 2 classes will be reduced to a State-wide average of 24 students, meeting the Government's key 2003 commitment;
- ◆ \$339 million for equity programs in 2006-07. This includes the Priority Action Schools (PAS) program, the Priority Schools Funding program, the English as a Second Language program, a range of programs for students in rural New South Wales and Community Languages Schools and the Community Grants program;
- ◆ \$3.3 billion over the next four years to support students with special learning needs. This includes full implementation of the special education initiative which provides a teacher's aide for every continuing special education class;
- ◆ \$676 million over four years for technology initiatives, including:
  - \$295 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;
  - \$75 million for provision of e-mail and a range of other e-services for students and teachers in government schools and TAFE NSW colleges;
  - \$262 million to continue the upgrade of access to the internet via improved bandwidth to schools and colleges; and
  - \$44 million for other technology initiatives.
- ◆ \$267 million over the next four years to support quality teaching in government schools, including enhanced teacher professional development, teacher mentoring and initiatives to attract and retain teachers such as teaching scholarships and rental subsidies;
- ◆ funding of \$65 million over four years, for programs to improve educational outcomes for Aboriginal students including additional support for 30 Schools in Partnership; and
- ◆ \$65 million over four years to continue to provide a wide range of placement and support options for students with disruptive behaviour.

## **Capital Expenditure**

### **Schools**

The Government is delivering an increased infrastructure program during 2006-07 to meet its commitment to provide quality school facilities.

Capital funding 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.

The capital funding includes the four year \$1.4 billion Schools Improvement Package. This will provide for a significant upgrade of school accommodation, and a major expansion of internet services for staff and students.

In 2005-06, the Government is spending \$361 million on capital works including the construction of new schools, upgrading of existing schools, provision of information technology infrastructure and minor capital works. During 2005-06, 20 new major school projects commenced. Further work was undertaken on 58 major works already underway.

Over \$485 million is to be spent in 2006-07 on the construction and enhancement of school facilities. This will include a minor capital works program for the installation of air cooling, the upgrading of toilets and other student and teacher facilities.

Ten new schools will be constructed over the next three years under a Public Private Partnership arrangement at a total estimated cost of more than \$106 million. These are public schools at Ashtonfield, Elderslie, Hamlyn Terrace, Hoxton Park South, Ropes Crossing (St Mary's), Second Ponds Creek (Kellyville) and Tullimbar, a High School at Rouse Hill and new school facilities for Halinda School and Kelso High School.

During 2006-07, the Government will undertake 35 fencing projects to complete its 2003 commitment to construct security fences at 200 schools.

An additional \$30 million is being provided for the construction of five new school halls, the installation of a further 32 security fences and for the renovation of toilet facilities at 90 schools. New halls will be constructed at Belmont High School, Hobartville Public School, Carlingford West Public School, Banora Point Public School and Marayong Public School.

This year's program also provides for:

- ◆ the commencement of 22 major new building works projects in schools including the upgrading of facilities at Bowraville, Callaghan College - Jesmond Campus, Campbelltown, Helensburgh, Kandos, Rooty Hill and The Hills' school for specific purposes at Northmead;
- ◆ the final stage of the \$107 million four year program for the provision of accommodation at schools to meet the Government's commitment to lower class sizes;
- ◆ the continuation of building work on more than 52 projects at schools commenced in previous years, including staged work, upgrades and redevelopments at Caringbah High School, Chatswood High School, Kiama High School, Milton Public School, and The Hills Sports High School;
- ◆ the continued increase in the capacity of the communications network to support online learning and teaching programs in schools. The Government's aim is to provide internet services and products to all staff and students, including e-mail accounts. Other new information technology related projects costing \$25 million over four years will be commenced. The Information Technology expenditure includes work on replacement systems for the Department's core applications for finance, human resources and payroll; and
- ◆ funding of \$100 million transferred from the Commonwealth to support its Investing in Our Schools Program.

## **TAFE AND RELATED SERVICES**

### **RECENT DEVELOPMENTS**

TAFE NSW continues to be the largest provider of workforce training in Australia. At a time of significant technological change and skilled labour shortages, TAFE NSW is ensuring that it remains responsive 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 such as workplace and online learning.

In 2005 TAFE NSW continued to focus on skill shortages resulting in an increase in enrolments by apprentices in the eight priority skill shortage areas identified in the current NSW Vocational Education and Training Plan. Significant growth occurred in a range of industry areas including Utilities (21.3 per cent), Engineering and Mining (20.8 per cent), Building and Construction (11.4 per cent) and Automotive (10.3 per cent). In addition, TAFE NSW has numerous partnerships with industry actively aimed at tackling business development needs, including skill shortages.

TAFE NSW programs and services are in strong demand to meet the skills required for a growing NSW economy. In response, it is increasing the number of training places in areas of skill shortages. In addition, TAFE NSW is continuing to deliver a range of programs designed to help NSW businesses remain internationally competitive as well as train skilled workers being sought after by emerging industries such as biotechnology.

In regional areas, TAFE NSW plays a major role in providing the skilled workforce needed to support the economic development of local communities. A greater use of technology is opening up new opportunities for regional students to improve vocational skills without having to leave their home towns.

All TAFE NSW Institutes have achieved certification under the internationally recognised quality improvement framework ISO 9001:2000 and are Registered Training Organisations 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 commercial programs for specific skills development needs.

## **STRATEGIC DIRECTIONS**

The TAFE NSW strategic priorities for 2006 are based on:

- ◆ delivering a dynamic public training system which is responsive to industry, students and the community;
- ◆ supporting the continued growth of the NSW economy through innovation, delivering quality nationally recognised vocational education and training programs and services that meet the current and future skill needs of employers and trainees;
- ◆ enhancing the flexibility of the training options available to industry, students and the community;

- ◆ addressing identified areas of skill shortages, especially in trade and related areas in conjunction with employers;
- ◆ increasing vocational education and training opportunities to improve employment outcomes for Aboriginal people and others disadvantaged in the labour market; and
- ◆ providing a highly skilled and professional TAFE workforce that continues to demonstrate leadership and innovation within the VET sector in Australia.

## **2006-07 BUDGET**

### **Total Expenses**

#### ***TAFE and related services***

In 2006-07, the total investment in TAFE NSW and related services is estimated at \$1,743 million, an increase of \$79 million or 4.8 per cent on the 2005-06 budget.

During 2006-07, TAFE NSW will continue implementing the National Annual VET Plan 2006-2008, including the provision of training for new apprentices in traditional trades and other areas of skill shortages, and for people disadvantaged in the labour market.

### **Capital Expenditure**

#### ***TAFE and related services***

The TAFE capital program for 2006-07 is over \$87 million. This program provides for the commencement of 11 new major projects in 2006-07 at an estimated total cost of \$60 million. These include the upgrading of facilities at Bathurst, Coffs Harbour, Newcastle, Ryde and Wagga Wagga TAFE Colleges. Work will continue on 22 projects at TAFE Colleges commenced in previous years at an estimated total cost of \$104 million. This includes works at Bankstown, Tamworth, Mount Druitt and Padstow TAFE Colleges.

## OFFICE OF THE BOARD OF STUDIES

The Office of the Board of Studies supports the Minister for Education and Training and the Board of Studies in 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.

### RESULTS AND SERVICES

The Office is working towards the following results:

- ◆ Up-to-date syllabuses to provide relevant and challenging courses of study.
- ◆ Continuing improvements in the proportion of students gaining the higher levels of achievement in the School Certificate and Higher School Certificate.
- ◆ Community confidence in the Board's monitoring and quality assurance of NSW schools.

Key services provided by the Office which contribute to these results include:

- ◆ high quality syllabuses, courses and support materials that promote high standards of primary and secondary education;
- ◆ highly-regarded, comprehensive, flexible and inclusive credentials that meet the needs of students and the community; and
- ◆ a program of inspections and monitoring that ensures non-government schools comply with statutory registration and accreditation requirements.

### RECENT DEVELOPMENTS

In response to the Eltis Review, the Board has released 24 Foundation Statements for primary education which will help teachers manage the curriculum more effectively. They will assist classroom planning as well as assessing and reporting on student progress, particularly in the areas of literacy and numeracy.

In 2006, Year 10 students will sit the mandatory Computing Skills Test as part of their School Certificate. The Computing Skills Test has been successfully trialled in government and non-government schools since 2001 in preparation for its mandatory implementation in 2006.

The Government amended the *Education Act 1990* in 2004 to increase the scope of the Board's regulatory role for the non-government school sector. The new requirements came into effect for all non-government schools from May 2005. To facilitate the increased information and monitoring requirements, the Office introduced the Registration and Accreditation of Non-Government Schools, or RANGS online system during 2005-06. This online system streamlines the registration process for non-government schools.

## **STRATEGIC DIRECTIONS**

The Office has strategies to address a range of current and emerging developments, including:

- ◆ the continuing growth in HSC and SC student numbers;
- ◆ the need for more efficient service delivery;
- ◆ the increasing use of information and communications technologies (ICT); and
- ◆ the Commonwealth Government's policies relating to national testing, student reports, annual school reporting and a nationally consistent curriculum.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for 2006-07 are estimated at \$99.5 million. Key expenditure initiatives in 2006-07 include:

- ◆ \$1.2 million to support the introduction of the mandatory SC Computing Skills Test in 2006;
- ◆ \$9.7 million to support the Board's Kindergarten to Year 12 curriculum, including the new K-6 Foundation Statements, the review of the Stage 6 mathematics syllabus and evaluation of the Board's syllabuses; and
- ◆ \$0.7 million for increases in HSC and SC student numbers.

## **Capital Expenditure**

The capital program for 2006-07 of \$0.8 million provides for \$0.4 million for the replacement of the Office's ICT infrastructure and a further \$0.4 million for ICT services to assist examination candidates with disabilities.

## **NSW INSTITUTE OF TEACHERS**

The NSW Institute of Teachers began operations in 2005. The Institute's objectives are to strengthen and 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 Education and Training to the Institute as a grant each year. The Institute also receives income from teacher accreditation fees. In the longer term the Institute will be predominantly self funded.

## **RECENT DEVELOPMENTS**

Expenditure in 2005-06 is projected to be \$5.2 million, an increase of \$3.1 million on 2004-05. This year the Institute focussed on supporting the accreditation of teachers; the development of policies for the approval of courses of initial teacher education; the implementation of policies for mandatory professional development; and approval of professional development providers.

Since January 2005, more than 10,500 teachers have been accredited with the Institute. This includes teachers appointed to permanent, temporary, part-time and casual positions. The Institute has developed an electronic Teacher Accreditation Management System (eTAMS) to support the online accreditation of teachers.

The first cohort of teachers was accredited at the level of Professional Competence at the end of 2005. The inaugural members of the Institute's Quality Teaching Council were elected in the second half of 2005. The other members were appointed at the beginning of 2006. The Council is the primary source of advice on educational issues for the Institute.

## **STRATEGIC DIRECTIONS**

Following extensive consultations and research, the Institute developed a Professional Teaching Standards Framework. The Standards underpin policies and procedures for the accreditation of teachers, the approval of courses and programs of initial teacher education and providers of professional development.

In co-operation with teachers, universities and other providers of initial teacher education, the Institute is establishing an integrated approach to guaranteeing the quality and professionalism of teaching. The first courses and programs of initial teacher education are due to be submitted for endorsement during 2006-07.

From 2006, all fully 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.

Registered professional development courses will be listed on the Institute's website. Providers of registered courses will undertake a thorough quality assurance process with input from practicing teachers.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses for 2006-07 are \$5.5 million, an increase of \$0.3 million on 2005-06. The major expenses for 2006-07 will involve the development of the policy and processes for accreditation at Professional Accomplishment and Professional Leadership levels, the approval of initial teacher education courses, the approval of providers of professional development and the refinement and streamlining of the eTAMS system and the Institute's business processes.

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**MINISTER FOR EDUCATION AND TRAINING**  
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|  | 2005-06          |                  | 2006-07          |
|--|------------------|------------------|------------------|
|  | Budget           | Revised          | Budget           |
|  | \$000            | \$000            | \$000            |
| <b>OPERATING STATEMENT</b>             |                  |                  |                  |
| <b>Expenses Excluding Losses -</b>     |                  |                  |                  |
| Operating expenses -                   |                  |                  |                  |
| Employee related                       | 6,747,817        | 6,870,880        | <b>7,061,692</b> |
| Other operating expenses               | 1,583,770        | 1,522,506        | <b>1,632,783</b> |
| Depreciation and amortisation          | 305,776          | 314,520          | <b>329,437</b>   |
| Grants and subsidies                   | 922,036          | 931,901          | <b>956,990</b>   |
| Finance costs                          | 7,580            | 9,380            | <b>8,704</b>     |
| <b>Total Expenses Excluding Losses</b> | <b>9,566,979</b> | <b>9,649,187</b> | <b>9,989,606</b> |
| Less:                                  |                  |                  |                  |
| <b>Retained Revenue -</b>              |                  |                  |                  |
| Sales of goods and services            | 315,280          | 322,770          | <b>328,402</b>   |
| Investment income                      | 22,201           | 28,101           | <b>26,788</b>    |
| Grants and contributions               | 295,286          | 310,996          | <b>312,330</b>   |
| Other revenue                          | 12,131           | 9,631            | <b>8,902</b>     |
| <b>Total Retained Revenue</b>          | <b>644,898</b>   | <b>671,498</b>   | <b>676,422</b>   |
| Other gains/(losses)                   | ...              | (272)            | ...              |
| <b>NET COST OF SERVICES</b>            | <b>8,922,081</b> | <b>8,977,961</b> | <b>9,313,184</b> |

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|   | 2005-06            |                    | 2006-07            |
|---|--------------------|--------------------|--------------------|
|   | Budget<br>\$000    | Revised<br>\$000   | Budget<br>\$000    |
| <b>CASH FLOW STATEMENT</b>                          |                    |                    |                    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                    |                    |                    |
| <b>Payments</b>                                     |                    |                    |                    |
| Employee related                                    | 6,257,328          | 6,363,991          | <b>6,532,648</b>   |
| Grants and subsidies                                | 921,436            | 931,301            | <b>956,390</b>     |
| Finance costs                                       | 7,580              | 9,380              | <b>8,704</b>       |
| Other   | 1,807,421          | 1,802,971          | <b>1,860,414</b>   |
| <b>Total Payments</b>                               | <b>8,993,765</b>   | <b>9,107,643</b>   | <b>9,358,156</b>   |
| <b>Receipts</b>                                     |                    |                    |                    |
| Sale of goods and services                          | 315,280            | 322,498            | <b>328,402</b>     |
| Interest  | 21,982             | 29,357             | <b>26,788</b>      |
| Other   | 534,391            | 547,601            | <b>547,534</b>     |
| <b>Total Receipts</b>                               | <b>871,653</b>     | <b>899,456</b>     | <b>902,724</b>     |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(8,122,112)</b> | <b>(8,208,187)</b> | <b>(8,455,432)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                    |                    |                    |
| Proceeds from sale of property, plant and equipment | 86,800             | 24,675             | <b>48,000</b>      |
| Proceeds from sale of investments                   | 18                 | 18                 | ...                |
| Purchases of property, plant and equipment          | (481,954)          | (447,550)          | <b>(551,655)</b>   |
| Purchases of investments                            | (18)               | (18)               | ...                |
| Other*  | ...                | (6,000)            | <b>(6,000)</b>     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(395,154)</b>   | <b>(428,875)</b>   | <b>(509,655)</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                    |                    |                    |
| Proceeds from borrowings and advances               | 11,000             | 10,400             | ...                |
| Repayment of borrowings and advances                | (67,951)           | (1,133)            | <b>(33,228)</b>    |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(56,951)</b>    | <b>9,267</b>       | <b>(33,228)</b>    |

\* Comprises purchase of software intangibles.

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|  | 2005-06            |                    | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|--------------------|--------------------|-------------------------------------|
|  | Budget<br>\$000    | Revised<br>\$000   |                                     |
| <b>CASH FLOW STATEMENT (cont)</b>              |                    |                    |                                     |
| <b>CASH FLOWS FROM GOVERNMENT</b>              |                    |                    |                                     |
| Recurrent appropriation                        | 8,154,915          | 8,247,319          | <b>8,481,037</b>                    |
| Capital appropriation                          | 462,003            | 476,132            | <b>494,684</b>                      |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>          | <b>8,616,918</b>   | <b>8,723,451</b>   | <b>8,975,721</b>                    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>         | <b>42,701</b>      | <b>95,656</b>      | <b>(22,594)</b>                     |
| Opening Cash and Cash Equivalents              | 386,419            | 422,670            | <b>518,326</b>                      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>       | <b>429,120</b>     | <b>518,326</b>     | <b>495,732</b>                      |
| <b>CASH FLOW RECONCILIATION</b>                |                    |                    |                                     |
| Net cost of services                           | (8,922,081)        | (8,977,961)        | <b>(9,313,184)</b>                  |
| Non cash items added back                      | 770,737            | 805,499            | <b>835,090</b>                      |
| Change in operating assets and liabilities     | 29,232             | (35,725)           | <b>22,662</b>                       |
| <b>Net cash flow from operating activities</b> | <b>(8,122,112)</b> | <b>(8,208,187)</b> | <b>(8,455,432)</b>                  |

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**MINISTER FOR EDUCATION AND TRAINING**  
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|                                  | 2005-06           |                   | 2006-07           |
|----------------------------------|-------------------|-------------------|-------------------|
|                                  | Budget<br>\$000   | Revised<br>\$000  | Budget<br>\$000   |
| <b>BALANCE SHEET</b>             |                   |                   |                   |
| <b>ASSETS -</b>                  |                   |                   |                   |
| <b>Current Assets -</b>          |                   |                   |                   |
| Cash assets                      | 429,120           | 518,326           | 495,732           |
| Receivables                      | 73,856            | 71,055            | 71,482            |
| Other financial assets           | 173               | 165               | 165               |
| Assets held for sale             | ...               | 60,621            | 60,621            |
| Other                            | 6,694             | 7,199             | 7,199             |
| <b>Total Current Assets</b>      | <b>509,843</b>    | <b>657,366</b>    | <b>635,199</b>    |
| <b>Non Current Assets -</b>      |                   |                   |                   |
| Receivables                      | 3,440             | 3,326             | 3,326             |
| Other financial assets           | 260               | 264               | 264               |
| Property, plant and equipment -  |                   |                   |                   |
| Land and building                | 15,064,270        | 15,063,886        | 15,207,731        |
| Plant and equipment              | 332,225           | 242,781           | 294,745           |
| Intangibles                      | 540               | 23,935            | 23,780            |
| <b>Total Non Current Assets</b>  | <b>15,400,735</b> | <b>15,334,192</b> | <b>15,529,846</b> |
| <b>Total Assets</b>              | <b>15,910,578</b> | <b>15,991,558</b> | <b>16,165,045</b> |
| <b>LIABILITIES -</b>             |                   |                   |                   |
| <b>Current Liabilities -</b>     |                   |                   |                   |
| Payables                         | 126,532           | 160,299           | 175,478           |
| Borrowings                       | 11,228            | 33,228            | 16,309            |
| Provisions                       | 78,806            | 95,363            | 98,183            |
| Other                            | 36,279            | 45,849            | 45,849            |
| <b>Total Current Liabilities</b> | <b>252,845</b>    | <b>334,739</b>    | <b>335,819</b>    |

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**MINISTER FOR EDUCATION AND TRAINING**  
**25 DEPARTMENT OF EDUCATION AND TRAINING**

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|                                      | 2005-06           |                   | <b>2006-07</b><br><b>Budget</b><br><b>\$000</b> |
|--------------------------------------|-------------------|-------------------|---|
|                                      | Budget<br>\$000   | Revised<br>\$000  |   |
| <b>BALANCE SHEET (cont)</b>          |                   |                   |   |
| <b>Non Current Liabilities -</b>     |                   |                   |   |
| Borrowings                           | 97,965            | 126,111           | <b>125,238</b>                                  |
| Provisions                           | 143,206           | 144,221           | <b>149,311</b>                                  |
| Other                                | 980               | ...               | ...   |
| <b>Total Non Current Liabilities</b> | <b>242,151</b>    | <b>270,332</b>    | <b>274,549</b>                                  |
| <b>Total Liabilities</b>             | <b>494,996</b>    | <b>605,071</b>    | <b>610,368</b>                                  |
| <b>NET ASSETS</b>                    | <b>15,415,582</b> | <b>15,386,487</b> | <b>15,554,677</b>                               |
| <b>EQUITY</b>                        |                   |                   |   |
| Reserves                             | 3,145,170         | 3,139,871         | <b>3,139,871</b>                                |
| Accumulated funds                    | 12,270,412        | 12,246,616        | <b>12,414,806</b>                               |
| <b>TOTAL EQUITY</b>                  | <b>15,415,582</b> | <b>15,386,487</b> | <b>15,554,677</b>                               |

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**MINISTER FOR EDUCATION AND TRAINING**  
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**25.1 Pre-School and Primary Education Services**

**25.1.1 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.

|                          | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>          |       |         |         |         |                |
| Pre-school students      | no.   | 2,293   | 2,420   | 2,451   | <b>2,445</b>   |
| Pre-school classes       | no.   | 129     | 150     | 150     | <b>150</b>     |
| <u>Average Staffing:</u> | EFT   | 270     | 305     | 320     | <b>320</b>     |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

Operating expenses -

|                               |        |        |               |
|-------------------------------|--------|--------|---------------|
| Employee related              | 20,175 | 20,457 | <b>21,148</b> |
| Other operating expenses      | 3,438  | 3,377  | <b>3,594</b>  |
| Depreciation and amortisation | 447    | 464    | <b>483</b>    |

**Total Expenses Excluding Losses**

**24,060      24,298      25,225**

Less:

**Retained Revenue -**

Sales of goods and services

|                          |       |       |              |
|--------------------------|-------|-------|--------------|
| Commissions              | 5     | 4     | <b>5</b>     |
| Fees for services        | 5     | 5     | <b>5</b>     |
| Pre-school fees          | 680   | 480   | <b>500</b>   |
| Investment income        | 67    | 88    | <b>88</b>    |
| Grants and contributions | 1,235 | 1,235 | <b>1,275</b> |

**Total Retained Revenue**

**1,992      1,812      1,873**

**NET COST OF SERVICES**

**22,068      22,486      23,352**

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**MINISTER FOR EDUCATION AND TRAINING**  
**25 DEPARTMENT OF EDUCATION AND TRAINING**

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**25.1 Pre-School and Primary Education Services**

**25.1.2 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Students  | no.   | 444,152 | 438,396 | 435,374 | <b>431,180</b> |
| Government students in programs provided through Distance Education Centres               | no.   | 755     | 750     | 720     | <b>714</b>     |
| Students attending Priority Schools Funding Program Schools                               | no.   | 98,347  | 93,127  | 90,480  | <b>90,480</b>  |
| Aboriginal students   | no.   | 21,627  | 22,720  | 23,220  | <b>23,611</b>  |
| Students of non-English speaking background at government schools                         | no.   | 114,470 | 118,773 | 118,817 | <b>120,603</b> |
| Students receiving support through the English as a Second Language program               | no.   | 68,700  | 68,326  | 66,274  | <b>66,771</b>  |
| Total students in support classes and special schools                                     | no.   | 7,165   | 7,165   | 6,877   | <b>6,800</b>   |
| Students in government schools receiving special education support in integrated settings | no.   | 16,753  | 17,591  | 18,298  | <b>18,363</b>  |
| Students in Early Intervention programs   | no.   | 2,336   | 2,436   | 2,436   | <b>2,436</b>   |
| <u>Average Staffing:</u>  | EFT   | 36,016  | 36,696  | 36,843  | <b>36,784</b>  |

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**MINISTER FOR EDUCATION AND TRAINING**  
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**25.1 Pre-School and Primary Education Services**

**25.1.2 Primary Education Services in Government Schools (cont)**

|   | —2005-06—        |                  | <b>2006-07</b>   |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 |                  |
| <b>OPERATING STATEMENT</b>  |                  |                  |                  |
| <b>Expenses Excluding Losses -</b>  |                  |                  |                  |
| Operating expenses -  |                  |                  |                  |
| Employee related  | 2,868,712        | 2,918,329        | <b>3,000,427</b> |
| Other operating expenses  | 672,973          | 639,596          | <b>698,411</b>   |
| Depreciation and amortisation   | 108,108          | 110,259          | <b>116,877</b>   |
| Grants and subsidies  |                  |                  |                  |
| Conveyance of school children   | 31,541           | 32,132           | <b>32,782</b>    |
| Recurrent grants to non-profit organisations  | 4,823            | 4,823            | <b>5,377</b>     |
| Contribution to Teacher Housing Authority   | 948              | 948              | <b>983</b>       |
| Back to School Allowance  | 22,173           | 21,973           | <b>22,173</b>    |
| Teacher Housing Authority - capital payment for<br>School Education owned buildings | 117              | 117              | <b>117</b>       |
| Finance costs   |                  |                  |                  |
| Finance lease interest charges to private sector                                    | 5,093            | 5,093            | <b>5,209</b>     |
| <b>Total Expenses Excluding Losses</b>  | <b>3,714,488</b> | <b>3,733,270</b> | <b>3,882,356</b> |
| Less:   |                  |                  |                  |
| <b>Retained Revenue -</b>   |                  |                  |                  |
| Sales of goods and services   |                  |                  |                  |
| Rents and leases  | 362              | 284              | <b>374</b>       |
| Commissions   | 606              | 529              | <b>626</b>       |
| Miscellaneous services  | 3,655            | 3,655            | <b>3,938</b>     |
| Publication sales   | 5,775            | 4,676            | <b>5,019</b>     |
| Fees for services   | 518              | 467              | <b>534</b>       |
| Correspondence school fees  | 2                | 2                | <b>2</b>         |
| Overseas student fees   | 9,316            | 9,316            | <b>8,066</b>     |
| School generated revenue from canteen sales   | 8,193            | 7,593            | <b>7,851</b>     |

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**MINISTER FOR EDUCATION AND TRAINING**  
**25 DEPARTMENT OF EDUCATION AND TRAINING**

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**25.1 Pre-School and Primary Education Services**

**25.1.2 Primary Education Services in Government Schools (cont)**

***OPERATING STATEMENT (cont)***

|                               |                  |                  |                  |
|-------------------------------|------------------|------------------|------------------|
| Investment income             | 9,563            | 13,406           | <b>11,975</b>    |
| Grants and contributions      | 138,781          | 144,159          | <b>148,299</b>   |
| Other revenue                 | 4,687            | 2,324            | <b>2,775</b>     |
| <b>Total Retained Revenue</b> | <b>181,458</b>   | <b>186,411</b>   | <b>189,459</b>   |
| Other gains/(losses)          | ...              | (161)            | ...              |
| <b>NET COST OF SERVICES</b>   | <b>3,533,030</b> | <b>3,547,020</b> | <b>3,692,897</b> |
| <b>CAPITAL EXPENDITURE</b>    | <b>224,493</b>   | <b>210,902</b>   | <b>245,991</b>   |

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**MINISTER FOR EDUCATION AND TRAINING**  
**25 DEPARTMENT OF EDUCATION AND TRAINING**

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**25.2 Secondary Education Services**

**25.2.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Students  | no.   | 306,078 | 305,323 | 305,433 | <b>305,451</b> |
| Government students in programs provided through Distance Education Centres               | no.   | 2,364   | 2,222   | 2,123   | <b>2,180</b>   |
| Students attending Priority Schools Funding Program schools                               | no.   | 52,834  | 55,546  | 56,737  | <b>56,737</b>  |
| Aboriginal students   | no.   | 12,035  | 12,816  | 13,462  | <b>13,898</b>  |
| Students of non-English speaking background at government schools                         | no.   | 81,207  | 83,907  | 82,011  | <b>82,628</b>  |
| Students receiving support through the English as a Second Language program               | no.   | 21,000  | 20,134  | 18,944  | <b>18,755</b>  |
| Students attending selective schools  | no.   | 19,677  | 20,707  | 25,060  | <b>25,060</b>  |
| Total students in support classes and special schools                                     | no.   | 9,002   | 9,112   | 9,878   | <b>9,982</b>   |
| Students in government schools receiving special education support in integrated settings | no.   | 6,967   | 7,315   | 7,510   | <b>7,540</b>   |
| <u>Average Staffing:</u>  | EFT   | 34,262  | 34,167  | 34,404  | <b>34,373</b>  |

**MINISTER FOR EDUCATION AND TRAINING**  
**25 DEPARTMENT OF EDUCATION AND TRAINING**

**25.2 Secondary Education Services**

**25.2.1 Secondary Education Services in Government Schools (cont)**

|   | —2005-06—        |                  | <b>2006-07</b>   |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 |                  |
| <b>OPERATING STATEMENT</b>  |                  |                  |                  |
| <b>Expenses Excluding Losses -</b>  |                  |                  |                  |
| Operating expenses -  |                  |                  |                  |
| Employee related  | 2,698,725        | 2,731,795        | <b>2,801,738</b> |
| Other operating expenses  | 630,695          | 599,849          | <b>655,570</b>   |
| Depreciation and amortisation   | 99,001           | 102,851          | <b>107,093</b>   |
| Grants and subsidies  |                  |                  |                  |
| Conveyance of school children   | 11,723           | 11,973           | <b>12,212</b>    |
| Recurrent grants to non-profit organisations  | 4,754            | 4,754            | <b>5,305</b>     |
| Contribution to Teacher Housing Authority   | 3,928            | 3,928            | <b>4,073</b>     |
| Living away from home allowances  | 279              | 245              | <b>279</b>       |
| Back to School Allowance  | 15,526           | 15,226           | <b>15,526</b>    |
| Teacher Housing Authority - capital payment for<br>School Education owned buildings | 483              | 483              | <b>483</b>       |
| Finance costs   |                  |                  |                  |
| Interest on public sector borrowings and<br>advances                                | 2,000            | 3,800            | <b>3,000</b>     |
| Finance lease interest charges to private<br>sector                                 | 487              | 487              | <b>495</b>       |
| <b>Total Expenses Excluding Losses</b>  | <b>3,467,601</b> | <b>3,475,391</b> | <b>3,605,774</b> |
| Less:   |                  |                  |                  |
| <b>Retained Revenue -</b>   |                  |                  |                  |
| Sales of goods and services   |                  |                  |                  |
| Rents and leases  | 361              | 284              | <b>373</b>       |
| Commissions   | 575              | 503              | <b>595</b>       |
| Miscellaneous services  | 3,658            | 3,658            | <b>3,941</b>     |
| Publication sales   | 6,918            | 5,819            | <b>6,205</b>     |
| Fees for services   | 490              | 441              | <b>508</b>       |
| Correspondence school fees  | 9                | 9                | <b>9</b>         |
| Agricultural high school hostel fees  | 5,977            | 6,212            | <b>6,480</b>     |
| Overseas student fees   | 26,145           | 26,495           | <b>24,446</b>    |
| Course fees - other   | 3,890            | 3,890            | <b>4,027</b>     |
| School generated revenue from canteen sales   | 7,643            | 7,043            | <b>7,283</b>     |

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**MINISTER FOR EDUCATION AND TRAINING**  
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**25.2 Secondary Education Services**

**25.2.1 Secondary Education Services in Government Schools (cont)**

***OPERATING STATEMENT (cont)***

|                               |                  |                  |                  |
|-------------------------------|------------------|------------------|------------------|
| Investment income             | 8,706            | 12,242           | <b>10,810</b>    |
| Grants and contributions      | 129,516          | 133,442          | <b>137,318</b>   |
| Other revenue                 | 3,789            | 2,926            | <b>3,096</b>     |
| <b>Total Retained Revenue</b> | <b>197,677</b>   | <b>202,964</b>   | <b>205,091</b>   |
| Other gains/(losses)          | ...              | (111)            | ...              |
| <b>NET COST OF SERVICES</b>   | <b>3,269,924</b> | <b>3,272,538</b> | <b>3,400,683</b> |
| <b>CAPITAL EXPENDITURE</b>    | <b>168,490</b>   | <b>150,298</b>   | <b>239,843</b>   |

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**MINISTER FOR EDUCATION AND TRAINING**  
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**25.3 Non-Government Schools Assistance**

**25.3.1 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.

|                            | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|----------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>            |       |         |         |         |                |
| Students                   | no.   | 357,514 | 366,688 | 369,136 | <b>371,951</b> |
| Number of schools -        |       |         |         |         |                |
| Primary                    | no.   | 538     | 526     | 527     | <b>529</b>     |
| Secondary                  | no.   | 154     | 146     | 146     | <b>147</b>     |
| Combined primary/secondary | no.   | 229     | 217     | 218     | <b>219</b>     |
| Special                    | no.   | 33      | 36      | 36      | <b>36</b>      |
| <u>Average Staffing:</u>   | EFT   | 5       | 5       | 5       | <b>5</b>       |

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| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Operating expenses -  |                |                |                |
| Employee related  | 447            | 447            | <b>465</b>     |
| Other operating expenses  | 1,479          | 1,479          | <b>1,520</b>   |
| Grants and subsidies  |                |                |                |
| Interest subsidies on loans for approved building projects      | 56,000         | 59,000         | <b>62,300</b>  |
| Conveyance of school children                                   | 5,895          | 5,895          | <b>6,013</b>   |
| Recurrent grants to non-profit organisations                    | 305            | 305            | <b>311</b>     |
| Per capita pupil allowances to non-Government primary schools   | 258,518        | 263,454        | <b>280,761</b> |
| Living away from home allowances                                | 557            | 491            | <b>557</b>     |
| Per capita pupil allowances to non-Government secondary schools | 345,016        | 336,151        | <b>350,515</b> |
| Back to School Allowance  | 18,301         | 18,401         | <b>18,301</b>  |
| Supervisors Allowance Non Government Schools                    | 11,227         | 12,469         | <b>12,944</b>  |
| <b>Total Expenses Excluding Losses</b>                          | <b>697,745</b> | <b>698,092</b> | <b>733,687</b> |
| <b>NET COST OF SERVICES</b>                                     | <b>697,745</b> | <b>698,092</b> | <b>733,687</b> |

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**MINISTER FOR EDUCATION AND TRAINING**  
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**25.4 TAFE and Related Services**

**25.4.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|-------------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>               |       |         |         |         |                |
| Enrolments                    | no.   | 525,000 | 513,465 | 508,000 | <b>508,000</b> |
| Equivalent full-time students | no.   | 140,900 | 137,493 | 142,057 | <b>142,060</b> |
| <u>Average Staffing:</u>      | EFT   | 17,030  | 16,324  | 16,036  | <b>15,936</b>  |

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|                               |           |           |                  |
|-------------------------------|-----------|-----------|------------------|
| Operating expenses -          |           |           |                  |
| Employee related              | 1,118,915 | 1,158,753 | <b>1,195,224</b> |
| Other operating expenses      | 265,308   | 268,464   | <b>263,673</b>   |
| Depreciation and amortisation | 93,161    | 95,690    | <b>99,518</b>    |

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| <b>Total Expenses Excluding Losses</b> | <b>1,477,384</b> | <b>1,522,907</b> | <b>1,558,415</b> |
|--|------------------|------------------|------------------|

Less:

**Retained Revenue -**

|                             |        |        |               |
|-----------------------------|--------|--------|---------------|
| Sales of goods and services |        |        |               |
| Rents and leases            | 57     | 57     | <b>59</b>     |
| Miscellaneous services      | 64,229 | 64,229 | <b>66,637</b> |
| Publication sales           | 633    | 633    | <b>657</b>    |
| Overseas student fees       | 21,288 | 26,288 | <b>26,346</b> |
| Administration charge       | 72,900 | 68,900 | <b>70,415</b> |
| Course fees - other         | 68,019 | 76,739 | <b>79,860</b> |

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**MINISTER FOR EDUCATION AND TRAINING**  
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**25.4 TAFE and Related Services**

**25.4.1 TAFE Education Services (cont)**

***OPERATING STATEMENT (cont)***

|                               |                  |                  |                  |
|-------------------------------|------------------|------------------|------------------|
| Investment income             | 3,519            | 2,019            | <b>3,569</b>     |
| Grants and contributions      | 643              | 630              | <b>631</b>       |
| Other revenue                 | 3,380            | 4,106            | <b>2,736</b>     |
| <b>Total Retained Revenue</b> | <b>234,668</b>   | <b>243,601</b>   | <b>250,910</b>   |
| <b>NET COST OF SERVICES</b>   | <b>1,242,716</b> | <b>1,279,306</b> | <b>1,307,505</b> |
| <hr/>                         |                  |                  |                  |
| <b>CAPITAL EXPENDITURE</b>    | <b>88,971</b>    | <b>83,800</b>    | <b>87,257</b>    |

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**MINISTER FOR EDUCATION AND TRAINING**  
**25 DEPARTMENT OF EDUCATION AND TRAINING**

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**25.4 TAFE and Related Services**

**25.4.2 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.

|                         |         |         |
|-------------------------|---------|---------|
|                         | 2005-06 | 2006-07 |
| Average Staffing (EFT): | 490     | 490     |

|           |         |                |
|-----------|---------|----------------|
| —2005-06— |         | <b>2006-07</b> |
| Budget    | Revised | <b>Budget</b>  |
| \$000     | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Operating expenses -                                    |                |                |                |
| Employee related  | 40,843         | 41,099         | <b>42,690</b>  |
| Other operating expenses                                | 9,877          | 9,741          | <b>10,015</b>  |
| Depreciation and amortisation                           | 5,059          | 5,256          | <b>5,466</b>   |
| Grants and subsidies                                    |                |                |                |
| TAFE infrastructure facilities - capital grant          | 3,700          | 3,700          | <b>2,000</b>   |
| Industry Training Services - budget dependent agencies  | 204            | 1,504          | <b>1,504</b>   |
| Industry Training Services - public trading enterprises | 89             | 1,389          | <b>1,389</b>   |
| Industry Training Services - other                      | 75,492         | 82,103         | <b>73,751</b>  |
| Education Access Services - budget dependent agencies   | 129            | 469            | <b>129</b>     |
| Education Access Services - other                       | 29,484         | 29,144         | <b>28,534</b>  |
| Adult and Community Education Services                  | 16,882         | 16,882         | <b>14,729</b>  |
| Recognition Services - budget dependent agencies        | 1,776          | 1,776          | <b>1,776</b>   |
| Recognition Services - public trading enterprises       | ...            | 2,131          | <b>2,166</b>   |
| Recognition Services - other                            | 2,166          | 35             | ...            |
| <b>Total Expenses Excluding Losses</b>                  | <b>185,701</b> | <b>195,229</b> | <b>184,149</b> |

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**MINISTER FOR EDUCATION AND TRAINING**  
**25 DEPARTMENT OF EDUCATION AND TRAINING**

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**25.4 TAFE and Related Services**

**25.4.2 Grants for Education and Training Services (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|                                   |                |                |                |
|-----------------------------------|----------------|----------------|----------------|
| Sales of goods and services       |                |                |                |
| Rents and leases                  | 208            | 208            | <b>216</b>     |
| Miscellaneous services            | 100            | 100            | <b>104</b>     |
| Publication sales                 | 124            | 124            | <b>129</b>     |
| Administration charge             | 813            | 1,753          | <b>753</b>     |
| Course fees - other               | 884            | 884            | <b>915</b>     |
| Minor sales of goods and services | 1,242          | 1,490          | <b>1,524</b>   |
| Investment income                 | 346            | 346            | <b>346</b>     |
| Grants and contributions          | 25,111         | 31,530         | <b>24,807</b>  |
| Other revenue                     | 275            | 275            | <b>295</b>     |
| <b>Total Retained Revenue</b>     | <b>29,103</b>  | <b>36,710</b>  | <b>29,089</b>  |
| <b>NET COST OF SERVICES</b>       | <b>156,598</b> | <b>158,519</b> | <b>155,060</b> |

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**MINISTER FOR EDUCATION AND TRAINING**  
**26 OFFICE OF THE BOARD OF STUDIES**

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|   | 2005-06       |               | 2006-07       |
|---|---------------|---------------|---------------|
|   | Budget        | Revised       | Budget        |
|   | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>                    |               |               |               |
| <b>Expenses Excluding Losses -</b>            |               |               |               |
| Operating expenses -                          |               |               |               |
| Employee related                              | 72,529        | 72,786        | <b>76,404</b> |
| Other operating expenses                      | 21,961        | 21,854        | <b>21,613</b> |
| Depreciation and amortisation                 | 1,289         | 1,637         | <b>1,494</b>  |
| Finance costs                                 | ...           | 22            | <b>23</b>     |
| <b>Total Expenses Excluding Losses</b>        | <b>95,779</b> | <b>96,299</b> | <b>99,534</b> |
| Less:   |               |               |               |
| <b>Retained Revenue -</b>                     |               |               |               |
| Sales of goods and services                   | 5,199         | 5,499         | <b>5,138</b>  |
| Investment income                             | 114           | 225           | <b>200</b>    |
| Grants and contributions                      | 600           | 600           | <b>600</b>    |
| Other revenue                                 | 309           | 309           | <b>309</b>    |
| <b>Total Retained Revenue</b>                 | <b>6,222</b>  | <b>6,633</b>  | <b>6,247</b>  |
| Gain/(loss) on disposal of non current assets | 10            | 10            | <b>10</b>     |
| <b>NET COST OF SERVICES</b>                   | <b>89,547</b> | <b>89,656</b> | <b>93,277</b> |

**MINISTER FOR EDUCATION AND TRAINING**  
**26 OFFICE OF THE BOARD OF STUDIES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 70,826          | 71,114           | <b>74,672</b>   |
| Other   | 23,652          | 24,281           | <b>23,304</b>   |
| <b>Total Payments</b>                               | <b>94,478</b>   | <b>95,395</b>    | <b>97,976</b>   |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 5,199           | 5,499            | <b>5,138</b>    |
| Interest  | 114             | 180              | <b>200</b>      |
| Other   | 2,600           | 3,836            | <b>2,600</b>    |
| <b>Total Receipts</b>                               | <b>7,913</b>    | <b>9,515</b>     | <b>7,938</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(86,565)</b> | <b>(85,880)</b>  | <b>(90,038)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | 30              | 30               | <b>30</b>       |
| Purchases of property, plant and equipment          | (473)           | (633)            | <b>(416)</b>    |
| Other   | ...             | (250)            | <b>(400)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(443)</b>    | <b>(853)</b>     | <b>(786)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                 |
| Recurrent appropriation                             | 86,314          | 86,314           | <b>90,093</b>   |
| Capital appropriation                               | 473             | 473              | <b>816</b>      |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>86,787</b>   | <b>86,787</b>    | <b>90,909</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(221)</b>    | <b>54</b>        | <b>85</b>       |
| Opening Cash and Cash Equivalents                   | 2,536           | 4,026            | <b>4,080</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>2,315</b>    | <b>4,080</b>     | <b>4,165</b>    |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Net cost of services                                | (89,547)        | (89,656)         | <b>(93,277)</b> |
| Non cash items added back                           | 2,824           | 3,172            | <b>3,070</b>    |
| Change in operating assets and liabilities          | 158             | 604              | <b>169</b>      |
| <b>Net cash flow from operating activities</b>      | <b>(86,565)</b> | <b>(85,880)</b>  | <b>(90,038)</b> |

**MINISTER FOR EDUCATION AND TRAINING**  
**26 OFFICE OF THE BOARD OF STUDIES**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 2,315           | 4,080            | <b>4,165</b>    |
| Receivables                          | 614             | 753              | <b>753</b>      |
| Inventories                          | 2,514           | 2,485            | <b>2,485</b>    |
| Other                                | 28              | 203              | <b>203</b>      |
| <b>Total Current Assets</b>          | <b>5,471</b>    | <b>7,521</b>     | <b>7,606</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 441             | 1,117            | <b>931</b>      |
| Plant and equipment                  | 2,828           | 1,821            | <b>1,465</b>    |
| Intangibles                          | 2,101           | 2,196            | <b>2,040</b>    |
| <b>Total Non Current Assets</b>      | <b>5,370</b>    | <b>5,134</b>     | <b>4,436</b>    |
| <b>Total Assets</b>                  | <b>10,841</b>   | <b>12,655</b>    | <b>12,042</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 1,255           | 730              | <b>780</b>      |
| Provisions                           | 1,823           | 1,262            | <b>1,310</b>    |
| <b>Total Current Liabilities</b>     | <b>3,078</b>    | <b>1,992</b>     | <b>2,090</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 524             | 623              | <b>681</b>      |
| Other                                | ...             | 424              | <b>447</b>      |
| <b>Total Non Current Liabilities</b> | <b>524</b>      | <b>1,047</b>     | <b>1,128</b>    |
| <b>Total Liabilities</b>             | <b>3,602</b>    | <b>3,039</b>     | <b>3,218</b>    |
| <b>NET ASSETS</b>                    | <b>7,239</b>    | <b>9,616</b>     | <b>8,824</b>    |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 7,239           | 9,616            | <b>8,824</b>    |
| <b>TOTAL EQUITY</b>                  | <b>7,239</b>    | <b>9,616</b>     | <b>8,824</b>    |

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## MINISTER FOR EDUCATION AND TRAINING

### 26 OFFICE OF THE BOARD OF STUDIES

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#### 26.1 Office of the Board of Studies

##### 26.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Candidates awarded the Higher School Certificate                                       | no.   | 60,753  | 61,100  | 61,094  | <b>61,820</b>  |
| Candidates awarded the School Certificate  | no.   | 80,063  | 81,065  | 83,100  | <b>84,350</b>  |
| Examinations conducted for Higher School Certificate and School Certificate candidates | no.   | 639,377 | 651,693 | 657,255 | <b>750,544</b> |
| <u>Average Staffing</u> :  | EFT   | 877     | 824     | 800     | <b>809</b>     |

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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#### **OPERATING STATEMENT**

##### **Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                   |               |               |               |
| Employee related                       | 72,529        | 72,786        | <b>76,404</b> |
| Other operating expenses               | 21,961        | 21,854        | <b>21,613</b> |
| Depreciation and amortisation          | 1,289         | 1,637         | <b>1,494</b>  |
| Finance costs                          | ...           | 22            | <b>23</b>     |
| <b>Total Expenses Excluding Losses</b> | <b>95,779</b> | <b>96,299</b> | <b>99,534</b> |

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**MINISTER FOR EDUCATION AND TRAINING**  
**26 OFFICE OF THE BOARD OF STUDIES**

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**26.1 Office of the Board of Studies**

**26.1.1 Office of the Board of Studies (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Sales of goods and services                   |               |               |               |
| Examination fees                              | 2,611         | 2,611         | <b>2,700</b>  |
| Minor sales of goods and services             | 2,588         | 2,888         | <b>2,438</b>  |
| Investment income                             | 114           | 225           | <b>200</b>    |
| Grants and contributions                      | 600           | 600           | <b>600</b>    |
| Other revenue                                 | 309           | 309           | <b>309</b>    |
| <b>Total Retained Revenue</b>                 | <b>6,222</b>  | <b>6,633</b>  | <b>6,247</b>  |
| Gain/(loss) on disposal of non current assets | 10            | 10            | <b>10</b>     |
| <b>NET COST OF SERVICES</b>                   | <b>89,547</b> | <b>89,656</b> | <b>93,277</b> |

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>473</b> | <b>883</b> | <b>816</b> |
|----------------------------|------------|------------|------------|

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# MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND WATERWAYS

## OVERVIEW

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Department of Energy, Utilities and Sustainability</b>               |                                   |                                   |                        |
| Total Expenses .....  | 281.5                             | 427.2                             | 51.8                   |
| Capital Expenditure .....   | 0.4                               | 0.4                               | ...                    |
| <b>Maritime Authority of New South Wales</b>                            |                                   |                                   |                        |
| Total Expenses .....  | 83.6                              | 93.5                              | 11.7                   |
| Capital Expenditure .....   | 15.7                              | 16.9                              | 7.8                    |
| <b>Total, Minister for Energy, and Minister for Ports and Waterways</b> |                                   |                                   |                        |
| Total Expenses .....  | <b>365.1</b>                      | <b>520.7</b>                      | <b>42.6</b>            |
| Capital Expenditure .....   | <b>16.1</b>                       | <b>17.3</b>                       | <b>7.5</b>             |

## DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY

The Department of Energy, Utilities and Sustainability (DEUS) provides the Minister for Energy and the Minister for Water Utilities (Section 20) with strategic policy, legislative and regulatory advice in relation to the State's energy sector, urban and rural water utilities, and related social programs.

## RESULTS AND SERVICES

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 working towards the following results:

- ◆ The sustainable supply and use of energy and urban water is improved.
- ◆ Energy and urban water services are safe, reliable and secure.
- ◆ Supply and use of energy and urban water is efficient and affordable.

Key services provided by DEUS which contribute to these results include:

- ◆ developing more efficient, economical and environmentally sound energy and water supply systems through greater application of demand management and integrated planning principles;
- ◆ developing and promoting greenhouse gas abatement programs and services for industry, business, government and the community;
- ◆ providing policy advice on the future directions of energy and water utilities in New South Wales;
- ◆ administering regulatory frameworks that facilitate the operation of safe, reliable, technically efficient and environmentally responsible energy and water networks;
- ◆ promoting and maintaining appropriate and effective competition in gas and electricity supply markets, including the further development of national energy market frameworks in partnership with other States; and
- ◆ managing social and other funding programs, including pensioner energy and water rebates, the Country Towns Water Supply and Sewerage Program and Energy and Water Savings Funds.

## **RECENT DEVELOPMENTS**

DEUS is responsible for developing reliability standards for electricity networks. New standards, implemented in August 2005, will see an additional \$1.6 billion in infrastructure investment over the next few years to further improve the overall reliability of the NSW electricity network.

DEUS, in conjunction with NSW Treasury, supports the Minister in his role as a member of the Ministerial Council on Energy. This involves providing advice on national reform initiatives, such as preparations for the transfer of distribution regulation to the Australian Energy Regulator.

The Energy Savings Fund was introduced by the NSW Government from 1 July 2005 to support energy savings initiatives. The Energy Savings Fund is for \$40 million per annum over five years paid for by electricity distributors.

## **STRATEGIC DIRECTIONS**

Specific areas of focus for DEUS in relation to energy in 2006-07 include:

- ◆ reforming the State's electricity, natural gas and urban water industries to achieve positive outcomes in areas such as the sustainable use of energy as well as ensuring safety and energy supply reliability;
- ◆ anticipating future energy needs in New South Wales;
- ◆ monitoring industry and government progress in implementing cost-effective energy efficiency measures identified as part of the requirement for the largest energy users to prepare Savings Action Plans;
- ◆ achieving measurable energy savings via the projects supported under the Energy Savings Fund; and
- ◆ carrying out specific responsibilities under the NSW Greenhouse Plan, such as extending the Greenhouse Gas Abatement Scheme to 2020 and beyond.

Recent developments and strategic directions for the Department's urban water activities can be found under the entry for the Minister for Water Utilities at Section 20.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses for DEUS in 2006-07 will be \$427.2 million. This is an increase of 52 per cent since the 2005-06 Budget, largely driven by movements in major grants programs. This includes the establishment of the Energy and Water Savings Funds and increased expenditure on the Country Towns Water Supply and Sewerage Program.

In 2006-07, expenditure on grants and subsidies will be \$409.3 million, including:

- ◆ pensioner energy and electricity life support rebates of \$83.1 million;
- ◆ social program payments of \$100.3 million to Sydney and Hunter Water Corporations largely for concessions granted to pensioners on water and sewerage rates, concessions granted to properties exempt from water and sewerage rates, and connection of selected un-sewered areas to the sewerage network based on public health and environmental priorities;
- ◆ Energy and Water Savings Funds totalling \$79.5 million;

- ◆ government contributions of \$70.1 million towards expenditure of \$100.1 million on the Country Towns Water Supply and Sewerage Program;
- ◆ government contributions to State Water of \$35.3 million, comprising a transitional operating subsidy and an Independent Pricing and Regulatory Tribunal determined capital contribution; and
- ◆ Energy Accounts Payment Assistance Program totalling \$8.9 million.

### **Capital Expenditure**

The capital program for 2006-07 is estimated at \$0.4 million to replace and upgrade plant and equipment, information technology and communication assets.

## **MARITIME AUTHORITY OF NEW SOUTH WALES**

The Maritime Authority of New South Wales is the regulator responsible for providing safe and sustainable ports and waterways in New South Wales. This is achieved through encouraging a strong safety culture across all maritime activities in New South Wales and by taking the initiative to protect the marine environment. The Authority is also responsible for the appropriate development and use of wetland areas in Sydney Harbour, Botany Bay, Newcastle and Port Kembla.

### **RESULTS AND SERVICES**

The Authority works towards a number of results for the community, including:

- ◆ The provision of safe harbours and ports which in turn support a growing economy.
- ◆ Safe and sustainable waterways.
- ◆ Improved access to waterways for all users.

Key services provided by the Authority which contribute to these results include:

- ◆ regulating the safe navigation of recreational and commercial vessels;
- ◆ providing safe ports, including protection against potential terrorist attack;
- ◆ ensuring the protection of the environment in state waters; and
- ◆ managing vested maritime properties.

## **RECENT DEVELOPMENTS**

The Maritime Authority's major recent achievements are:

- ◆ progress on the remediation of Homebush Bay including the removal of hazardous debris from the Bay, with the total project costing \$21 million;
- ◆ completion of the Eden cargo storage area as part of a program to develop a general purpose port, costing \$6 million;
- ◆ commencement of the Manly Wharf upgrade which will improve passenger access and safety;
- ◆ reform of the ownership of all Sydney Harbour commuter wharves by their transfer to the Authority and the development of an integrated maintenance plan; and
- ◆ development of a Boating Plan Strategy for 2004-2007.

## **STRATEGIC DIRECTIONS**

The Maritime Authority of New South Wales 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.

The Authority has developed a number of strategies to meet this objective, including:

- ◆ reviewing the operation and audit mechanisms of the Port Safety Operating Licence;
- ◆ investigating maritime incidents to identify safety and compliance issues;
- ◆ co-ordinating NSW policy with respect to maritime security for ports and for commercial vessels;
- ◆ providing input into NSW port planning issues;
- ◆ amending commercial vessel regulations to support national standards;
- ◆ providing safe commuter wharves throughout New South Wales;

- ◆ developing a 10-year Maritime Infrastructure Program; and
- ◆ developing a pricing philosophy and an implementation strategy for Authority charges.

Commercial strategies developed in relation to the Authority's property assets are:

- ◆ completing the implementation of the Independent Pricing and Regulatory Tribunal recommendations on rentals for residential wetland leases;
- ◆ introducing and implementing a revised commercial lease policy;
- ◆ implementing the new Sydney Harbour Catchment Regional Environmental Plan (REP) in planning assessments;
- ◆ developing a State-wide Boat Storage Strategy; and
- ◆ continuing development of maritime precincts in Sydney Harbour.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are expected to be \$93.5 million. This includes providing recreational boating functions involving the promotion of safety and environmental protection on the water through boat licences and registrations, patrols, marine rescue contributions, education programs, 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, wharf and building maintenance, construction of key waterway infrastructure as well as conducting safety audits of commuter wharves.

### **Capital Expenditure**

The total capital program for 2006-07 is \$16.9 million. This includes refurbishment and enhancement of Manly Wharf and the new infrastructure for the Rozelle Bay maritime precinct.

In addition, spending will support 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.

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating expenses -                   |                 |                  |                 |
| Employee related                       | 9,555           | 12,319           | <b>10,126</b>   |
| Other operating expenses               | 5,111           | 5,676            | <b>6,570</b>    |
| Depreciation and amortisation          | 501             | 270              | <b>218</b>      |
| Grants and subsidies                   | 265,478         | 318,814          | <b>409,264</b>  |
| Finance costs                          | ...             | 175              | <b>175</b>      |
| Other expenses                         | 850             | 1,170            | <b>850</b>      |
| <b>Total Expenses Excluding Losses</b> | <b>281,495</b>  | <b>338,424</b>   | <b>427,203</b>  |
| Less:                                  |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Sales of goods and services            | 1,077           | 2,077            | <b>1,846</b>    |
| Investment income                      | 1,074           | 3,225            | <b>3,129</b>    |
| Grants and contributions               | 28,570          | 132,920          | <b>112,689</b>  |
| Other revenue                          | 91              | 500              | <b>149</b>      |
| <b>Total Retained Revenue</b>          | <b>30,812</b>   | <b>138,722</b>   | <b>117,813</b>  |
| Other gains/(losses)                   | (137)           | (150)            | <b>(150)</b>    |
| <b>NET COST OF SERVICES</b>            | <b>250,820</b>  | <b>199,852</b>   | <b>309,540</b>  |

**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>CASH FLOW STATEMENT</b>                      |                  |                  |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                  |                  |                  |
| <b>Payments</b>                                 |                  |                  |                  |
| Employee related                                | 8,731            | 10,958           | <b>9,317</b>     |
| Grants and subsidies                            | 265,478          | 318,814          | <b>409,264</b>   |
| Finance costs                                   | ...              | 175              | <b>175</b>       |
| Other   | 46,263           | 64,452           | <b>19,406</b>    |
| <b>Total Payments</b>                           | <b>320,472</b>   | <b>394,399</b>   | <b>438,162</b>   |
| <b>Receipts</b>                                 |                  |                  |                  |
| Sale of goods and services                      | 5,077            | 9,157            | <b>1,999</b>     |
| Interest  | 1,274            | 4,112            | <b>3,179</b>     |
| Other   | 38,963           | 157,008          | <b>123,190</b>   |
| <b>Total Receipts</b>                           | <b>45,314</b>    | <b>170,277</b>   | <b>128,368</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(275,158)</b> | <b>(224,122)</b> | <b>(309,794)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                  |                  |                  |
| Advance repayments received                     | 1,497            | 1,563            | <b>1,035</b>     |
| Purchases of property, plant and equipment      | (388)            | (388)            | <b>(388)</b>     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>1,109</b>     | <b>1,175</b>     | <b>647</b>       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                  |                  |                  |
| Repayment of borrowings and advances            | (150)            | (203)            | <b>(150)</b>     |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>(150)</b>     | <b>(203)</b>     | <b>(150)</b>     |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                  |                  |                  |
| Recurrent appropriation                         | 250,494          | 235,380          | <b>308,428</b>   |
| Capital appropriation                           | 388              | 388              | <b>388</b>       |
| Cash transfers to Consolidated Fund             | ...              | (1,853)          | ...              |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>250,882</b>   | <b>233,915</b>   | <b>308,816</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(23,317)</b>  | <b>10,765</b>    | <b>(481)</b>     |
| Opening Cash and Cash Equivalents               | 39,796           | 44,673           | <b>55,438</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>16,479</b>    | <b>55,438</b>    | <b>54,957</b>    |

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

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|  | 2005-06          |                  | 2006-07          |
|--|------------------|------------------|------------------|
|  | Budget           | Revised          | Budget           |
|  | \$000            | \$000            | \$000            |
| <hr/>  |                  |                  |                  |
| <b>CASH FLOW STATEMENT (cont)</b>              |                  |                  |                  |
| <b>CASH FLOW RECONCILIATION</b>                |                  |                  |                  |
| Net cost of services                           | (250,820)        | (199,852)        | <b>(309,540)</b> |
| Non cash items added back                      | 1,449            | 1,458            | <b>1,089</b>     |
| Change in operating assets and liabilities     | (25,787)         | (25,728)         | <b>(1,343)</b>   |
| <b>Net cash flow from operating activities</b> | <b>(275,158)</b> | <b>(224,122)</b> | <b>(309,794)</b> |

**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
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**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

|  | ———2005-06———   |                  | <b>2006-07</b>          |
|--|-----------------|------------------|-------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>BALANCE SHEET</b>                                   |                 |                  |                         |
| <b>ASSETS -</b>  |                 |                  |                         |
| <b>Current Assets -</b>                                |                 |                  |                         |
| Cash assets  | 16,479          | 55,438           | <b>54,957</b>           |
| Receivables  | 9,782           | 9,782            | <b>9,712</b>            |
| Other financial assets                                 | 1,577           | 622              | <b>707</b>              |
| Other  | 40              | 40               | <b>40</b>               |
| <b>Total Current Assets</b>                            | <b>27,878</b>   | <b>65,882</b>    | <b>65,416</b>           |
| <b>Non Current Assets -</b>                            |                 |                  |                         |
| Other financial assets                                 | 8,948           | 5,092            | <b>3,972</b>            |
| Property, plant and equipment -<br>Plant and equipment | 773             | 998              | <b>1,168</b>            |
| <b>Total Non Current Assets</b>                        | <b>9,721</b>    | <b>6,090</b>     | <b>5,140</b>            |
| <b>Total Assets</b>                                    | <b>37,599</b>   | <b>71,972</b>    | <b>70,556</b>           |
| <b>LIABILITIES -</b>                                   |                 |                  |                         |
| <b>Current Liabilities -</b>                           |                 |                  |                         |
| Payables   | 9,768           | 9,768            | <b>9,699</b>            |
| Borrowings   | 150             | 150              | <b>150</b>              |
| Provisions   | 1,660           | 2,143            | <b>2,236</b>            |
| Other  | 5,243           | 5,243            | <b>3,793</b>            |
| <b>Total Current Liabilities</b>                       | <b>16,821</b>   | <b>17,304</b>    | <b>15,878</b>           |
| <b>Non Current Liabilities -</b>                       |                 |                  |                         |
| Borrowings   | 1,553           | 1,553            | <b>1,403</b>            |
| Provisions   | 1,482           | 477              | <b>490</b>              |
| <b>Total Non Current Liabilities</b>                   | <b>3,035</b>    | <b>2,030</b>     | <b>1,893</b>            |
| <b>Total Liabilities</b>                               | <b>19,856</b>   | <b>19,334</b>    | <b>17,771</b>           |
| <b>NET ASSETS</b>                                      | <b>17,743</b>   | <b>52,638</b>    | <b>52,785</b>           |
| <b>EQUITY</b>  |                 |                  |                         |
| Accumulated funds                                      | 17,743          | 52,638           | <b>52,785</b>           |
| <b>TOTAL EQUITY</b>                                    | <b>17,743</b>   | <b>52,638</b>    | <b>52,785</b>           |

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

---

**27.1 Energy and Water Policy, Programs and Sustainability**

**27.1.1 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 Government regarding the development of the State's energy sector. Administration and policy oversight of energy social programs.

|   | Units   | 2003-04 | 2004-05 | 2005-06        | <b>2006-07</b> |  |  |         |  |                |        |         |  |  |               |       |       |  |  |              |
|---|---------|---------|---------|----------------|----------------|--|--|---------|--|----------------|--------|---------|--|--|---------------|-------|-------|--|--|--------------|
| <u>Outputs</u> :  |         |         |         |                |                |  |  |         |  |                |        |         |  |  |               |       |       |  |  |              |
| Number of pensioner rebates granted   | no.     | 706,000 | 690,000 | 650,000        | <b>660,000</b> |  |  |         |  |                |        |         |  |  |               |       |       |  |  |              |
| Number of life support rebates granted  | no.     | 15,000  | 16,000  | 16,000         | <b>17,000</b>  |  |  |         |  |                |        |         |  |  |               |       |       |  |  |              |
| <u>Average Staffing</u> :   | EFT     | 63      | 58      | 68             | <b>68</b>      |  |  |         |  |                |        |         |  |  |               |       |       |  |  |              |
| <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2"></th> <th style="text-align: center;">2005-06</th> <th></th> <th style="text-align: center;"><b>2006-07</b></th> </tr> <tr> <th style="text-align: center;">Budget</th> <th style="text-align: center;">Revised</th> <th></th> <th></th> <th style="text-align: center;"><b>Budget</b></th> </tr> <tr> <th style="text-align: center;">\$000</th> <th style="text-align: center;">\$000</th> <th></th> <th></th> <th style="text-align: center;"><b>\$000</b></th> </tr> </thead> </table> |         |         |         |                |                |  |  | 2005-06 |  | <b>2006-07</b> | Budget | Revised |  |  | <b>Budget</b> | \$000 | \$000 |  |  | <b>\$000</b> |
|   |         | 2005-06 |         | <b>2006-07</b> |                |  |  |         |  |                |        |         |  |  |               |       |       |  |  |              |
| Budget  | Revised |         |         | <b>Budget</b>  |                |  |  |         |  |                |        |         |  |  |               |       |       |  |  |              |
| \$000   | \$000   |         |         | <b>\$000</b>   |                |  |  |         |  |                |        |         |  |  |               |       |       |  |  |              |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |                |                |                |
|--|----------------|----------------|----------------|
| Operating expenses -                               |                |                |                |
| Employee related                                   | 7,016          | 8,090          | <b>7,121</b>   |
| Other operating expenses                           | 4,291          | 4,727          | <b>5,524</b>   |
| Depreciation and amortisation                      | 420            | 191            | <b>154</b>     |
| Grants and subsidies                               |                |                |                |
| Administration fees for Energy Concession Programs | 846            | 846            | <b>858</b>     |
| Life Support Rebates Scheme                        | 2,671          | 2,671          | <b>2,746</b>   |
| Pensioner Energy Rebate Scheme                     | 78,794         | 78,794         | <b>80,370</b>  |
| Energy Accounts Payment Assistance                 | 8,675          | 8,675          | <b>8,918</b>   |
| Other expenses                                     |                |                |                |
| Fee for services for program delivery              | 850            | 987            | <b>718</b>     |
| <b>Total Expenses Excluding Losses</b>             | <b>103,563</b> | <b>104,981</b> | <b>106,409</b> |

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

---

**27.1 Energy and Water Policy, Programs and Sustainability**

**27.1.1 Energy Policy and Programs (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Sales of goods and services                     |                |                |                |
| Pipeline fees                                   | 276            | 276            | <b>285</b>     |
| Electrolysis Committee - recoupment of expenses | 106            | 106            | <b>110</b>     |
| Electrical appliance testing                    | 37             | 37             | <b>38</b>      |
| Accreditation revenue                           | 158            | 158            | <b>163</b>     |
| Minor sales of goods and services               | ...            | 750            | <b>600</b>     |
| Investment income                               | 948            | 1,650          | <b>1,004</b>   |
| Grants and contributions                        | 270            | ...            | ...            |
| Other revenue                                   | 91             | 500            | <b>149</b>     |
| <b>Total Retained Revenue</b>                   | <b>1,886</b>   | <b>3,477</b>   | <b>2,349</b>   |
| Other gains/(losses)                            | (115)          | (150)          | <b>(150)</b>   |
| <b>NET COST OF SERVICES</b>                     | <b>101,792</b> | <b>101,654</b> | <b>104,210</b> |

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>284</b> | <b>327</b> | <b>327</b> |
|----------------------------|------------|------------|------------|

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

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**27.1 Energy and Water Policy, Programs and Sustainability**

**27.1.2 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 Government regarding the development and oversight of the State's water utilities. Financial and technical assistance for country town water and sewerage services. Administration and policy oversight of water social policy programs.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |       |         |         |         |                |
| Water supply and sewerage projects -                         |       |         |         |         |                |
| Completed  | no.   | 30      | 34      | 31      | <b>23</b>      |
| Under construction   | no.   | 94      | 90      | 65      | <b>73</b>      |
| Number of Sydney Water Corporation pensioner rebates granted | no.   | 210,820 | 203,132 | 210,000 | <b>210,000</b> |
| Number of Hunter Water Corporation pensioner rebates granted | no.   | 46,462  | 44,237  | 44,649  | <b>45,095</b>  |
| <u>Average Staffing:</u>                                     | EFT   | 56      | 59      | 66      | <b>66</b>      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |        |        |               |
|---|--------|--------|---------------|
| Operating expenses -                                  |        |        |               |
| Employee related                                      | 1,495  | 3,113  | <b>2,084</b>  |
| Other operating expenses                              | 422    | 632    | <b>709</b>    |
| Depreciation and amortisation                         | 42     | 55     | <b>45</b>     |
| Grants and subsidies                                  |        |        |               |
| Hunter Water Corporation - pensioner rebates          | 8,255  | 8,533  | <b>8,332</b>  |
| Sydney Water Corporation - pensioner rebates          | 74,665 | 74,665 | <b>79,705</b> |
| Alternative funding (interest) subsidy                | 350    | 350    | <b>350</b>    |
| Sydney Water Corporation - rates on exempt properties | 9,828  | 8,841  | <b>8,931</b>  |
| Hunter Water Corporation - rates on exempt properties | 911    | 967    | <b>911</b>    |

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
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**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

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**27.1 Energy and Water Policy, Programs and Sustainability**

**27.1.2 Water Policy and Programs (cont)**

**OPERATING STATEMENT (cont)**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Grants for recurrent purposes - public trading enterprises                            | 7,900          | 7,900          | <b>15,500</b>  |
| Grants for capital purposes - public trading enterprises                              | 17,100         | 17,100         | <b>19,800</b>  |
| Sydney Water Corporation - sewer backlog capital grants                               | 1,710          | 2,133          | <b>665</b>     |
| Country Towns Water Supply and Sewerage Program - Government component                | 32,236         | 7,536          | <b>70,075</b>  |
| Hunter Water Corporation - sewer backlog capital grants                               | 615            | 615            | ...            |
| Country Towns Water Supply and Sewerage Program - local water utilities' component    | 20,000         | 57,000         | <b>30,000</b>  |
| Blue Mountains septic pumpout service   | 922            | 767            | <b>756</b>     |
| Sydney Water - policy programs for 2005 IPART determination                           | ...            | 1,321          | <b>947</b>     |
| Finance costs   |                |                |                |
| Interest on public sector borrowings and advances                                     | ...            | 175            | <b>175</b>     |
| Other expenses  |                |                |                |
| Fee for services for program delivery   | ...            | 122            | <b>88</b>      |
| <b>Total Expenses Excluding Losses</b>  | <b>176,451</b> | <b>191,825</b> | <b>239,073</b> |
| Less:   |                |                |                |
| <b>Retained Revenue -</b>   |                |                |                |
| Sales of goods and services   |                |                |                |
| Minor sales of goods and services   | 500            | 750            | <b>650</b>     |
| Investment income   | ...            | 175            | <b>175</b>     |
| Grants and contributions  |                |                |                |
| Country Towns Water Supply and Sewerage Program - local water utilities' contribution | 20,000         | 57,000         | <b>30,000</b>  |
| Other   | 8,300          | 1,600          | <b>4,000</b>   |
| <b>Total Retained Revenue</b>   | <b>28,800</b>  | <b>59,525</b>  | <b>34,825</b>  |
| Other gains/(losses)  | (11)           | ...            | ...            |
| <b>NET COST OF SERVICES</b>   | <b>147,662</b> | <b>132,300</b> | <b>204,248</b> |
| <br>  |                |                |                |
| <b>CAPITAL EXPENDITURE</b>  | <b>60</b>      | <b>41</b>      | <b>41</b>      |

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
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**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

---

**27.1 Energy and Water Policy, Programs and Sustainability**

**27.1.3 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :   |       |         |         |         |                |
| Greenhouse Gas abatement – annual reductions in tonnes of carbon dioxide emissions | thous | 2,850   | 706     | 1,043   | <b>2,442</b>   |
| <u>Average Staffing</u> :  | EFT   | 37      | 37      | 19      | <b>19</b>      |

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| —2005-06— |         | <b>2006-07</b> |
|-----------|---------|----------------|
| Budget    | Revised | <b>Budget</b>  |
| \$000     | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |               |               |
|--|--------------|---------------|---------------|
| Operating expenses -   |              |               |               |
| Employee related   | 1,044        | 1,116         | <b>921</b>    |
| Other operating expenses                                       | 398          | 317           | <b>337</b>    |
| Depreciation and amortisation                                  | 39           | 24            | <b>19</b>     |
| Grants and subsidies   |              |               |               |
| Subsidies for the promotion of sustainable energy technologies | ...          | 1,200         | <b>950</b>    |
| Grants from the Energy Savings Fund                            | ...          | 10,900        | <b>41,500</b> |
| Grants from the Water Savings Fund                             | ...          | 28,000        | <b>37,950</b> |
| Other expenses   |              |               |               |
| Fee for services for program delivery                          | ...          | 61            | <b>44</b>     |
| <b>Total Expenses Excluding Losses</b>                         | <b>1,481</b> | <b>41,618</b> | <b>81,721</b> |

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**27 DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY**

---

**27.1 Energy and Water Policy, Programs and Sustainability**

**27.1.3 Energy and Water Sustainability (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                          |     |        |               |
|--------------------------|-----|--------|---------------|
| Investment income        | 126 | 1,400  | <b>1,950</b>  |
| Grants and contributions |     |        |               |
| Energy Savings Fund      | ... | 40,000 | <b>40,000</b> |
| Water Savings Fund       | ... | 32,500 | <b>37,500</b> |
| Other                    | ... | 1,820  | <b>1,189</b>  |

|                               |            |               |               |
|-------------------------------|------------|---------------|---------------|
| <b>Total Retained Revenue</b> | <b>126</b> | <b>75,720</b> | <b>80,639</b> |
|-------------------------------|------------|---------------|---------------|

|                      |      |     |     |
|----------------------|------|-----|-----|
| Other gains/(losses) | (11) | ... | ... |
|----------------------|------|-----|-----|

|                             |              |                 |              |
|-----------------------------|--------------|-----------------|--------------|
| <b>NET COST OF SERVICES</b> | <b>1,366</b> | <b>(34,102)</b> | <b>1,082</b> |
|-----------------------------|--------------|-----------------|--------------|

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|                            |           |           |           |
|----------------------------|-----------|-----------|-----------|
| <b>CAPITAL EXPENDITURE</b> | <b>44</b> | <b>20</b> | <b>20</b> |
|----------------------------|-----------|-----------|-----------|

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
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**MARITIME AUTHORITY OF NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   | 58,087          | 59,715           | <b>64,405</b>   |
| Investment income                             | 5,540           | 6,302            | <b>6,902</b>    |
| Retained taxes, fees and fines                | 34,153          | 34,077           | <b>34,857</b>   |
| Grants and contributions                      | 4,700           | 17,981           | <b>20,890</b>   |
| Other revenue                                 | 14,477          | 3,742            | <b>3,273</b>    |
| <b>Total Retained Revenue</b>                 | <b>116,957</b>  | <b>121,817</b>   | <b>130,327</b>  |
| Less:   |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating Expenses -                          |                 |                  |                 |
| Employee related                              | 31,512          | 31,684           | <b>34,894</b>   |
| Other operating expenses                      | 25,685          | 25,583           | <b>29,764</b>   |
| Depreciation and amortisation                 | 8,114           | 8,596            | <b>8,527</b>    |
| Grants and subsidies                          | 2,863           | 2,863            | <b>3,449</b>    |
| Finance costs                                 | 15,469          | 15,469           | <b>16,825</b>   |
| <b>Total Expenses Excluding Losses</b>        | <b>83,643</b>   | <b>84,195</b>    | <b>93,459</b>   |
| Gain/(loss) on disposal of non current assets | 84              | 17               | <b>84</b>       |
| <b>SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS</b> | <b>33,398</b>   | <b>37,639</b>    | <b>36,952</b>   |
| <b>Distributions -</b>                        |                 |                  |                 |
| Dividends and capital repatriations           | 16,505          | 16,505           | <b>32,640</b>   |
| <b>SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</b>  | <b>16,893</b>   | <b>21,134</b>    | <b>4,312</b>    |

**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**MARITIME AUTHORITY OF NEW SOUTH WALES**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                         |
| <b>Receipts</b>                                     |                 |                  |                         |
| Sale of goods and services                          | 58,087          | 59,713           | <b>64,405</b>           |
| Interest  | 5,621           | 6,383            | <b>6,979</b>            |
| Other   | 16,832          | 49,308           | <b>65,622</b>           |
| <b>Total Receipts</b>                               | <b>80,540</b>   | <b>115,404</b>   | <b>137,006</b>          |
| <b>Payments</b>                                     |                 |                  |                         |
| Employee related                                    | 30,658          | 31,449           | <b>33,909</b>           |
| Grants and subsidies                                | 2,863           | 2,863            | <b>3,449</b>            |
| Finance costs                                       | 15,469          | 15,469           | <b>16,825</b>           |
| Other   | 18,678          | 46,517           | <b>62,173</b>           |
| <b>Total Payments</b>                               | <b>67,668</b>   | <b>96,298</b>    | <b>116,356</b>          |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>12,872</b>   | <b>19,106</b>    | <b>20,650</b>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                         |
| Proceeds from sale of property, plant and equipment | 750             | 750              | <b>750</b>              |
| Purchases of property, plant and equipment          | (15,656)        | (15,316)         | <b>(16,759)</b>         |
| Other   | ...             | (411)            | <b>(115)</b>            |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(14,906)</b> | <b>(14,977)</b>  | <b>(16,124)</b>         |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                 |                  |                         |
| Repayment of borrowings and advances                | (2,214)         | (2,213)          | <b>(2,098)</b>          |
| Dividends paid                                      | (15,940)        | (15,940)         | <b>(32,075)</b>         |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(18,154)</b> | <b>(18,153)</b>  | <b>(34,173)</b>         |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(20,188)</b> | <b>(14,024)</b>  | <b>(29,647)</b>         |
| Opening Cash and Cash Equivalents                   | 54,586          | 69,556           | <b>55,532</b>           |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>34,398</b>   | <b>55,532</b>    | <b>25,885</b>           |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                         |
| Surplus/(deficit) for year before distributions     | 33,398          | 37,639           | <b>36,952</b>           |
| Non cash items added back                           | (5,667)         | (5,185)          | <b>8,527</b>            |
| Change in operating assets and liabilities          | (14,859)        | (13,348)         | <b>(24,829)</b>         |
| <b>Net cash flow from operating activities</b>      | <b>12,872</b>   | <b>19,106</b>    | <b>20,650</b>           |

**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**MARITIME AUTHORITY OF NEW SOUTH WALES**

|                                      | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--------------------------------------|-----------------|------------------|-------------------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>BALANCE SHEET</b>                 |                 |                  |                                     |
| <b>ASSETS -</b>                      |                 |                  |                                     |
| <b>Current Assets -</b>              |                 |                  |                                     |
| Cash assets                          | 34,398          | 55,532           | <b>25,885</b>                       |
| Receivables                          | 4,526           | 3,702            | <b>3,625</b>                        |
| Other financial assets               | 51,779          | 60,121           | <b>60,121</b>                       |
| Inventories                          | 54              | 77               | <b>77</b>                           |
| Other                                | 104             | 62               | <b>62</b>                           |
| <b>Total Current Assets</b>          | <b>90,861</b>   | <b>119,494</b>   | <b>89,770</b>                       |
| <b>Non Current Assets -</b>          |                 |                  |                                     |
| Receivables                          | 7,899           | 7,898            | <b>6,419</b>                        |
| Investment properties                | 174,099         | 123,200          | <b>123,200</b>                      |
| Property, plant and equipment -      |                 |                  |                                     |
| Land and building                    | 47,681          | 146,062          | <b>145,091</b>                      |
| Plant and equipment                  | 16,953          | 14,618           | <b>15,770</b>                       |
| Infrastructure systems               | 251,092         | 345,726          | <b>353,331</b>                      |
| Intangibles                          | ...             | 853              | <b>748</b>                          |
| <b>Total Non Current Assets</b>      | <b>497,724</b>  | <b>638,357</b>   | <b>644,559</b>                      |
| <b>Total Assets</b>                  | <b>588,585</b>  | <b>757,851</b>   | <b>734,329</b>                      |
| <b>LIABILITIES -</b>                 |                 |                  |                                     |
| <b>Current Liabilities -</b>         |                 |                  |                                     |
| Payables                             | 29,133          | 31,040           | <b>11,972</b>                       |
| Borrowings                           | 2,097           | 2,097            | <b>1,985</b>                        |
| Provisions                           | 28,266          | 32,777           | <b>30,312</b>                       |
| Other                                | 1,671           | 29,683           | <b>29,683</b>                       |
| <b>Total Current Liabilities</b>     | <b>61,167</b>   | <b>95,597</b>    | <b>73,952</b>                       |
| <b>Non Current Liabilities -</b>     |                 |                  |                                     |
| Borrowings                           | 10,438          | 10,439           | <b>8,453</b>                        |
| Provisions                           | 11,384          | 11,674           | <b>11,900</b>                       |
| Other                                | 2,500           | 12,285           | <b>7,856</b>                        |
| <b>Total Non Current Liabilities</b> | <b>24,322</b>   | <b>34,398</b>    | <b>28,209</b>                       |
| <b>Total Liabilities</b>             | <b>85,489</b>   | <b>129,995</b>   | <b>102,161</b>                      |
| <b>NET ASSETS</b>                    | <b>503,096</b>  | <b>627,856</b>   | <b>632,168</b>                      |

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**MINISTER FOR ENERGY, AND MINISTER FOR PORTS AND  
WATERWAYS**

**MARITIME AUTHORITY OF NEW SOUTH WALES**

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|                                    | ———2005-06———   |                  | <b>2006-07</b>          |
|------------------------------------|-----------------|------------------|-------------------------|
|                                    | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <hr/>                              |                 |                  |                         |
| <b><i>BALANCE SHEET (cont)</i></b> |                 |                  |                         |
| <b>EQUITY</b>                      |                 |                  |                         |
| Reserves                           | 40,435          | 127,566          | <b>127,566</b>          |
| Accumulated funds                  | 462,661         | 500,290          | <b>504,602</b>          |
| <b>TOTAL EQUITY</b>                | <b>503,096</b>  | <b>627,856</b>   | <b>632,168</b>          |

# MINISTER FOR GAMING AND RACING, AND MINISTER FOR THE CENTRAL COAST

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## OVERVIEW

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| <i>Agency</i>  | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| <b>Casino Control Authority</b>  |                                   |                                   |                        |
| Total Expenses .....   | 6.8                               | 7.2                               | 5.9                    |
| Capital Expenditure .....  | 0.1                               | 0.1                               | ...                    |
| <b>Total, Minister for Gaming and Racing, and<br/>Minister for the Central Coast</b> |                                   |                                   |                        |
| Total Expenses .....   | <b>6.8</b>                        | <b>7.2</b>                        | <b>5.9</b>             |
| Capital Expenditure .....  | <b>0.1</b>                        | <b>0.1</b>                        | <b>...</b>             |

The Minister for Gaming and Racing is supported by the Casino Control Authority and the Department of the Arts, Sport and Recreation (Section 3) for the Gaming and Racing portfolio area.

## CASINO CONTROL AUTHORITY

Established under the *Casino Control Act 1992*, the Casino Control Authority administers the systems for licensing, supervision and control of Star City Casino in New South Wales.

## RESULTS AND SERVICES

The Authority protects the integrity of casino gaming by working towards the following results:

- ◆ Management and operation of the casino is free from criminal influence or exploitation.
- ◆ Casino gaming is conducted honestly.
- ◆ The potential for the casino to cause harm to individuals and families is contained and controlled.

Key services provided by the Authority which contribute to these results include:

- ◆ administering regulations (e.g. approving casino internal controls, games and rules of the games and gaming equipment);
- ◆ conducting continuous onsite supervision and monitoring of casino operations;
- ◆ licensing of the casino operator, casino special employees and oversight of controlled contractors;
- ◆ providing intelligence analysis of casino patron activity and obtaining of information for law enforcement agencies under the *Casino Control Act 1992*; and
- ◆ conducting the three-yearly statutory test (and intermediate test) of the casino licensee against regulatory expectations and public interest.

## **RECENT DEVELOPMENTS**

The Authority's expenses reflect the cost of supervising and controlling casino operations in Star City Casino and the investigations and inquiries undertaken in the course of this supervision.

At relevant years, the Authority's expenses include the cost of conducting the three-yearly statutory investigation of the casino licensee under Section 31 of the *Casino Control Act 1992*. The fourth statutory investigation was in 2003. The next one is due by 15 December 2006. In order to monitor the ongoing suitability of the casino operator between these major investigations, the Authority created a new position, Manager (Casino Review). At board level, a Casino License Oversight Committee was formed.

## **STRATEGIC DIRECTIONS**

The Authority continues to streamline its operations and to monitor the casino's compliance with the recommendations of the 2000 and 2003 statutory investigations.

Since 2000 the Authority has participated in a Working Party of Australasian Casino and Gaming Regulators which has developed a best practice model for regulating, supervising and inspecting casinos. In accordance with the principles of the model, the Authority continues to review its casino supervision activities to further develop its risk-based audit methodology and to establish documented regulatory standards in order to convey to regulated entities the standards required to be considered compliant.

## **2006-07 BUDGET**

The Authority's total expenditure budget for 2006-07 is \$7.2 million. This includes the cost of conducting the three-yearly statutory test.

### **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**

**28 CASINO CONTROL AUTHORITY**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating expenses -                   |                 |                  |                                     |
| Employee related                       | 4,795           | 4,395            | <b>4,925</b>                        |
| Other operating expenses               | 1,903           | 1,703            | <b>2,170</b>                        |
| Depreciation and amortisation          | 130             | 119              | <b>120</b>                          |
| <b>Total Expenses Excluding Losses</b> | <b>6,828</b>    | <b>6,217</b>     | <b>7,215</b>                        |
| Less:                                  |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 221             | 120              | <b>229</b>                          |
| Investment income                      | 31              | 170              | <b>32</b>                           |
| <b>Total Retained Revenue</b>          | <b>252</b>      | <b>290</b>       | <b>261</b>                          |
| <b>NET COST OF SERVICES</b>            | <b>6,576</b>    | <b>5,927</b>     | <b>6,954</b>                        |

**MINISTER FOR GAMING AND RACING, AND  
MINISTER FOR THE CENTRAL COAST**

**28 CASINO CONTROL AUTHORITY**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                         |
| <b>Payments</b>                                 |                 |                  |                         |
| Employee related                                | 4,571           | 4,125            | <b>4,696</b>            |
| Other   | 2,069           | 1,856            | <b>2,336</b>            |
| <b>Total Payments</b>                           | <b>6,640</b>    | <b>5,981</b>     | <b>7,032</b>            |
| <b>Receipts</b>                                 |                 |                  |                         |
| Sale of goods and services                      | 221             | 116              | <b>229</b>              |
| Interest  | 13              | 174              | <b>94</b>               |
| Other   | 166             | 184              | <b>166</b>              |
| <b>Total Receipts</b>                           | <b>400</b>      | <b>474</b>       | <b>489</b>              |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(6,240)</b>  | <b>(5,507)</b>   | <b>(6,543)</b>          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                         |
| Purchases of property, plant and equipment      | (70)            | (50)             | <b>(50)</b>             |
| Other   | ...             | (20)             | <b>(20)</b>             |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(70)</b>     | <b>(70)</b>      | <b>(70)</b>             |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                         |
| Recurrent appropriation                         | 6,247           | 6,247            | <b>6,630</b>            |
| Capital appropriation                           | 70              | 70               | <b>70</b>               |
| Cash transfers to Consolidated Fund             | ...             | (1,380)          | ...                     |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>6,317</b>    | <b>4,937</b>     | <b>6,700</b>            |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>7</b>        | <b>(640)</b>     | <b>87</b>               |
| Opening Cash and Cash Equivalents               | 3,111           | 3,455            | <b>2,815</b>            |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>3,118</b>    | <b>2,815</b>     | <b>2,902</b>            |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                         |
| Net cost of services                            | (6,576)         | (5,927)          | <b>(6,954)</b>          |
| Non cash items added back                       | 354             | 331              | <b>349</b>              |
| Change in operating assets and liabilities      | (18)            | 89               | <b>62</b>               |
| <b>Net cash flow from operating activities</b>  | <b>(6,240)</b>  | <b>(5,507)</b>   | <b>(6,543)</b>          |

**MINISTER FOR GAMING AND RACING, AND  
MINISTER FOR THE CENTRAL COAST**

**28 CASINO CONTROL AUTHORITY**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 3,118           | 2,815            | 2,902           |
| Receivables  | 113             | 116              | 54              |
| Other  | 92              | 92               | 92              |
| <b>Total Current Assets</b>                            | <b>3,323</b>    | <b>3,023</b>     | <b>3,048</b>    |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Property, plant and equipment -<br>Plant and equipment | 470             | 394              | 364             |
| Intangibles  | ...             | 93               | 73              |
| <b>Total Non Current Assets</b>                        | <b>470</b>      | <b>487</b>       | <b>437</b>      |
| <b>Total Assets</b>                                    | <b>3,793</b>    | <b>3,510</b>     | <b>3,485</b>    |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 182             | 182              | 182             |
| Provisions   | 354             | 354              | 354             |
| Other  | 49              | 49               | 49              |
| <b>Total Current Liabilities</b>                       | <b>585</b>      | <b>585</b>       | <b>585</b>      |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 61              | 61               | 61              |
| Other  | 33              | 33               | 33              |
| <b>Total Non Current Liabilities</b>                   | <b>94</b>       | <b>94</b>        | <b>94</b>       |
| <b>Total Liabilities</b>                               | <b>679</b>      | <b>679</b>       | <b>679</b>      |
| <b>NET ASSETS</b>                                      | <b>3,114</b>    | <b>2,831</b>     | <b>2,806</b>    |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 3,114           | 2,831            | 2,806           |
| <b>TOTAL EQUITY</b>                                    | <b>3,114</b>    | <b>2,831</b>     | <b>2,806</b>    |

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**MINISTER FOR GAMING AND RACING, AND  
MINISTER FOR THE CENTRAL COAST  
28 CASINO CONTROL AUTHORITY**

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**28.1 Casino Control**

**28.1.1 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.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Casino employee licence applications investigated and reported            | no.   | 984     | 430     | 800     | <b>850</b>     |
| Special audits conducted on casino operations                             | no.   | 20      | 20      | 20      | <b>20</b>      |
| Complaints relating to conduct of casino gaming received and investigated | no.   | 140     | 75      | 70      | <b>75</b>      |
| Applications for review of exclusion orders investigated and reported     | no.   | 85      | 65      | 75      | <b>75</b>      |
| Prosecution of offences under Casino Control Act 1992                     | no.   | 90      | 220     | 200     | <b>200</b>     |
| Probity assessments of controlled contracts/contractors                   | no.   | 20      | 28      | 20      | <b>20</b>      |
| <u>Average Staffing:</u>  | EFT   | 53      | 44      | 43      | <b>46</b>      |

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| —2005-06— |         | <b>2006-07</b> |
|-----------|---------|----------------|
| Budget    | Revised | <b>Budget</b>  |
| \$000     | \$000   | <b>\$000</b>   |

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***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 4,795        | 4,395        | <b>4,925</b> |
| Other operating expenses               | 1,903        | 1,703        | <b>2,170</b> |
| Depreciation and amortisation          | 130          | 119          | <b>120</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>6,828</b> | <b>6,217</b> | <b>7,215</b> |

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**MINISTER FOR GAMING AND RACING, AND MINISTER FOR THE  
CENTRAL COAST**

**28 CASINO CONTROL AUTHORITY**

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**28.1 Casino Control**

**28.1.1 Casino Control (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                   |     |     |            |
|-----------------------------------|-----|-----|------------|
| Sales of goods and services       |     |     |            |
| Minor sales of goods and services | 221 | 120 | <b>229</b> |
| Investment income                 | 31  | 170 | <b>32</b>  |

|                               |            |            |            |
|-------------------------------|------------|------------|------------|
| <b>Total Retained Revenue</b> | <b>252</b> | <b>290</b> | <b>261</b> |
|-------------------------------|------------|------------|------------|

|                             |              |              |              |
|-----------------------------|--------------|--------------|--------------|
| <b>NET COST OF SERVICES</b> | <b>6,576</b> | <b>5,927</b> | <b>6,954</b> |
|-----------------------------|--------------|--------------|--------------|

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|                            |           |           |           |
|----------------------------|-----------|-----------|-----------|
| <b>CAPITAL EXPENDITURE</b> | <b>70</b> | <b>70</b> | <b>70</b> |
|----------------------------|-----------|-----------|-----------|

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# MINISTER FOR HEALTH

## OVERVIEW

| Agency                                   | Budget<br>2005-06<br>\$m | Budget<br>2006-07<br>\$m | Variation<br>% |
|--|--------------------------|--------------------------|----------------|
| <b>Department of Health</b>              |                          |                          |                |
| Total Expenses .....                     | 10,859.8                 | 11,687.8                 | 7.6            |
| Capital Expenditure <sup>(a)</sup> ..... | 646.4                    | 573.1                    | -11.3          |
| <b>Health Care Complaints Commission</b> |                          |                          |                |
| Total Expenses .....                     | 10.5                     | 10.4                     | -1.1           |
| Capital Expenditure .....                | 0.1                      | 0.2                      | 37.3           |
| <b>Total, Minister for Health</b>        |                          |                          |                |
| Total Expenses .....                     | <b>10,870.3</b>          | <b>11,698.2</b>          | <b>7.6</b>     |
| Capital Expenditure .....                | <b>646.5</b>             | <b>573.3</b>             | <b>-11.3</b>   |

(a) The 2006-07 Budget for Capital Expenditure excludes \$53.7 million for projects that will now be undertaken as privately financed projects and \$60 million in capital expensing that is included in the 2005-06 Budget figures. The capital expenditure estimate for 2006-07 on a comparable basis to the 2005-06 is \$686.8 million, which represents an increase of 6.3 per cent.

## DEPARTMENT OF HEALTH

The Department of Health is responsible for State-wide policy and planning, performance management and monitoring, and strategic financial and asset management for the NSW public health system. The NSW public health system (NSW Health) comprises the Department of Health, Ambulance Service of NSW, eight Area Health Services, five statutory health corporations and 21 affiliated health organisations.

The Department manages licensing, regulatory and enforcement functions to ensure compliance with the some 40 Acts administered by the NSW Minister for Health, including the *Health Services Act 1997*, *Public Health Act 1991* and *Mental Health Act 1990*.

## **RESULTS AND SERVICES**

NSW Health's overarching vision of "Healthy People - Now and in the Future" is being advanced by working towards the following results:

- ◆ People are healthy.
- ◆ The health care people need is provided.
- ◆ Health services are of high quality.
- ◆ Health services are well managed.

Key services provided by NSW Health which contribute to these results include:

- ◆ providing health care to patients admitted to hospitals;
- ◆ providing ambulatory, primary and community-based services in outpatient clinics and community health centres, and in the home;
- ◆ providing emergency transport and emergency treatment;
- ◆ providing community-based and admitted mental health services;
- ◆ providing rehabilitation and long-term care services;
- ◆ providing public health promotion and regulation; and
- ◆ providing professional training and investment in research.

## **RECENT DEVELOPMENTS**

The NSW Government continues to build upon a first class health system through a range of innovative and significant health initiatives for the people of New South Wales. In 2006-07, NSW Health recurrent expenditure is budgeted to reach \$11.7 billion, an increase of \$828 million or 7.6 per cent over the 2005-06 Budget. Health spending represents more than 27 per cent of total budget expenses, up from around 24 per cent in 1996-97. In per capita terms, health expenditure in the 2006-07 Budget equates to approximately \$1,700 for every person in New South Wales.

## Health System Demands

Demand and rising costs confront health systems in all western countries and are being driven by:

- ◆ a growing and ageing population;
- ◆ increasing rates of obesity, diabetes and other lifestyle related illnesses;
- ◆ changes in health technology, including the availability of new and more advanced procedures;
- ◆ rising costs of drugs and clinical equipment;
- ◆ higher standards of care; and
- ◆ worldwide skill shortages for doctors and nurses that flow through to service access issues and wage costs.

Across New South Wales, emergency and elective surgery treatment continue to be significant areas of growing demand.

- ◆ Every 33 seconds on average the NSW Ambulance Service responds to a call for assistance. Over the nine months to March 2006, ambulance responses increased by 39,800 or 5.6 per cent compared to the same period last year.
- ◆ Every day emergency departments treat an average of 5,490 people. Over the nine months to March 2006, emergency department attendances were up by 97,457 patients or 8.5 per cent compared to the same period last year.
- ◆ Every day an average of 3,877 people are admitted into public hospitals, with 30 per cent of these admitted through emergency departments. Over the nine months to March 2006, admissions through emergency departments were up by 21,739 or 8.3 per cent compared to the same period last year.

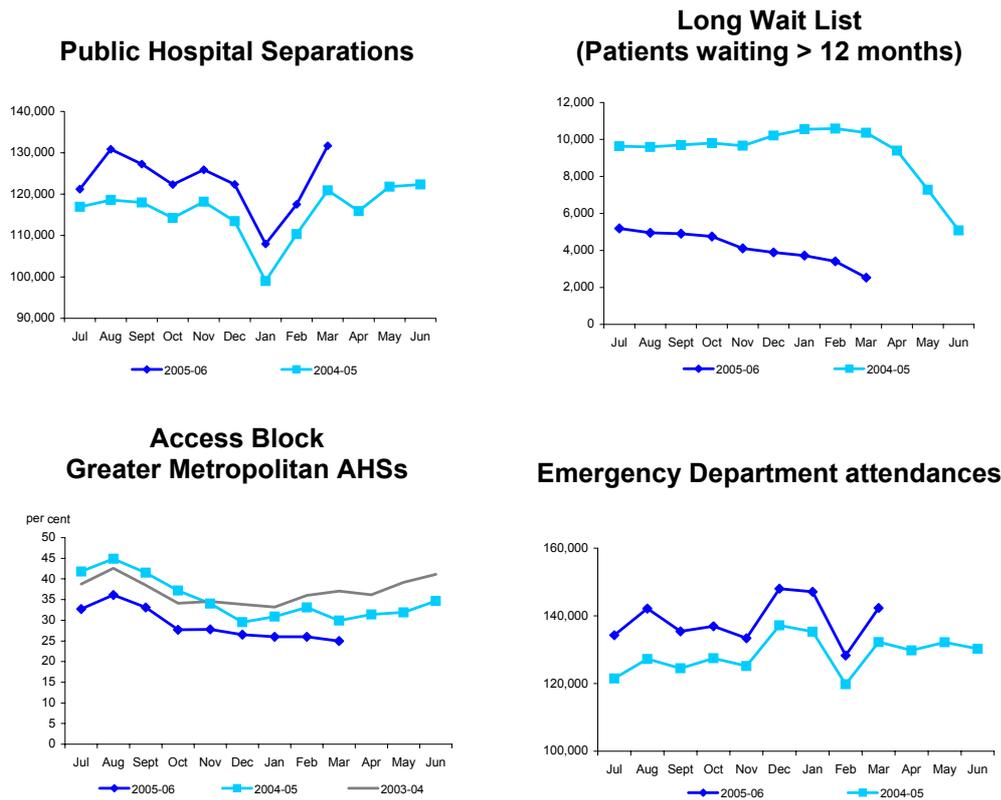
While demand for and cost of hospital services is increasing, the Commonwealth Government is restricting growth in the funding it provides to NSW hospitals under the Australian Health Care Agreement (AHCA). It is projected that New South Wales will lose some \$704 million over the life of the 2003-2008 AHCA, compared with a roll over of the previous Health Care Agreement. In 2003-04 the NSW Government contributed \$1.61 for every dollar the Commonwealth Government put into the NSW health budget. In 2006-07 this is forecast to increase to \$1.81 as the NSW Government continues to increase funding for health. At a time when health care demands are increasing, the Commonwealth is reducing its relative contribution to the funding of public hospitals.

## Health System Performance

Despite increasing levels of demand, considerable improvements have been realised in key emergency and elective surgery health system performance indicators in 2005-06 (see Chart 10.1). As at March 2006, these include:

- ◆ A 3.3 per cent improvement in ambulance response times for the nine months to March 2006, with 50 per cent of emergency cases reached within 9.6 minutes.
- ◆ A significant State-wide improvement in the proportion of patients being transferred from ambulance to hospital care within 30 minutes of arriving at hospital. Off stretcher time, (the percentage of patients not transferred within 30 minutes) has improved from 28 per cent in March 2005 to 21 per cent in March 2006.
- ◆ A significant and sustained improvement in the number of patients being admitted within eight hours of attendance at emergency departments. Access block for Greater Metropolitan hospitals was 25 per cent or five percentage points below the same period last year (30 per cent).
- ◆ An increase in total hospital separations over the nine months to March 2006 of 77,477 or 7.5 per cent compared to the same period last year.
- ◆ A reduction of some three quarters in the number of patients waiting longer than 12 months for elective surgery in the past year from 10,364 to 2,525 as at March 2006.
- ◆ A reduction of 7,918 patients on the booked surgical waiting list over the 12 months to March 2006.

## Chart 10.1: NSW Health Performance and Activity Measures



## STRATEGIC DIRECTIONS

The NSW Government has responded to the pressures on the health system through significant ongoing funding increases. NSW Health spending has increased from \$5.3 billion in 1994-95 to \$11.7 billion in 2006-07. An additional \$266 million of major initiatives will be funded in 2006-07.

However, simply providing more resources is not the total solution to challenges faced by the health system. The NSW Government continues implementation of its successful integrated strategy for improving health services and managing ongoing demand pressures.

Key elements of the strategy for the goal of “Healthy People – Now and in the Future” are:

- ◆ improving capacity and access to public hospital, emergency services and other core health programs;
- ◆ promoting healthy lifestyles to reduce avoidable illnesses;
- ◆ building a sustainable health workforce to provide quality health care;
- ◆ ensuring best possible patient outcomes through the provision of high quality and integrated care in the most appropriate setting;
- ◆ improving access to clinical information;
- ◆ directing resources to frontline clinical services; and
- ◆ improving accountability.

### **Planning for the Future**

NSW Health is undertaking a futures planning process to set directions for the NSW public health system over the next 20 years. Seven future directions have been identified through consultations involving a diverse group of health professionals, managers and community representatives. These directions, and the key areas for action they describe, are regarded as crucial to the future of the NSW health system and comprise:

- ◆ make prevention everybody’s business;
- ◆ create better experiences for people using the health system;
- ◆ strengthen primary health and continuing care in the community;
- ◆ build regional partnerships for health;
- ◆ make smart choices about the costs and benefits of health services;
- ◆ redesign and reinvigorate the health workforce; and
- ◆ be ready for new risks and opportunities.

## **2006-07 BUDGET**

### **Increased Capacity**

#### ***More Beds***

Increasing the capacity of the health system to respond to growing demand remains a key priority in the 2006-07 Budget.

In line with last year's commitment to grow available capacity, the 2006-07 Budget provides funding to operate the equivalent of 426 beds on top of the 800 beds announced with the 2005-06 Budget and the 563 beds and places announced with the 2004-05 Budget. This is subject to the availability of new nursing and medical staff.

This additional capacity will be delivered by providing both physical resources in the shape of new beds and through the development and extension of services that can appropriately substitute for inpatient care.

This extra bed capacity will be focussed in areas that support the reduction of access block, allowing patients admitted through emergency departments to be placed in a ward bed more quickly.

In 2006-07, the health system will benefit from new models of care developed to assist with faster and safer patient flows. These models of care include components which will decongest emergency departments. Patients will be relocated from emergency departments into short stay units if they require more extensive care, and patients with less urgent conditions will benefit from Fast Track Zones. The establishment of co-located after-hours General Practice (GP) services will also help to better manage patient flows.

#### ***More Intensive Care Services***

The NSW Government continues to support the significant boost to intensive care services achieved in 2005-06 of some 59 beds and cots. New services for 2006-07 comprise:

- ◆ Commissioning of 6.5 additional adult intensive care beds, at a total cost of \$5 million. These beds will be established at Westmead, St. Vincent's, Blacktown, Port Macquarie, Concord and Mater Misericordiae - Newcastle (1.5 beds) hospitals. Additional support will also be given to intensive care services in rural New South Wales.
- ◆ Extension of services to South Western Sydney through an additional adult intensive care bed under the Area's Clinical Services Plan.

- ◆ A total of five new neonatal intensive care cots will be provided at John Hunter, the Royal Hospital for Women, Liverpool, Nepean and Royal North Shore Hospitals. In total, \$4 million is being allocated for neonatal care in 2006-07.
- ◆ To provide further support for children needing intensive care, an additional paediatric intensive care bed at a cost of \$800,000 will also be made available for the State-wide network.

### **Integrating (GP) Services with our Hospitals**

One of the most significant challenges for health systems across Australia has been to address disconnection between Commonwealth-funded GP services and primarily State funded hospitals and health facilities. This is a central objective in the health reforms agreed by the Council of Australian Governments (COAG).

The NSW Government has been at the forefront in developing solutions that better integrate primary health care services into the health system.

This Budget contains two new initiatives to address this challenge.

#### ***After-Hours General Practice Services***

There is a lack of access to affordable GP services after-hours. This means that, for most communities, our hospital emergency departments and Ambulance Service are the only around the clock health care services.

The NSW Government is working in partnership with Divisions of General Practice, and individual GPs to establish after-hours GP services co-located with our hospitals. Co-located services are currently being established at Liverpool and Nepean Hospitals. Negotiations are continuing for a service at Ryde.

This Budget provides funding for recurrent grants to support ten new after-hours GP services co-located with hospital emergency departments as part of the COAG health reforms.

#### ***Integrated Primary Health and Community Care Services (IPHCCS)***

These 'one-stop-shops' will bring together GPs, community health workers, allied health and other medical professionals to provide multidisciplinary care that will encourage early diagnosis, disease prevention, and co-ordinated management of chronic and complex conditions.

Ten centres are initially being progressed, with four to eight expected to be established in 2006-07.

## ***Mental Health Improvements***

The NSW Government has elevated mental health to a major priority for policy innovation and funding. New South Wales successfully sought to have mental health on the agenda of the Council of Australian Governments (COAG) as a matter of national significance. Additional funding in the 2006-07 Budget will build on significant enhancements over the last two Budgets and make a major contribution towards the COAG National Action Plan for Mental Health to be released in July 2006.

Funding for mental health in 2006-07 is \$946 million, an increase of \$93 million or 10.9 per cent on the 2005-06 Budget, and up from \$356 million in 1994-95. Mental health services now account for 8.1 per cent of the total NSW Health Budget compared to 6.7 per cent in 1994-95.

Over the next five years, the Government will enhance mental health services provided through NSW Health by around \$590 million in real terms. When capital expenditure on mental health facilities and the value of new privately financed projects are included, this will amount to an additional investment of some \$900 million over the next five years. This will provide the major contribution from New South Wales towards the COAG National Action Plan for Mental Health.

The mental health funding package announced in 2004 will result in \$20.4 million in additional services opening in 2006-07 to provide for the continued expansion of mental health beds, community-based services and the Aboriginal mental health program. Mental health funding was also increased in the 2005-06 Budget by \$22 million per annum to establish Psychiatric Emergency Care Centres and expand community mental health services. A further \$33 million in funding was announced in May 2006 for a capital grant to St Vincent's Hospital to redevelop its mental health services, a research grant to the University of New South Wales, and an infrastructure grant to the Brain and Mind Research Institute.

The 2006-07 Budget builds on these previous funding enhancements for mental health and provides another \$300 million over five years for new initiatives, including an additional \$38 million in 2006-07. These new funds in 2006-07 will expand mental health services in the following priority areas to support reform efforts by COAG:

- ◆ \$5 million to expand Stage Four of the Housing and Accommodation Support Initiative (HASI) project to provide at least 234 support packages for people with mental illness on top of the 736 places already provided. HASI has been a significant success in improving housing stability and community participation for people with a mental illness through community based accommodation and support;

- ◆ \$6.8 million for out of hours' emergency and acute community responses across the State to assist police, ambulance workers and the community to respond appropriately to psychiatric emergencies. This new service will build on the Psychiatric Emergency Care Centres announced in the 2005-06 Budget;
- ◆ \$1.3 million to enable community mental health teams to provide specialist treatment and support for both adults and adolescents in contact with the criminal justice system;
- ◆ \$1.4 million for enhanced mental health treatment services for young people that focuses on intervention at the early stages of their mental illness and effective evidence based treatment;
- ◆ \$4 million for specialist community based mental health services for older people. This will provide specialist assessment and treatment services to promote independent living and wellbeing;
- ◆ \$2.2 million to improve assessment and intervention for older people with persistent problematic behaviour associated with dementia and/or mental illness through redesign of existing Confused and Disturbed Elder (CADE) units;
- ◆ \$800,000 for expansion of the Aboriginal mental health workforce program;
- ◆ \$3 million for the ongoing provision of 14 mental health beds at Liverpool hospital;
- ◆ \$2.7 million to establish a 24 hour mental health call service for New South Wales, staffed by mental health clinicians, that will form part of the National Health Call Centre agreed by COAG;
- ◆ \$5.6 million for a co-morbidity package to treat people with both mental illness and substance use disorders;
- ◆ \$3.8 million for clinical mental health rehabilitation programs to aid the recovery and participation of people with mental illness in the community and employment; and
- ◆ \$1.5 million in NGO funding for programs to support families and carers of people with mental illness so that they can more effectively support loved-ones.

### ***Expanded Specialist and State-Wide Services***

The NSW Government has provided additional funding to be directed to increasing the provision of a range of State-wide service initiatives that will benefit specific groups across New South Wales. Funding of \$4.8 million in 2006-07 will be directed towards:

- ◆ increasing services to children who require long-term ventilation and would be best cared for outside of a hospital environment;
- ◆ improving data support for the NSW newborn and paediatric emergency transport service;
- ◆ enhancing stroke services in rural areas, to take into account the different models of care required in rural New South Wales; and
- ◆ developing a rural outreach and service co-ordination team, which will provide specialist intervention for spinal injury.

### ***Expanded Cancer Services***

In 2006-07 expenditure through the Cancer Institute NSW will be \$126 million which includes funding for:

- ◆ new campaigns in cancer prevention targeting anti-tobacco and melanoma awareness, including \$10 million for a new anti-tobacco campaign to reduce smoking prevalence by a further 1 per cent or 50,000 additional smokers quitting;
- ◆ breast and cervical screening programs to enable an increase in participation of 4 per cent for breast and 3 per cent for cervical screening for the target age groups of both services over the next 12 months;
- ◆ improving skills of cancer health professionals and co-ordinating cancer care with enhanced access to specialised care; and
- ◆ research on improved models of cancer service delivery, better cancer treatments and more effective cancer screening and prevention.

The 2006-07 Budget also provides for the ongoing expansion of cancer treatment through additional radiotherapy services. Additional recurrent funding of \$5.5 million will be provided in 2006-07 for five new linear accelerators, including one each at Coffs Harbour and Port Macquarie as part of the Government's Cancer Plan.

## **Increased Access**

### ***More Elective Surgery***

In addition to increasing the bed capacity to provide a sustainable basis to meet demand for elective surgery, the Government has committed significant funds to reducing waiting time for elective surgery. There is \$35 million in recurrent funding to reduce elective surgery waiting times now embedded in health service budgets, and a further \$5 million was provided in March 2006 to target overdue patients waiting greater than 30 days. An additional \$15 million in 2006-07 will be spent on elective surgery for long wait patients.

The Private Provider Program, an innovative pilot to contract the private hospital sector, has provided approximately 1,200 procedures additional to the public sector surgery programs in 2005-06. These procedures mainly involved long wait patients who required day only or short stay operations and included cataract removal, hernia repair, tonsils and adenoid surgery, removal of skin and breast lumps, and various endoscopic procedures.

### ***More Dental Services***

The 2006-07 Budget provides \$40 million over four years (\$4 million in 2006-07) to address dental waiting lists, focussing on increasing clinical services, workforce recruitment and retention, Aboriginal and elderly oral health care needs and oral health promotion.

A Rural Dental Scholarship program has been established and will be enhanced by additional measures including a two-phase dentist recruitment strategy for recruitment of up to 30 dental officers and graduates.

### ***Better Ambulance Services***

In Sydney a new mobile data system and upgraded Computer Aided Dispatch functions now provide ambulance officers at the scene of an emergency with instant information about clinical services available and recent ambulance arrivals at nearby hospitals. This has greatly assisted officers to decide the most appropriate hospital for patients and, along with a range of clinical redesign initiatives, has reduced the average time taken to hand over ambulance patients to Sydney hospitals by 14 per cent to an average of 27 minutes. This initiative is being introduced into the Hunter and Central Coast areas.

The 2006-07 Budget provides an additional \$2.5 million in funding to enhance the Ambulance Service's metropolitan rotary wing service improving community access to hospital care.

## ***Enhanced Renal Services***

Currently, there are more than 2,500 patients receiving dialysis in New South Wales for end-stage kidney failure. Demand is expected to increase to approximately 4,000 patients by 2011. The Government will provide an additional \$32 million over four years (\$2 million additional in 2006-07 rising to \$15 million in 2009-10) to meet increased demand through establishment of new dialysis services, the provision of additional support services to patients with kidney failure, and ensuring a skilled, sustainable workforce in this specialised field.

## **Better Integrated Health Care**

### ***Council of Australian Governments - Health Reforms***

On 10 February 2006 the Council of Australian Governments agreed to a jointly funded \$1.1 billion reform package to achieve better health for all Australians. Over the next five years the NSW Government will support this investment to:

- ◆ establish a new approach to promotion, prevention and early intervention through the Australian Better Health Initiative;
- ◆ establish a National Health Call Centre;
- ◆ establish the national infrastructure for an Electronic Health Record;
- ◆ provide better care for people in the community, including in rural and remote Australia; and
- ◆ provide better care for older people in hospitals.

The current dual Commonwealth and State Government funded model for health care creates tensions and distortions within the health system. The NSW Government continues to seek Commonwealth Government support for significant reform in the way health services are funded, including through Integrated Primary Health and Community Care Services (IPHCCS) and after-hours GP services co-located with emergency departments.

## **Sustainable Workforce**

The 2006-07 Budget provides \$3.5 million for targeted recruitment, retention, education and training strategies. There will be further development of postgraduate medical training networks and other training support infrastructures for area health services and other public health organisations. Funding already exists for physician, surgical and psychiatry training networks. Through these networks training will occur in outer metropolitan and regional hospitals, and not be concentrated in the inner city hospitals.

Ambulance officers are completing skills upgrades in airway management, pain relief and the management of nausea, vomiting, asthma, anaphylaxis and fitting. This training will place New South Wales at the forefront of ambulance practice worldwide. During 2006-07 a further 700 ambulance officers will be trained.

### ***Nursing Strategies***

The NSW Government continues to implement a suite of strategies that are increasing nursing and midwife numbers to record levels of more than 39,000. Significant wages increases in recent years have ensured that nurses and midwives in New South Wales receive the highest basic pay in Australia.

In 2006-07 the NSW Government will spend more than \$35 million on nursing recruitment and retention strategies focussing on additional Trainee Enrolled Nurses, study leave for nurses, College of Nursing Education Programs and education and training scholarships. Nursing vocational education and training programs through high schools will provide another path to nursing.

The nurse practitioner program will continue to expand, providing opportunities for experienced nurses to practice at an advanced level. Health is on target to have 100 nurse practitioners in funded positions by February 2007.

### ***More Ambulance Officers***

The 2006-07 Budget includes funding for an additional 93 ambulance officers including 72 in rural areas at a cost of \$5.9 million and 21 in Sydney at a cost of \$2 million.

Overall, an additional 240 rural ambulance officers will be recruited over a four year period to June 2007 while in Sydney an additional 142 Ambulance officers will be recruited over two years to June 2007.

### ***Patient Focussed Quality of Care***

Improving information systems to support clinical care and patient flow is a key direction for Health. Significant advances are being achieved in the following areas:

- ◆ The State-wide Unique Patient Identifier for mental health patients will allow patients with a mental health illness to be recognized wherever they present in the public health system and will improve the care provided to people with mental health illness.

- ◆ In 2006-07 the Community Health Information Strategy (CHIS) will extend State-wide implementation of the electronic medical record called CHIME to support up to 1,200 additional clinicians in the management of clients through sharing of important health information. This will particularly benefit those being cared for in the community such as people with chronic and complex diseases, the elderly, and those with mental illness and drug and alcohol needs.
- ◆ The Maitland Electronic Health Record pilot has commenced and the Sydney West pilot will start later this year. These pilots are the first large scale electronic health record to be trialled and evaluated in Australia and demonstrate the Government's commitment to supporting clinicians to provide high quality and integrated care for patients across a broad range of healthcare delivery settings.

## **Directing Resources to Frontline Clinical Services**

### ***Amalgamations***

On 27 July 2004, the then Minister for Health announced a major restructure of NSW Health to reduce duplication and unnecessary cost in health administration.

One of the most significant features of the amalgamation process is that all associated administrative savings are being returned to frontline health services in the respective Health Services.

At March 2006, 70 per cent of over 1,000 administrative positions to be reduced across the health system had been achieved. The targeted value of this initiative for conversion to frontline health services is \$24 million in 2005-06 and \$70 million per annum once the full annual effect of the staff reductions is realised.

The NSW Government has been clear and accountable on how these savings are enhancing health services at a local level. For example, the Government has announced that savings achieved in 2005-06 have been reallocated to services including:

- ◆ \$2 million for a new paediatric unit at Wyong Hospital;
- ◆ \$1.6 million for haematology and bone marrow transplants at Royal North Shore Hospital;
- ◆ \$1 million for Manning Base Hospital;

- ◆ \$1 million for renal dialysis services and two new renal chairs at Wollongong Hospital; and
- ◆ \$2.2 million for additional radiotherapy services at Campbelltown Hospital and Liverpool Hospital.

## **Capital Expenditure**

The NSW Government is committed to a capital works program of \$2 billion over the next four years. Key components of the \$573.1 million capital expenditure budgeted in 2006-07 are:

- ◆ Major new works include the redevelopment of Auburn Hospital, Liverpool Hospital Stage 2, Ballina Hospital Rehabilitation Unit and the Manning Base Emergency Department. New works will also include the State-wide replacement of the Human Resource Information System and planning for an Integrated Medical Imaging Strategy.
- ◆ Mental health is an ongoing Government priority and accordingly Stage 3 of the Mental Health Capital Program will commence in 2006-07. This includes projects to expand capacity, improve infrastructure and establish additional mental health services. Stage 3 projects include Forensic and Tertiary Mental Health Units at Bloomfield Hospital, the Mandala Mental Health Unit at Gosford Hospital, Child and Adolescent Units at the Sydney Children's Hospital and at Shellharbour, and a Non Acute Mental Health Unit at Sutherland Hospital.
- ◆ Continuation of large scale programs 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 Redevelopment, and the Western Sydney Strategy. Major projects introduced in 2005-06 will continue including the Bathurst and Orange Campus Redevelopments, and Queanbeyan Hospital Redevelopment. State-wide programs including the BreastScreen NSW capital program and Radiotherapy Services Stage 2 will also continue in 2006-07.
- ◆ The Rural Hospital and Health Service Program continues in 2006-07. Phase 3 of the Program comprises 14 rural and remote projects. Implementation is proceeding on all projects, with construction having commenced at Portland, Tullamore and Guyra.

- ◆ The new Ambulance Service capital enhancement program will provide for construction of new ambulance stations at Auburn, Dubbo and Liverpool together with the upgrade of fleet, communications and medical equipment.
- ◆ Planning funds have also been provided in 2006-07 for future major projects at Byron Bay, Northern Beaches, Parkes, Wagga Wagga and Tamworth Hospitals as well as future new ambulance stations.

## **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 Commission. The Commission is responsible for dealing with complaints against all health practitioners, hospitals, institutions and health programs in New South Wales to protect the health and safety of the public. The Commission's governing legislation is the *Health Care Complaints Act 1993*.

### **RESULTS AND SERVICES**

The Commission contributes to improving the level of protection of the health and safety of the public by working towards the following results:

- ◆ The community has confidence that health care complaints reported are being properly investigated.
- ◆ Health providers view health care complaints as a valuable tool to identify health service improvements.
- ◆ The community regards the Commission as the most effective means to prosecute serious cases of inappropriate health care.
- ◆ Health care issues identified in investigations are addressed through recommendations to health service organisations.

Key services provided by the Commission which contribute to these results include:

- ◆ assessing, resolving and investigating health care complaints;
- ◆ providing community-based complaint resolution services including facilitated conciliation processes; and
- ◆ rigorously prosecuting serious cases of inappropriate health care.

## **RECENT DEVELOPMENTS**

Over the past five years total expenses have increased from \$6.9 million in 2001-02 to an estimated \$10.4 million in 2005-06 reflecting the Government's continued support to the reform of the Commission commenced in 2003-04.

The legislative changes to the *Health Care Complaints Act* in 2005 confirmed the Commission's focus on investigating serious complaints about health service providers and improved the manner in which complaints are handled and investigations are conducted.

The functions of the Health Conciliation Registry transferred to the Commission in March 2005 have been fully integrated with the Commission's Complaint Resolution Services to facilitate better patient complaint outcomes through alternative dispute resolution.

The Government intends to give the Commission additional powers to more effectively deal with unregistered health practitioners who are endangering the health and safety of the public.

## **STRATEGIC DIRECTIONS**

In 2006-07, the Commission will focus on:

- ◆ continuing to improve and develop its complaint resolution, investigative and prosecution services;
- ◆ further developing its capacity to make effective recommendations to improve the delivery of health services;
- ◆ developing effective processes to manage complaints about unregistered health practitioners; and
- ◆ 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.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses of the Commission in 2006-07 are \$10.4 million. The Commission will maintain and improve its current level of investigation and complaint resolution services.

### **Capital Expenditure**

In 2006-07, the Commission will spend \$162,000 to replace outdated leased computer equipment and upgrade electronic document and records management systems.

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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|  | 2005-06           |                   | 2006-07           |
|--|-------------------|-------------------|-------------------|
|  | Budget<br>\$000   | Revised<br>\$000  | Budget<br>\$000   |
| <b>OPERATING STATEMENT</b>             |                   |                   |                   |
| <b>Expenses Excluding Losses -</b>     |                   |                   |                   |
| Operating expenses -                   |                   |                   |                   |
| Employee related                       | 6,685,642         | 6,786,879         | <b>7,125,434</b>  |
| Other operating expenses               | 3,015,888         | 3,129,348         | <b>3,318,874</b>  |
| Depreciation and amortisation          | 418,550           | 418,550           | <b>418,033</b>    |
| Grants and subsidies                   | 634,952           | 677,520           | <b>708,568</b>    |
| Finance costs                          | 6,573             | 3,424             | <b>5,892</b>      |
| Other expenses                         | 98,239            | 112,239           | <b>110,990</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>10,859,844</b> | <b>11,127,960</b> | <b>11,687,791</b> |
| Less:                                  |                   |                   |                   |
| <b>Retained Revenue -</b>              |                   |                   |                   |
| Sales of goods and services            | 1,019,754         | 1,030,654         | <b>1,089,789</b>  |
| Investment income                      | 51,172            | 70,172            | <b>71,803</b>     |
| Grants and contributions               | 184,829           | 199,251           | <b>208,139</b>    |
| Other revenue                          | 90,656            | 80,656            | <b>80,224</b>     |
| <b>Total Retained Revenue</b>          | <b>1,346,411</b>  | <b>1,380,733</b>  | <b>1,449,955</b>  |
| Other gains/(losses)                   | (15,128)          | (15,128)          | <b>(15,643)</b>   |
| <b>NET COST OF SERVICES</b>            | <b>9,528,561</b>  | <b>9,762,355</b>  | <b>10,253,479</b> |

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|   | 2005-06            |                    | 2006-07            |
|---|--------------------|--------------------|--------------------|
|   | Budget<br>\$000    | Revised<br>\$000   | Budget<br>\$000    |
| <b>CASH FLOW STATEMENT</b>                          |                    |                    |                    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                    |                    |                    |
| <b>Payments</b>                                     |                    |                    |                    |
| Employee related                                    | 6,417,379          | 6,514,899          | <b>6,932,071</b>   |
| Grants and subsidies                                | 611,952            | 654,520            | <b>685,568</b>     |
| Finance costs                                       | 6,573              | 3,424              | <b>5,892</b>       |
| Other   | 3,424,475          | 3,883,358          | <b>4,046,095</b>   |
| <b>Total Payments</b>                               | <b>10,460,379</b>  | <b>11,056,201</b>  | <b>11,669,626</b>  |
| <b>Receipts</b>                                     |                    |                    |                    |
| Sale of goods and services                          | 1,019,315          | 1,030,215          | <b>1,083,326</b>   |
| Interest  | 51,172             | 70,172             | <b>71,803</b>      |
| Other   | 506,036            | 855,423            | <b>865,776</b>     |
| <b>Total Receipts</b>                               | <b>1,576,523</b>   | <b>1,955,810</b>   | <b>2,020,905</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(8,883,856)</b> | <b>(9,100,391)</b> | <b>(9,648,721)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                    |                    |                    |
| Proceeds from sale of property, plant and equipment | 32,350             | 20,601             | <b>47,620</b>      |
| Purchases of property, plant and equipment          | (646,378)          | (591,270)          | <b>(553,094)</b>   |
| Other*  | ...                | ...                | <b>(20,000)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(614,028)</b>   | <b>(570,669)</b>   | <b>(525,474)</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                    |                    |                    |
| Proceeds from borrowings and advances               | 7,305              | 1,017              | ...                |
| Repayment of borrowings and advances                | (8,275)            | (1,987)            | <b>(4,017)</b>     |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(970)</b>       | <b>(970)</b>       | <b>(4,017)</b>     |

\* Comprises purchase of software intangibles.

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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|   | 2005-06            |                    | 2006-07             |
|---|--------------------|--------------------|---------------------|
|   | Budget             | Revised            | Budget              |
|   | \$000              | \$000              | \$000               |
| <b>CASH FLOW STATEMENT (cont)</b>                               |                    |                    |                     |
| <b>CASH FLOWS FROM GOVERNMENT</b>                               |                    |                    |                     |
| Recurrent appropriation   | 9,102,306          | 9,259,732          | <b>9,821,729</b>    |
| Capital appropriation   | 455,503            | 473,139            | <b>385,685</b>      |
| Asset sale proceeds transferred to the Consolidated Fund Entity | ...                | ...                | <b>(9,000)</b>      |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>                           | <b>9,557,809</b>   | <b>9,732,871</b>   | <b>10,198,414</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                          | <b>58,955</b>      | <b>60,841</b>      | <b>20,202</b>       |
| Opening Cash and Cash Equivalents                               | 512,316            | 581,108            | <b>641,949</b>      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>                        | <b>571,271</b>     | <b>641,949</b>     | <b>662,151</b>      |
| <b>CASH FLOW RECONCILIATION</b>                                 |                    |                    |                     |
| Net cost of services  | (9,528,561)        | (9,762,355)        | <b>(10,253,479)</b> |
| Non cash items added back                                       | 540,244            | 565,143            | <b>544,595</b>      |
| Change in operating assets and liabilities                      | 104,461            | 96,821             | <b>60,163</b>       |
| <b>Net cash flow from operating activities</b>                  | <b>(8,883,856)</b> | <b>(9,100,391)</b> | <b>(9,648,721)</b>  |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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|                                  | 2005-06          |                  | 2006-07          |
|----------------------------------|------------------|------------------|------------------|
|                                  | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>BALANCE SHEET</b>             |                  |                  |                  |
| <b>ASSETS -</b>                  |                  |                  |                  |
| <b>Current Assets -</b>          |                  |                  |                  |
| Cash assets                      | 591,599          | 649,522          | <b>669,724</b>   |
| Receivables                      | 156,633          | 174,786          | <b>163,103</b>   |
| Other financial assets           | 218,977          | 243,948          | <b>243,948</b>   |
| Inventories                      | 69,127           | 73,182           | <b>74,186</b>    |
| Assets held for sale             | 40,990           | 47,620           | <b>51,020</b>    |
| Other                            | 29,640           | 36,713           | <b>38,597</b>    |
| <b>Total Current Assets</b>      | <b>1,106,966</b> | <b>1,225,771</b> | <b>1,240,578</b> |
| <b>Non Current Assets -</b>      |                  |                  |                  |
| Receivables                      | 3,337            | 2,251            | <b>2,251</b>     |
| Other financial assets           | 47,267           | 35,735           | <b>35,735</b>    |
| Property, plant and equipment -  |                  |                  |                  |
| Land and building                | 6,878,562        | 7,532,538        | <b>7,602,962</b> |
| Plant and equipment              | 643,807          | 650,749          | <b>683,366</b>   |
| Infrastructure systems           | 54,157           | 287,109          | <b>287,109</b>   |
| Intangibles                      | 31,763           | 51,644           | <b>52,644</b>    |
| Other                            | 5,543            | 4,751            | <b>4,751</b>     |
| <b>Total Non Current Assets</b>  | <b>7,664,436</b> | <b>8,564,777</b> | <b>8,668,818</b> |
| <b>Total Assets</b>              | <b>8,771,402</b> | <b>9,790,548</b> | <b>9,909,396</b> |
| <b>LIABILITIES -</b>             |                  |                  |                  |
| <b>Current Liabilities -</b>     |                  |                  |                  |
| Payables                         | 556,016          | 648,945          | <b>645,962</b>   |
| Borrowings                       | 38,378           | 16,365           | <b>17,713</b>    |
| Provisions                       | 635,818          | 600,431          | <b>605,405</b>   |
| Other                            | 31,153           | 32,369           | <b>32,369</b>    |
| <b>Total Current Liabilities</b> | <b>1,261,365</b> | <b>1,298,110</b> | <b>1,301,449</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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|                                      | 2005-06          |                  | <b>2006-07</b>   |
|--------------------------------------|------------------|------------------|------------------|
|                                      | Budget<br>\$000  | Revised<br>\$000 |                  |
| <b>BALANCE SHEET (cont)</b>          |                  |                  |                  |
| <b>Non Current Liabilities -</b>     |                  |                  |                  |
| Borrowings                           | 97,137           | 70,322           | <b>64,957</b>    |
| Provisions                           | 1,173,928        | 1,217,429        | <b>1,267,563</b> |
| Other                                | 32,150           | 31,452           | <b>30,695</b>    |
| <b>Total Non Current Liabilities</b> | <b>1,303,215</b> | <b>1,319,203</b> | <b>1,363,215</b> |
| <b>Total Liabilities</b>             | <b>2,564,580</b> | <b>2,617,313</b> | <b>2,664,664</b> |
| <b>NET ASSETS</b>                    | <b>6,206,822</b> | <b>7,173,235</b> | <b>7,244,732</b> |
| <b>EQUITY</b>                        |                  |                  |                  |
| Reserves                             | 1,597,807        | 1,192,246        | <b>1,192,246</b> |
| Accumulated funds                    | 4,609,015        | 5,980,989        | <b>6,052,486</b> |
| <b>TOTAL EQUITY</b>                  | <b>6,206,822</b> | <b>7,173,235</b> | <b>7,244,732</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.1 Ambulatory, Primary and (General) Community Based Services**

**29.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Dental health non-inpatient occasions of service  | thous | 1,420   | 1,392   | 1,248   | <b>1,270</b>   |
| Notification of vaccine preventable diseases in children less than 16 years                           | no.   | 1,250   | 684     | 600     | <b>600</b>     |
| Infants aged 12-15 months fully immunised   | %     | 91      | 91      | 91      | <b>91</b>      |
| Age standardised hospitalisation rate for injuries from falls, persons 65 years and over, per 100,000 | no.   | 2,505   | 2,600   | 2,700   | <b>2,800</b>   |
| Home nursing occasions of service   | thous | 385     | 288     | 288     | <b>288</b>     |
| Notifications of HIV attributable to injecting drug use   | no.   | 14      | 10      | 10      | <b>10</b>      |
| Methadone treatment places  | no.   | 15,720  | 16,320  | 16,320  | <b>16,320</b>  |
| Withdrawal management (detoxification) people treated   | no.   | 10,562  | 11,344  | 12,126  | <b>12,853</b>  |
| Drug and alcohol rehabilitation activities participation numbers                                      | no.   | 5,789   | 6,294   | 6,799   | <b>7,275</b>   |
| <u>Average Staffing:</u>  | EFT   | 7,285   | 7,288   | 7,297   | <b>7,297</b>   |

**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

**29.1 Ambulatory, Primary and (General) Community Based Services**

**29.1.1 Primary and Community Based Services (cont)**

|   | —2005-06—       |                  | <b>2006-07</b> |
|---|-----------------|------------------|----------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                |
| <b>OPERATING STATEMENT</b>                |                 |                  |                |
| <b>Expenses Excluding Losses -</b>        |                 |                  |                |
| Operating expenses -                      |                 |                  |                |
| Employee related                          | 536,255         | 534,591          | <b>563,623</b> |
| Other operating expenses                  | 175,282         | 177,009          | <b>187,226</b> |
| Depreciation and amortisation             | 28,252          | 26,619           | <b>26,587</b>  |
| Grants and subsidies                      |                 |                  |                |
| Voluntary organisations                   | 78,147          | 87,089           | <b>90,364</b>  |
| Grants to agencies for recurrent purposes | 3,736           | 3,736            | <b>3,736</b>   |
| Third schedule hospitals                  | 19,134          | 9,150            | <b>9,511</b>   |
| <b>Total Expenses Excluding Losses</b>    | <b>840,806</b>  | <b>838,194</b>   | <b>881,047</b> |
| Less:                                     |                 |                  |                |
| <b>Retained Revenue -</b>                 |                 |                  |                |
| Sales of goods and services               |                 |                  |                |
| Patient fees                              | 6,519           | 4,071            | <b>4,415</b>   |
| Other hospital charges                    | 30,745          | 19,200           | <b>20,207</b>  |
| Investment income                         | 3,101           | 3,964            | <b>4,069</b>   |
| Grants and contributions                  | 24,805          | 22,436           | <b>23,436</b>  |
| Other revenue                             | 5,362           | 4,597            | <b>4,573</b>   |
| <b>Total Retained Revenue</b>             | <b>70,532</b>   | <b>54,268</b>    | <b>56,700</b>  |
| Other gains/(losses)                      | (746)           | (911)            | <b>(941)</b>   |
| <b>NET COST OF SERVICES</b>               | <b>771,020</b>  | <b>784,837</b>   | <b>825,288</b> |
| <b>CAPITAL EXPENDITURE</b>                |                 |                  |                |
|   | <b>25,962</b>   | <b>12,831</b>    | <b>5,861</b>   |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.1 Ambulatory, Primary and (General) Community Based Services**

**29.1.2 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.)

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |       |         |         |         |                |
| Otitis Media Program screening rate for children 0-6 yrs | %     | ...     | 50      | 60      | <b>70</b>      |
| <u>Average Staffing:</u>                                 | EFT   | 349     | 353     | 370     | <b>370</b>     |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                   |               |               |               |
| Employee related                       | 29,450        | 26,331        | <b>27,650</b> |
| Other operating expenses               | 17,264        | 20,698        | <b>20,382</b> |
| Depreciation and amortisation          | 1,507         | 795           | <b>794</b>    |
| Grants and subsidies                   |               |               |               |
| Voluntary organisations                | 8,553         | 9,075         | <b>9,556</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>56,774</b> | <b>56,899</b> | <b>58,382</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.1 Ambulatory, Primary and (General) Community Based Services**

**29.1.2 Aboriginal Health Services (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|                             |       |       |              |
|-----------------------------|-------|-------|--------------|
| Sales of goods and services |       |       |              |
| Other hospital charges      | 2,420 | 3,139 | <b>3,373</b> |
| Investment income           | 118   | 110   | <b>113</b>   |
| Grants and contributions    | 1,406 | 797   | <b>832</b>   |
| Other revenue               | 376   | 258   | <b>257</b>   |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>4,320</b> | <b>4,304</b> | <b>4,575</b> |
|-------------------------------|--------------|--------------|--------------|

|                      |      |      |             |
|----------------------|------|------|-------------|
| Other gains/(losses) | (42) | (91) | <b>(94)</b> |
|----------------------|------|------|-------------|

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>52,496</b> | <b>52,686</b> | <b>53,901</b> |
|-----------------------------|---------------|---------------|---------------|

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.1 Ambulatory, Primary and (General) Community Based Services**

**29.1.3 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                          |       |         |         |         |                |
| Outpatient clinics: occasions of service | thous | 6,953   | 7,022   | 7,096   | <b>7,170</b>   |
| Diagnostics: occasions of service        | thous | 1,861   | 1,861   | 1,949   | <b>2,041</b>   |
| <u>Average Staffing:</u>                 | EFT   | 9,265   | 9,462   | 9,462   | <b>9,490</b>   |

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| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

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***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| Operating expenses -                   |                  |                  |                  |
| Employee related                       | 635,852          | 648,822          | <b>679,767</b>   |
| Other operating expenses               | 331,555          | 312,436          | <b>329,427</b>   |
| Depreciation and amortisation          | 53,072           | 52,865           | <b>52,797</b>    |
| Grants and subsidies                   |                  |                  |                  |
| Voluntary organisations                | 4,053            | 4,649            | <b>4,883</b>     |
| Third schedule hospitals               | 52,979           | 56,930           | <b>58,524</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>1,077,511</b> | <b>1,075,702</b> | <b>1,125,398</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.1 Ambulatory, Primary and (General) Community Based Services**

**29.1.3 Outpatient Services (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|   |                |                |                  |
|---|----------------|----------------|------------------|
| Sales of goods and services             |                |                |                  |
| Patient fees                            | 28,331         | 20,136         | <b>21,497</b>    |
| Other hospital charges                  | 30,020         | 21,336         | <b>22,852</b>    |
| Department of Veterans' Affairs revenue | 16,890         | 17,411         | <b>17,933</b>    |
| Investment income                       | 6,918          | 4,411          | <b>4,528</b>     |
| Grants and contributions                | 10,573         | 17,554         | <b>18,336</b>    |
| Other revenue                           | 7,061          | 5,767          | <b>5,737</b>     |
| <b>Total Retained Revenue</b>           | <b>99,793</b>  | <b>86,615</b>  | <b>90,883</b>    |
| Other gains/(losses)                    | (1,638)        | (1,513)        | <b>(1,564)</b>   |
| <b>NET COST OF SERVICES</b>             | <b>979,356</b> | <b>990,600</b> | <b>1,036,079</b> |

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|                            |              |     |     |
|----------------------------|--------------|-----|-----|
| <b>CAPITAL EXPENDITURE</b> | <b>4,899</b> | ... | ... |
|----------------------------|--------------|-----|-----|

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.2 Acute Health Services**

**29.2.1 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.

| <u>Outcomes:</u>   | Units   | 2003-04   | 2004-05    | 2005-06    | <b>2006-07</b>    |
|--|---------|-----------|------------|------------|-------------------|
| Transport response times for emergency cases in metropolitan areas within 10 minutes | %       | 53        | 53         | 58         | <b>60</b>         |
| Transport response times for emergency cases in metropolitan areas within 15 minutes | %       | 83        | 83         | 86         | <b>87</b>         |
| Transport response times for emergency cases in rural districts within 20 minutes    | %       | 86        | 86         | 86         | <b>86</b>         |
| <br><u>Outputs:</u>  |         |           |            |            |                   |
| Patient separations  | thous   | 153       | 153        | 173        | <b>181</b>        |
| Emergency Departments attendances  | thous   | 1,999     | 2,000      | 2,180      | <b>2,245</b>      |
| Emergency Departments attendances admitted   | thous   | 417       | 422        | 465        | <b>479</b>        |
| Emergency road transport cases   | thous   | 357       | 363        | 412        | <b>420</b>        |
| Emergency aircraft transport cases   | no.     | 3,300     | 3,994      | 3,830      | <b>3,850</b>      |
| Emergency helicopter transport cases   | no.     | 2,400     | 2,549      | 2,990      | <b>3,000</b>      |
| <br><u>Average Staffing:</u>   | <br>EFT | <br>9,910 | <br>10,236 | <br>10,477 | <br><b>10,572</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.2 Acute Health Services**

**29.2.1 Emergency Services (cont)**

|   | —2005-06—        |                  | <b>2006-07</b>   |
|---|------------------|------------------|------------------|
|   | Budget           | Revised          | <b>Budget</b>    |
|   | \$000            | \$000            | <b>\$000</b>     |
| <b>OPERATING STATEMENT</b>              |                  |                  |                  |
| <b>Expenses Excluding Losses -</b>      |                  |                  |                  |
| Operating expenses -                    |                  |                  |                  |
| Employee related                        | 779,681          | 791,911          | <b>830,114</b>   |
| Other operating expenses                | 300,787          | 351,521          | <b>370,299</b>   |
| Depreciation and amortisation           | 48,970           | 46,333           | <b>46,276</b>    |
| Grants and subsidies                    |                  |                  |                  |
| Voluntary organisations                 | 2,101            | 1,994            | <b>2,090</b>     |
| Third schedule hospitals                | 23,424           | 21,536           | <b>22,139</b>    |
| <b>Total Expenses Excluding Losses</b>  | <b>1,154,963</b> | <b>1,213,295</b> | <b>1,270,918</b> |
| Less:                                   |                  |                  |                  |
| <b>Retained Revenue -</b>               |                  |                  |                  |
| Sales of goods and services             |                  |                  |                  |
| Patient fees                            | 16,879           | 23,563           | <b>25,764</b>    |
| Other hospital charges                  | 17,141           | 23,928           | <b>15,277</b>    |
| Ambulance transport charges             | 19,234           | 27,234           | <b>27,888</b>    |
| Other ambulance user charges            | 1,335            | 1,335            | <b>11,850</b>    |
| Motor vehicle third party payments      | 5,552            | 4,592            | <b>4,744</b>     |
| Department of Veterans' Affairs revenue | 21,434           | 22,095           | <b>22,758</b>    |
| Investment income                       | 2,559            | 4,686            | <b>4,811</b>     |
| Grants and contributions                | 3,585            | 8,628            | <b>9,012</b>     |
| Other revenue                           | 4,691            | 9,115            | <b>9,065</b>     |
| <b>Total Retained Revenue</b>           | <b>92,410</b>    | <b>125,176</b>   | <b>131,169</b>   |
| Other gains/(losses)                    | (1,617)          | (1,696)          | <b>(1,753)</b>   |
| <b>NET COST OF SERVICES</b>             | <b>1,064,170</b> | <b>1,089,815</b> | <b>1,141,502</b> |
| <hr/>                                   |                  |                  |                  |
| <b>CAPITAL EXPENDITURE</b>              | <b>34,902</b>    | <b>24,033</b>    | <b>34,738</b>    |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.2 Acute Health Services**

**29.2.2 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--------------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                |       |         |         |         |                |
| Patient separations            | thous | 684     | 676     | 725     | <b>760</b>     |
| Patients charged for admission | %     | 17.9    | 14.1    | 14.1    | <b>14.1</b>    |
| <u>Average Staffing:</u>       | EFT   | 33,428  | 34,748  | 34,867  | <b>34,888</b>  |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| Operating expenses -                         |                  |                  |                  |
| Employee related                             | 2,653,481        | 2,678,792        | <b>2,792,052</b> |
| Other operating expenses                     | 1,333,883        | 1,445,968        | <b>1,514,259</b> |
| Depreciation and amortisation                | 179,139          | 182,196          | <b>181,970</b>   |
| Grants and subsidies                         |                  |                  |                  |
| Recurrent grants to non-profit organisations | ...              | ...              | <b>70,718</b>    |
| Third schedule hospitals                     | 143,173          | 161,373          | <b>165,787</b>   |
| Blood transfusion services                   | 55,340           | 9,340            | <b>9,700</b>     |
| Capital grants                               | ...              | 13,600           | <b>...</b>       |
| Finance costs                                | 6,573            | 3,424            | <b>5,892</b>     |
| Other expenses                               |                  |                  |                  |
| Cross border payments                        | 85,448           | 95,403           | <b>95,842</b>    |
| <b>Total Expenses Excluding Losses</b>       | <b>4,457,037</b> | <b>4,590,096</b> | <b>4,836,220</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.2 Acute Health Services**

**29.2.2 Overnight Acute Inpatient Services (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |                  |                  |                  |
|---|------------------|------------------|------------------|
| Sales of goods and services             |                  |                  |                  |
| Patient fees                            | 115,319          | 127,721          | <b>135,940</b>   |
| Other hospital charges                  | 170,898          | 189,277          | <b>203,277</b>   |
| Ambulance transport charges             | 2,949            | 2,949            | <b>3,049</b>     |
| Other ambulance user charges            | 207              | 207              | <b>1,838</b>     |
| Motor vehicle third party payments      | 28,935           | 23,933           | <b>24,725</b>    |
| Cross border revenues                   | 783              | 766              | <b>792</b>       |
| Department of Veterans' Affairs revenue | 190,112          | 195,975          | <b>201,854</b>   |
| Investment income                       | 15,157           | 27,964           | <b>28,469</b>    |
| Grants and contributions                | 29,204           | 43,936           | <b>45,896</b>    |
| Other revenue                           | 30,797           | 17,252           | <b>17,157</b>    |
| <b>Total Retained Revenue</b>           | <b>584,361</b>   | <b>629,980</b>   | <b>662,997</b>   |
| Other gains/(losses)                    | (7,026)          | (7,123)          | <b>(7,365)</b>   |
| <b>NET COST OF SERVICES</b>             | <b>3,879,702</b> | <b>3,967,239</b> | <b>4,180,588</b> |

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|                            |                |                |                |
|----------------------------|----------------|----------------|----------------|
| <b>CAPITAL EXPENDITURE</b> | <b>524,899</b> | <b>515,872</b> | <b>474,531</b> |
|----------------------------|----------------|----------------|----------------|

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.2 Acute Health Services**

**29.2.3 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 | 2003-04  | 2004-05 | 2005-06 | <b>2006-07</b>                                  |
|--------------------------|-------|--|---------|---------|---|
| <u>Outputs:</u>          |       |  |         |         |   |
| Patient separations      | thous | 440  | 457     | 491     | <b>515</b>                                      |
| <u>Average Staffing:</u> | EFT   | 4,778  | 4,953   | 5,035   | <b>5,035</b>                                    |
|                          |       | ———2005-06———<br>Budget            Revised<br>\$000                \$000 |         |         | <b>2006-07</b><br><b>Budget</b><br><b>\$000</b> |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |  |                |                |  |                |
|--|--|----------------|----------------|--|----------------|
| Operating expenses -                   |  |                |                |  |                |
| Employee related                       |  | 372,647        | 370,193        |  | <b>387,625</b> |
| Other operating expenses               |  | 266,407        | 247,861        |  | <b>260,493</b> |
| Depreciation and amortisation          |  | 29,257         | 27,624         |  | <b>27,590</b>  |
| Grants and subsidies                   |  |                |                |  |                |
| Voluntary organisations                |  | 210            | 19             |  | <b>26</b>      |
| Third schedule hospitals               |  | 13,987         | 10,415         |  | <b>10,707</b>  |
| Other expenses                         |  |                |                |  |                |
| Cross border payments                  |  | 12,791         | 16,836         |  | <b>15,148</b>  |
| <b>Total Expenses Excluding Losses</b> |  | <b>695,299</b> | <b>672,948</b> |  | <b>701,589</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.2 Acute Health Services**

**29.2.3 Same Day Acute Inpatient Services (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Sales of goods and services             |                |                |                |
| Patient fees                            | 20,440         | 29,418         | <b>31,406</b>  |
| Other hospital charges                  | 9,899          | 14,247         | <b>14,106</b>  |
| Ambulance transport charges             | 1,957          | 1,957          | <b>2,024</b>   |
| Other ambulance user charges            | 136            | 136            | <b>1,207</b>   |
| Cross border revenues                   | 118            | 135            | <b>140</b>     |
| Department of Veterans' Affairs revenue | 9,120          | 9,402          | <b>9,684</b>   |
| Investment income                       | 1,965          | 2,251          | <b>2,311</b>   |
| Grants and contributions                | 6,082          | ...            | ...            |
| Other revenue                           | 2,589          | 2,379          | <b>2,367</b>   |
| <b>Total Retained Revenue</b>           | <b>52,306</b>  | <b>59,925</b>  | <b>63,245</b>  |
| Other gains/(losses)                    | (1,351)        | (1,071)        | <b>(1,108)</b> |
| <b>NET COST OF SERVICES</b>             | <b>644,344</b> | <b>614,094</b> | <b>639,452</b> |

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|                            |     |              |              |
|----------------------------|-----|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | ... | <b>5,903</b> | <b>7,245</b> |
|----------------------------|-----|--------------|--------------|

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.3 Mental Health Services**

**29.3.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                                   |       |         |         |         |                |
| Acute mental health service overnight separations | no.   | 27,759  | 26,814  | 28,500  | <b>29,500</b>  |
| Non-acute mental health inpatient days            | no.   | 266     | 252     | 259     | <b>264</b>     |
| <u>Average Staffing:</u>                          | EFT   | 7,612   | 8,196   | 8,550   | <b>8,899</b>   |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |                |                |                |
|--|----------------|----------------|----------------|
| Operating expenses -                   |                |                |                |
| Employee related                       | 605,077        | 618,396        | <b>666,062</b> |
| Other operating expenses               | 182,160        | 168,287        | <b>208,783</b> |
| Depreciation and amortisation          | 27,206         | 28,336         | <b>28,301</b>  |
| Grants and subsidies                   |                |                |                |
| Voluntary organisations                | 17,119         | 18,373         | <b>19,121</b>  |
| Research grants                        | ...            | 10,000         | ...            |
| Third schedule hospitals               | 21,548         | 22,772         | <b>23,409</b>  |
| Capital grants                         | ...            | 23,000         | ...            |
| <b>Total Expenses Excluding Losses</b> | <b>853,110</b> | <b>889,164</b> | <b>945,676</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.3 Mental Health Services**

**29.3.1 Mental Health Services (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|                               |                |                |                |
|-------------------------------|----------------|----------------|----------------|
| Sales of goods and services   |                |                |                |
| Patient fees                  | 29,112         | 28,002         | <b>29,894</b>  |
| Other hospital charges        | 17,557         | 16,887         | <b>17,711</b>  |
| Investment income             | 1,786          | 1,982          | <b>2,035</b>   |
| Grants and contributions      | 6,432          | 6,455          | <b>6,743</b>   |
| Other revenue                 | 7,627          | 5,315          | <b>5,287</b>   |
| <b>Total Retained Revenue</b> | <b>62,514</b>  | <b>58,641</b>  | <b>61,670</b>  |
| Other gains/(losses)          | (779)          | (740)          | <b>(765)</b>   |
| <b>NET COST OF SERVICES</b>   | <b>791,375</b> | <b>831,263</b> | <b>884,771</b> |

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>50,946</b> | <b>21,278</b> | <b>45,256</b> |
|----------------------------|---------------|---------------|---------------|

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.4 Rehabilitation and Extended Care Services**

**29.4.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                                  |       |         |         |         |                |
| Admitted patients discharged to home/hostel care | %     | 62.7    | 63.0    | 58.7    | <b>58.7</b>    |
| Admitted patients discharged to a nursing home   | %     | 8.7     | 9.0     | 10.2    | <b>10.2</b>    |
| Total non-admitted occasions of service          | thous | 3,198   | 3,182   | 3,182   | <b>3,182</b>   |
| <u>Average Staffing:</u>                         | EFT   | 9,592   | 9,773   | 10,086  | <b>10,161</b>  |

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |                |                |                  |
|--|----------------|----------------|------------------|
| Operating expenses -                   |                |                |                  |
| Employee related                       | 586,037        | 619,073        | <b>652,690</b>   |
| Other operating expenses               | 191,855        | 175,849        | <b>185,492</b>   |
| Depreciation and amortisation          | 32,605         | 34,237         | <b>34,194</b>    |
| Grants and subsidies                   |                |                |                  |
| Voluntary organisations                | 7,503          | 12,162         | <b>12,624</b>    |
| Third schedule hospitals               | 116,779        | 135,439        | <b>139,232</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>934,779</b> | <b>976,760</b> | <b>1,024,232</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.4 Rehabilitation and Extended Care Services**

**29.4.1 Rehabilitation and Extended Care Services (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Sales of goods and services             |                |                |                |
| Patient fees                            | 93,754         | 77,775         | <b>83,031</b>  |
| Other hospital charges                  | 28,376         | 23,540         | <b>23,052</b>  |
| Ambulance transport charges             | 5,162          | 5,162          | <b>5,337</b>   |
| Other ambulance user charges            | 362            | 362            | <b>3,214</b>   |
| Department of Veterans' Affairs revenue | 49,782         | 51,317         | <b>52,857</b>  |
| Investment income                       | 3,685          | 5,591          | <b>5,740</b>   |
| Grants and contributions                | 24,545         | 19,845         | <b>20,730</b>  |
| Other revenue                           | 5,851          | 7,041          | <b>7,004</b>   |
| <b>Total Retained Revenue</b>           | <b>211,517</b> | <b>190,633</b> | <b>200,965</b> |
| Other gains/(losses)                    | (954)          | (820)          | <b>(849)</b>   |
| <b>NET COST OF SERVICES</b>             | <b>724,216</b> | <b>786,947</b> | <b>824,116</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.5 Population Health Services**

**29.5.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outcomes:</u>   |       |         |         |         |                |
| Adult male smokers (current)   | %     | 25.0    | 22.5    | 22.6    | <b>22.1</b>    |
| Adult female smokers (current)   | %     | 20.0    | 19.3    | 17.6    | <b>17.1</b>    |
| Age standardised mortality rate in females aged 50-69 for breast cancer per 100,000                            | no.   | 55.5    | 51.0    | 48.0    | <b>47.0</b>    |
| Age standardised mortality rate in females aged 20-69 for cervical cancer per 100,000                          | no.   | 2.1     | 1.9     | 1.8     | <b>1.7</b>     |
| Two-yearly participation rate of women within breast cancer screening target group (50-69 years) per 100,000   | %     | 51      | 49      | 53      | <b>56</b>      |
| Two-yearly participation rate of women within cervical cancer screening target group (20-69 years) per 100,000 | %     | 59.5    | 59.4    | 58.6    | <b>58.9</b>    |
| <u>Outputs:</u>  |       |         |         |         |                |
| Number of needles and syringes distributed   | thous | 6,490   | 6,700   | 7,000   | <b>7,210</b>   |
| <u>Average Staffing:</u>   | EFT   | 2,087   | 2,080   | 2,444   | <b>2,444</b>   |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.5 Population Health Services**

**29.5.1 Population Health Services (cont)**

|  | —2005-06—       |                  | <b>2006-07</b> |
|--|-----------------|------------------|----------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                |
| <b>OPERATING STATEMENT</b>             |                 |                  |                |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                |
| Operating expenses -                   |                 |                  |                |
| Employee related                       | 151,214         | 166,258          | <b>175,284</b> |
| Other operating expenses               | 110,775         | 123,485          | <b>130,494</b> |
| Depreciation and amortisation          | 6,111           | 6,696            | <b>6,690</b>   |
| Grants and subsidies                   |                 |                  |                |
| Voluntary organisations                | 8,598           | 9,505            | <b>9,866</b>   |
| Research grants                        | 5,074           | 5,074            | ...            |
| Third schedule hospitals               | 6,093           | 4,325            | <b>4,446</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>287,865</b>  | <b>315,343</b>   | <b>326,780</b> |
| Less:                                  |                 |                  |                |
| <b>Retained Revenue -</b>              |                 |                  |                |
| Sales of goods and services            |                 |                  |                |
| Other hospital charges                 | 11,245          | 8,979            | <b>9,677</b>   |
| Investment income                      | 1,203           | 1,768            | <b>1,815</b>   |
| Grants and contributions               | ...             | 936              | <b>978</b>     |
| Other revenue                          | 3,279           | 5,985            | <b>5,953</b>   |
| <b>Total Retained Revenue</b>          | <b>15,727</b>   | <b>17,668</b>    | <b>18,423</b>  |
| Other gains/(losses)                   | (481)           | (674)            | <b>(697)</b>   |
| <b>NET COST OF SERVICES</b>            | <b>272,619</b>  | <b>298,349</b>   | <b>309,054</b> |
| <hr/>                                  |                 |                  |                |
| <b>CAPITAL EXPENDITURE</b>             | <b>3,705</b>    | <b>9,106</b>     | <b>4,153</b>   |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.6 Teaching and Research**

**29.6.1 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 well being 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 well being of the people of New South Wales.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |       |         |         |         |                |
| Interns  | no.   | 561     | 631     | 605     | <b>615</b>     |
| First year Resident Medical Officers   | no.   | 379     | 392     | 389     | <b>401</b>     |
| Graduates from the Public Health Officer Training Program in the past five years currently employed in NSW health system | %     | 87      | 76      | 78      | <b>80</b>      |
| <u>Average Staffing:</u>   | EFT   | 4,289   | 4,289   | 4,439   | <b>4,442</b>   |

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |                |                |                |
|--|----------------|----------------|----------------|
| Operating expenses -                   |                |                |                |
| Employee related                       | 335,948        | 332,512        | <b>350,567</b> |
| Other operating expenses               | 105,920        | 106,234        | <b>112,019</b> |
| Depreciation and amortisation          | 12,431         | 12,849         | <b>12,834</b>  |
| Grants and subsidies                   |                |                |                |
| Voluntary organisations                | 415            | 1,026          | <b>1,065</b>   |
| Research grants                        | 27,564         | 27,564         | <b>21,148</b>  |
| Third schedule hospitals               | 19,422         | 19,374         | <b>19,916</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>501,700</b> | <b>499,559</b> | <b>517,549</b> |

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**MINISTER FOR HEALTH**  
**29 DEPARTMENT OF HEALTH**

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**29.6 Teaching and Research**

**29.6.1 Teaching and Research (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|                             |        |        |               |
|-----------------------------|--------|--------|---------------|
| Sales of goods and services |        |        |               |
| Other hospital charges      | 37,031 | 34,467 | <b>36,416</b> |
| Investment income           | 14,680 | 17,445 | <b>17,912</b> |
| Grants and contributions    | 78,197 | 78,664 | <b>82,176</b> |
| Other revenue               | 23,023 | 22,947 | <b>22,824</b> |

|                               |                |                |                |
|-------------------------------|----------------|----------------|----------------|
| <b>Total Retained Revenue</b> | <b>152,931</b> | <b>153,523</b> | <b>159,328</b> |
|-------------------------------|----------------|----------------|----------------|

|                      |       |       |              |
|----------------------|-------|-------|--------------|
| Other gains/(losses) | (494) | (489) | <b>(507)</b> |
|----------------------|-------|-------|--------------|

|                             |                |                |                |
|-----------------------------|----------------|----------------|----------------|
| <b>NET COST OF SERVICES</b> | <b>349,263</b> | <b>346,525</b> | <b>358,728</b> |
|-----------------------------|----------------|----------------|----------------|

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|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>1,065</b> | <b>2,247</b> | <b>1,310</b> |
|----------------------------|--------------|--------------|--------------|

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**MINISTER FOR HEALTH**  
**30 HEALTH CARE COMPLAINTS COMMISSION**

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating expenses -                   |                 |                  |                 |
| Employee related                       | 7,084           | 7,034            | 7,138           |
| Other operating expenses               | 3,047           | 3,108            | 2,845           |
| Depreciation and amortisation          | 339             | 275              | 370             |
| <b>Total Expenses Excluding Losses</b> | <b>10,470</b>   | <b>10,417</b>    | <b>10,353</b>   |
| Less:                                  |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Sales of goods and services            | 16              | 3                | 5               |
| Investment income                      | 42              | 72               | 46              |
| Other revenue                          | 279             | 282              | 185             |
| <b>Total Retained Revenue</b>          | <b>337</b>      | <b>357</b>       | <b>236</b>      |
| <b>NET COST OF SERVICES</b>            | <b>10,133</b>   | <b>10,060</b>    | <b>10,117</b>   |

**MINISTER FOR HEALTH**  
**30 HEALTH CARE COMPLAINTS COMMISSION**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 6,621           | 6,610            | <b>6,796</b>    |
| Other   | 3,289           | 3,118            | <b>2,928</b>    |
| <b>Total Payments</b>                           | <b>9,910</b>    | <b>9,728</b>     | <b>9,724</b>    |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 16              | 3                | <b>5</b>        |
| Interest  | 47              | 73               | <b>46</b>       |
| Other   | 459             | 437              | <b>329</b>      |
| <b>Total Receipts</b>                           | <b>522</b>      | <b>513</b>       | <b>380</b>      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(9,388)</b>  | <b>(9,215)</b>   | <b>(9,344)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (118)           | (373)            | <b>(162)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(118)</b>    | <b>(373)</b>     | <b>(162)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 9,423           | 9,423            | <b>9,384</b>    |
| Capital appropriation                           | 118             | 118              | <b>12</b>       |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>9,541</b>    | <b>9,541</b>     | <b>9,396</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>35</b>       | <b>(47)</b>      | <b>(110)</b>    |
| Opening Cash and Cash Equivalents               | 916             | 1,712            | <b>1,665</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>951</b>      | <b>1,665</b>     | <b>1,555</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (10,133)        | (10,060)         | <b>(10,117)</b> |
| Non cash items added back                       | 665             | 619              | <b>689</b>      |
| Change in operating assets and liabilities      | 80              | 226              | <b>84</b>       |
| <b>Net cash flow from operating activities</b>  | <b>(9,388)</b>  | <b>(9,215)</b>   | <b>(9,344)</b>  |

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**MINISTER FOR HEALTH**  
**30 HEALTH CARE COMPLAINTS COMMISSION**

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|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 951             | 1,665            | 1,555           |
| Receivables                          | 287             | 354              | 372             |
| Other                                | 9               | 9                | 10              |
| <b>Total Current Assets</b>          | <b>1,247</b>    | <b>2,028</b>     | <b>1,937</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 172             | 262              | 157             |
| Plant and equipment                  | 248             | 538              | 541             |
| Intangibles                          | 483             | 394              | 288             |
| <b>Total Non Current Assets</b>      | <b>903</b>      | <b>1,194</b>     | <b>986</b>      |
| <b>Total Assets</b>                  | <b>2,150</b>    | <b>3,222</b>     | <b>2,923</b>    |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 350             | 251              | 352             |
| Provisions                           | 548             | 548              | 550             |
| <b>Total Current Liabilities</b>     | <b>898</b>      | <b>799</b>       | <b>902</b>      |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 91              | 91               | 91              |
| <b>Total Non Current Liabilities</b> | <b>91</b>       | <b>91</b>        | <b>91</b>       |
| <b>Total Liabilities</b>             | <b>989</b>      | <b>890</b>       | <b>993</b>      |
| <b>NET ASSETS</b>                    | <b>1,161</b>    | <b>2,332</b>     | <b>1,930</b>    |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 1,161           | 2,332            | 1,930           |
| <b>TOTAL EQUITY</b>                  | <b>1,161</b>    | <b>2,332</b>     | <b>1,930</b>    |

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**MINISTER FOR HEALTH**  
**30 HEALTH CARE COMPLAINTS COMMISSION**

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**30.1 Health Care Complaints**

**30.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |       |         |         |         |                |
| Complaints received and assessed   | no.   | 2,817   | 3,239   | 3,200   | <b>3,250</b>   |
| Complaints finalised   | no.   | 2,777   | 3,035   | 3,350   | <b>3,250</b>   |
| Investigations finalised   | no.   | 321     | 870     | 400     | <b>410</b>     |
| Disciplinary - Tribunal, appeal and re-registration matters prosecuted                       | no.   | 67      | 85      | 95      | <b>100</b>     |
| Health Practitioners referred for disciplinary proceedings on finalisation of investigations | no.   | 107     | 269     | 110     | <b>120</b>     |
| Health care policy recommendations made to providers and institutions                        | no.   | 14      | 26      | 36      | <b>40</b>      |
| Telephone inquiries  | no.   | 4,893   | 4,577   | 5,000   | <b>5,000</b>   |
| <u>Average Staffing:</u>   | EFT   | 91      | 90      | 78      | <b>77</b>      |

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                   |               |               |               |
| Employee related                       | 7,084         | 7,034         | <b>7,138</b>  |
| Other operating expenses               | 3,047         | 3,108         | <b>2,845</b>  |
| Depreciation and amortisation          | 339           | 275           | <b>370</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>10,470</b> | <b>10,417</b> | <b>10,353</b> |

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**MINISTER FOR HEALTH**  
**30 HEALTH CARE COMPLAINTS COMMISSION**

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**30.1 Health Care Complaints**

**30.1.1 Health Care Complaints (cont)**

***OPERATING STATEMENT (cont)***

Less:

**Retained Revenue -**

|                                   |               |               |               |
|-----------------------------------|---------------|---------------|---------------|
| Sales of goods and services       |               |               |               |
| Minor sales of goods and services | 16            | 3             | <b>5</b>      |
| Investment income                 | 42            | 72            | <b>46</b>     |
| Other revenue                     | 279           | 282           | <b>185</b>    |
| <b>Total Retained Revenue</b>     | <b>337</b>    | <b>357</b>    | <b>236</b>    |
| <b>NET COST OF SERVICES</b>       | <b>10,133</b> | <b>10,060</b> | <b>10,117</b> |

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>118</b> | <b>373</b> | <b>162</b> |
|----------------------------|------------|------------|------------|

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# MINISTER FOR HOUSING

## OVERVIEW

| Agency   | Budget<br>2005-06<br>\$m | Budget<br>2006-07<br>\$m | Variation<br>% |
|--|--------------------------|--------------------------|----------------|
| <b>Payments to Other Government Bodies Under the Control of the Minister</b> |                          |                          |                |
| Total Expenses .....   | 518.3                    | 540.4                    | 4.3            |
| Capital Expenditure .....  | ...                      | ...                      | ...            |
| <b>Aboriginal Housing Office</b>   |                          |                          |                |
| Total Expenses .....   | 84.4                     | 94.7                     | 12.3           |
| Capital Expenditure .....  | 7.1                      | 17.7                     | 149.3          |
| <b>Home Purchase Assistance Fund</b>   |                          |                          |                |
| Total Expenses .....   | 24.1                     | 14.1                     | -41.6          |
| Capital Expenditure .....  | ...                      | ...                      | ...            |
| <b>Total, Minister for Housing <sup>(a)</sup></b>                            |                          |                          |                |
| Total Expenses .....   | <b>575.4</b>             | <b>600.6</b>             | <b>4.4</b>     |
| Capital Expenditure .....  | <b>7.1</b>               | <b>17.7</b>              | <b>149.3</b>   |

(a) The Ministerial total has been reduced to exclude recurrent amounts paid from Payments to Other Government Bodies Under the Control of the Minister to the Aboriginal Housing Office.

## PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER

In 2006-07, a total of \$540.4 million from the Commonwealth and State sources will assist almost 450,000 people on low incomes in housing need. The Department of Housing will receive \$491.7 million and the Aboriginal Housing Office will receive \$48.7 million. Housing assistance in 2006-07 will provide support to:

- ◆ approximately 318,000 people in Government-subsidised housing managed by public, community or Aboriginal housing providers;
- ◆ around 4,500 crisis accommodation places for nearly 42,000 people; and
- ◆ around 88,000 private renters and homebuyers through financial assistance.

A further \$171.7 million largely from internal sources will result in total expenditure under the Housing Policy and Assistance Program in 2006-07 of \$712.1 million.

## **RECENT DEVELOPMENTS**

The Department of Housing is focused on increasing efficiency while maintaining core client services and programs. The Department continues to trial the Maintenance Reform Program that started in 2005-06 to upgrade properties and achieve long-term savings in maintenance sufficient to offset any upfront costs.

The focus of 2006-07 Budget is on the implementation of the Reshaping Public Housing Reform Program announced in April 2005. The Department of Housing Budget is also implementing the Portfolio Strategy, a State-wide plan to reconfigure the Public Housing portfolio to better meet client needs.

## **STRATEGIC DIRECTIONS**

The Commonwealth and New South Wales Governments 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 Department currently has a substantial reform agenda in place and has undergone a number of significant changes.

The most significant changes are related to the Reshaping Public Housing Reforms. These reforms were designed to ensure a fair, more efficient and effective public housing system, capable of meeting current and future demands. Key areas include:

- ◆ Eligibility (to take effect from 1 July 2006) – this introduces revised assessment criteria for those seeking entry to public housing to support the policy of targeting public housing to those in most need.
- ◆ Length of assistance – provides a proposed methodology for determining a tenant's eligibility to continue in public housing.
- ◆ Water charges – a standard charge for water introduced in 2005 will be reconciled with actual usage where possible.

- ◆ Inter-agency accord – will provide a framework for cross-agency housing and support services to enable tenants with complex needs to obtain support services to maintain their tenancies.
- ◆ Reconfiguration of the asset portfolio – Departmental housing assets will be reconfigured to more cost effectively support the Department's objectives.
- ◆ Maintenance Reform – offers efficiencies on the current annual spending on maintenance.

The Portfolio Strategy forms an integral component of the Reshaping Public Housing Reform. The Strategy is a State-wide, long-term plan for investment in the Department's public housing assets. The aim is to use Departmental housing assets cost-effectively to support the Department's corporate objectives and better match client profiles.

The Department is also trialling the Maintenance Reform Program that establishes a new approach to the maintenance of public housing, and offers an estimated 15 per cent cost savings on the current annual spending on maintenance. This saving is achievable through a systematic lifecycle planning approach. This contrasts with the existing reactive approach that relies largely on reporting of failure by tenants.

## **2006-07 BUDGET**

### **Total Expenses**

In 2006-07, total expenditure of \$712.1 million on the Housing Policy and Assistance Program will be funded through \$540.4 million made available from the Budget, of which \$237 million is from the NSW Government. The balance of total expenditure 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 and the Commonwealth Government.

The total budget of \$712.1 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 \$394.8 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:

- ◆ \$266.7 million for public housing will fund the commencement of 1,178 new dwellings (purchased or constructed), the completion of 877 dwellings, along with 2,666 existing leases and 98 new leases from the private market;
- ◆ \$94.1 million for community housing (excluding crisis accommodation) will fund the commencement of 200 new dwellings (purchased or constructed), the completion of 239 dwellings and subsidies for 5,563 existing leases and 90 new leases;
- ◆ \$12.7 million for crisis accommodation will fund the commencement of 26 new dwellings, the completion of 27 dwellings, 242 existing leases and 15 new leases; and
- ◆ \$21.3 million for the Aboriginal Housing Office (AHO) will fund the commencement of 52 new dwellings to be managed by the AHO and 17 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 58 dwellings (50 for the AHO and eight Aboriginal community housing dwellings).

In total, 1,404 dwellings will be added to the social housing portfolio through capital completions or purchases (1,201 units) and leasing from the private market (203 units).

The Community Housing allocation for 2006-07 includes enhancement funding of \$520,000 for head-leasing 50 units of support accommodation for people with a mental illness, under the Housing and Support Initiative, managed jointly by the Departments of Health and Housing.

### ***Asset Management Program***

Continuing with the strategic direction of improving the standard of housing stock, allocations of \$118.2 million, \$5.6 million and \$13.8 million will be given to public, community (including crisis) and Aboriginal housing respectively, for improvements to dwellings. Improvements range from minor repairs to painting to major upgrading work and are designed to meet client needs. Asset management improvements also contribute to community regeneration of public housing estates.

### ***Other Programs***

The Government assists disadvantaged and lower income people renting in the private rental market. In 2006-07, \$24.9 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, \$10.4 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 Mortgage Assistance Scheme. \$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; and
- ◆ \$1.2 million for the Centre for Affordable Housing.

The Aboriginal Housing Office will allocate \$15 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 the delivery of 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-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.

## RECENT DEVELOPMENTS

Significant policy developments that will impact on AHO's expenditure and activities in 2006-07 include:

- ◆ the Indigenous Housing Reform Agenda and Investment Strategy as agreed at the Housing Ministers' Conference in October 2005. This Reform Strategy builds on existing initiatives and includes a staged four year reform agenda and investment strategy. This will be progressed during 2006-07 for consideration by the NSW and Commonwealth Governments;
- ◆ the AHO's Sector Reform Strategy which includes the development of frameworks and policies to reform the sector, introduction of a regulatory framework for Aboriginal Housing Providers, and better targeting of existing resources and funding;
- ◆ participation in a number of Reviews, including: The Review of the NSW *Aboriginal Land Rights Act 1983*; the Community Housing and Infrastructure Program; and the joint Review between the Commonwealth and New South Wales Governments on Aboriginal Housing and Related Infrastructure; and
- ◆ developing and implementing strategies under the Healthy Indigenous Housing Initiative to strengthen governance, management and structure of Aboriginal Community Housing Providers.

## STRATEGIC DIRECTIONS

The three key strategies that underpin the Aboriginal Housing Program in 2006-07 are Sustainable Services, Sustainable Growth and Sustainable Assets. These directions and the detail of the Aboriginal Housing Program were developed in consultation with Aboriginal people and Aboriginal housing organisations as well as other key stakeholders.

Program funding is directed towards long-term sustainable housing outcomes for housing in 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 co-ordinated and resource effective models of management.

The strategic directions in the AHO's Strategic Plan for 2005-06 to 2007-08 are also closely linked to:

- ◆ the *Aboriginal Housing Act 1998*;

- ◆ the Building a Better Future: Indigenous Housing to 2010; and
- ◆ the Indigenous Housing and Infrastructure Agreement 2005-06 to 2007-08.

## **2006-07 BUDGET**

### **Total Expenses**

The total expenses of \$94.7 million will support:

- ◆ grants of \$4.1 million to Aboriginal communities for the acquisition of community-owned dwellings, with a further 17 additional units expected;
- ◆ AHO property upgrades and asset management of \$3.4 million;
- ◆ Aboriginal community housing repairs and maintenance of \$10.4 million;
- ◆ resourcing community organisations, sector support and training at a cost of \$5.8 million; and
- ◆ grants of \$18 million for the housing component of the Aboriginal Communities Development Program.

### **Capital Expenditure**

The AHO housing program provides public rental housing for Aboriginal people. In 2006-07, AHO's capital expenditure will be \$17.7 million comprising:

- ◆ \$5 million for completion of 50 units under works in progress;
- ◆ \$12.2 million to commence construction or acquire a further 52 units of accommodation; and
- ◆ \$500,000 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.

## **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. These HomeFund support obligations will significantly reduce after May 2006 and the financial structure of the Fund will be reviewed in line with the Fund's future obligations.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses are budgeted at \$14.1 million in 2005-06 with major components being interest on borrowings of \$12.5 million and funding of FANMAC Trust shortfalls of \$0.7 million.

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**MINISTER FOR HOUSING**  
**31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE**  
**CONTROL OF THE MINISTER**

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|  | 2005-06         |                  | <b>2006-07</b><br><b>Budget</b><br><b>\$000</b> |
|--|-----------------|------------------|---|
|  | Budget<br>\$000 | Revised<br>\$000 |   |
| <b>OPERATING STATEMENT</b>             |                 |                  |   |
| <b>Expenses Excluding Losses -</b>     |                 |                  |   |
| Grants and subsidies *                 | 518,294         | 535,150          | <b>540,408</b>                                  |
| <b>Total Expenses Excluding Losses</b> | <b>518,294</b>  | <b>535,150</b>   | <b>540,408</b>                                  |
| <b>NET COST OF SERVICES</b>            | <b>518,294</b>  | <b>535,150</b>   | <b>540,408</b>                                  |

\* This includes \$33.6 million in 2006-07 covering the provision of corporate services, reimbursable expenditure and projects to the Department of Housing by NSW Businesslink Pty Ltd. Estimate for 2005-06 is \$34.1 million, which is in line with the budgeted appropriation.

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**MINISTER FOR HOUSING**  
**31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE**  
**CONTROL OF THE MINISTER**

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|   | ———2005-06———    |                  | <b>2006-07</b>          |
|---|------------------|------------------|-------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                  |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                  |                  |                         |
| <b>Payments</b>                                 |                  |                  |                         |
| Grants and subsidies                            | 518,294          | 535,150          | <b>540,408</b>          |
| <b>Total Payments</b>                           | <b>518,294</b>   | <b>535,150</b>   | <b>540,408</b>          |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(518,294)</b> | <b>(535,150)</b> | <b>(540,408)</b>        |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                  |                  |                         |
| Recurrent appropriation                         | 518,294          | 535,150          | <b>540,408</b>          |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>518,294</b>   | <b>535,150</b>   | <b>540,408</b>          |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | ...              | ...              | ...                     |
| <b>CASH FLOW RECONCILIATION</b>                 |                  |                  |                         |
| Net cost of services                            | (518,294)        | (535,150)        | <b>(540,408)</b>        |
| <b>Net cash flow from operating activities</b>  | <b>(518,294)</b> | <b>(535,150)</b> | <b>(540,408)</b>        |

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## MINISTER FOR HOUSING

### 31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER

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#### 31.1 Housing Policy and Assistance

##### 31.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Provision of rent assistance - occasions of assistance                                   | no.   | 53,685  | 54,248  | 57,130  | <b>55,000</b>  |
| New clients provided with mortgage assistance  | no.   | 130     | 162     | 120     | <b>150</b>     |
| Households assisted with special rent subsidies  | no.   | 1,555   | 1,353   | 1,308   | <b>1,300</b>   |
| New households assisted with public, community and Aboriginal housing (excluding crisis) | no.   | 13,647  | 12,333  | 12,587  | <b>12,920</b>  |
| Total households receiving ongoing housing assistance                                    | no.   | 143,456 | 143,122 | 143,324 | <b>144,245</b> |
| Units of accommodation managed by public housing   | no.   | 128,798 | 128,270 | 127,926 | <b>126,802</b> |
| Units of accommodation managed by community housing                                      | no.   | 13,056  | 13,655  | 14,400  | <b>15,761</b>  |
| Units of accommodation managed by Aboriginal housing                                     | no.   | 5,850   | 5,888   | 5,938   | <b>5,990</b>   |
| Total units of accommodation managed by public, community and Aboriginal housing         | no.   | 147,704 | 147,813 | 148,264 | <b>148,553</b> |
| Units of public and community housing completed  | no.   | 662     | 683     | 813     | <b>1,143</b>   |
| Net increase in accommodation leased for public and community housing                    | no.   | 68      | 133     | 182     | <b>203</b>     |
| Crisis accommodation places available for financial year                                 | no.   | 4,100   | 4,200   | 4,400   | <b>4,500</b>   |
| Units of accommodation (completions) for Other Housing Program                           | no.   | 31      | 6       | 9       | <b>12</b>      |
| Public housing tenants receiving subsidies   | %     | 90      | 88      | 89      | <b>90</b>      |

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**MINISTER FOR HOUSING**  
**31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE**  
**CONTROL OF THE MINISTER**

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**31.1 Housing Policy and Assistance**

**31.1.1 Housing Policy and Assistance (cont)**

|  | 2004-05         |                  | <b>2005-06<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b><i>OPERATING STATEMENT</i></b>          |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>         |                 |                  |                                     |
| Grants and subsidies                       |                 |                  |                                     |
| Public Housing Supply                      | 19,882          | 29,882           | <b>160,597</b>                      |
| Public Housing Asset Management            | 236,514         | 222,270          | <b>106,682</b>                      |
| Community Housing Program                  | 117,844         | 117,844          | <b>122,058</b>                      |
| Aboriginal Housing Program                 | 33,439          | 33,439           | <b>30,664</b>                       |
| Aboriginal Communities Development Program | 18,000          | 18,000           | <b>18,000</b>                       |
| Other Housing Programs                     | 92,615          | 113,715          | <b>102,407</b>                      |
| <b>Total Expenses Excluding Losses</b>     | <b>518,294</b>  | <b>535,150</b>   | <b>540,408</b>                      |
| <b>NET COST OF SERVICES</b>                | <b>518,294</b>  | <b>535,150</b>   | <b>540,408</b>                      |

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**MINISTER FOR HOUSING  
ABORIGINAL HOUSING OFFICE**

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|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 18,335          | 36,908           | <b>39,601</b>                       |
| Investment income                             | 1,000           | 1,000            | <b>1,000</b>                        |
| Grants and contributions                      | 67,872          | 73,343           | <b>64,314</b>                       |
| Other revenue                                 | ...             | 616              | ...                                 |
| <b>Total Retained Revenue</b>                 | <b>87,207</b>   | <b>111,867</b>   | <b>104,915</b>                      |
| Less:   |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating Expenses -                          |                 |                  |                                     |
| Employee related                              | 6,240           | 6,297            | <b>7,135</b>                        |
| Other operating expenses                      | 18,486          | 22,824           | <b>22,092</b>                       |
| Depreciation and amortisation                 | 5,749           | 5,455            | <b>5,893</b>                        |
| Grants and subsidies                          | 53,882          | 39,402           | <b>43,758</b>                       |
| Other expenses                                | ...             | 15,347           | <b>15,836</b>                       |
| <b>Total Expenses Excluding Losses</b>        | <b>84,357</b>   | <b>89,325</b>    | <b>94,714</b>                       |
| Gain/(loss) on disposal of non current assets | 100             | 100              | <b>100</b>                          |
| Other gains/(losses)                          | (500)           | (500)            | <b>(500)</b>                        |
| <b>SURPLUS/(DEFICIT)</b>                      | <b>2,450</b>    | <b>22,142</b>    | <b>9,801</b>                        |

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**MINISTER FOR HOUSING  
ABORIGINAL HOUSING OFFICE**

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|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 17,826          | 23,203           | <b>23,293</b>   |
| Interest  | 1,000           | 1,000            | <b>1,000</b>    |
| Other   | 65,977          | 75,892           | <b>65,261</b>   |
| <b>Total Receipts</b>                               | <b>84,803</b>   | <b>100,095</b>   | <b>89,554</b>   |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 5,289           | 5,856            | <b>6,483</b>    |
| Grants and subsidies                                | 50,699          | 39,219           | <b>43,698</b>   |
| Other   | 23,113          | 32,981           | <b>23,642</b>   |
| <b>Total Payments</b>                               | <b>79,101</b>   | <b>78,056</b>    | <b>73,823</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>5,702</b>    | <b>22,039</b>    | <b>15,731</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | 1,000           | 1,500            | <b>1,000</b>    |
| Purchases of property, plant and equipment          | (7,105)         | (29,595)         | <b>(17,646)</b> |
| Other   | ...             | (100)            | <b>(100)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(6,105)</b>  | <b>(28,195)</b>  | <b>(16,746)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(403)</b>    | <b>(6,156)</b>   | <b>(1,015)</b>  |
| Opening Cash and Cash Equivalents                   | 25,986          | 32,421           | <b>26,265</b>   |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>25,583</b>   | <b>26,265</b>    | <b>25,250</b>   |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Surplus/(deficit) for year before distributions     | 2,450           | 22,142           | <b>9,801</b>    |
| Non cash items added back                           | 5,749           | 5,455            | <b>5,893</b>    |
| Change in operating assets and liabilities          | (2,497)         | (5,558)          | <b>37</b>       |
| <b>Net cash flow from operating activities</b>      | <b>5,702</b>    | <b>22,039</b>    | <b>15,731</b>   |

**MINISTER FOR HOUSING  
ABORIGINAL HOUSING OFFICE**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 25,583          | 26,265           | <b>25,250</b>   |
| Receivables                          | 1,817           | 3,113            | <b>3,628</b>    |
| Other                                | 45              | 10               | <b>10</b>       |
| <b>Total Current Assets</b>          | <b>27,445</b>   | <b>29,388</b>    | <b>28,888</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 824,065         | 839,219          | <b>859,209</b>  |
| Plant and equipment                  | 1,661           | 1,828            | <b>1,759</b>    |
| Infrastructure systems               | 3,181           | 18,054           | <b>9,073</b>    |
| Intangibles                          | 245             | 259              | <b>272</b>      |
| Other                                | 452             | 668              | <b>668</b>      |
| <b>Total Non Current Assets</b>      | <b>829,604</b>  | <b>860,028</b>   | <b>870,981</b>  |
| <b>Total Assets</b>                  | <b>857,049</b>  | <b>889,416</b>   | <b>899,869</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 2,155           | 1,696            | <b>1,696</b>    |
| Provisions                           | 2,141           | 2,438            | <b>2,850</b>    |
| Other                                | 4,906           | 10,000           | <b>10,000</b>   |
| <b>Total Current Liabilities</b>     | <b>9,202</b>    | <b>14,134</b>    | <b>14,546</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 465             | 852              | <b>1,092</b>    |
| <b>Total Non Current Liabilities</b> | <b>465</b>      | <b>852</b>       | <b>1,092</b>    |
| <b>Total Liabilities</b>             | <b>9,667</b>    | <b>14,986</b>    | <b>15,638</b>   |
| <b>NET ASSETS</b>                    | <b>847,382</b>  | <b>874,430</b>   | <b>884,231</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 378,735         | 375,570          | <b>375,570</b>  |
| Accumulated funds                    | 468,647         | 498,860          | <b>508,661</b>  |
| <b>TOTAL EQUITY</b>                  | <b>847,382</b>  | <b>874,430</b>   | <b>884,231</b>  |

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**MINISTER FOR HOUSING  
HOME PURCHASE ASSISTANCE FUND**

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|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>             |               |               |               |
| <b>Retained Revenue -</b>              |               |               |               |
| Sales of goods and services            | 26            | 24            | 12            |
| Investment income                      | 25,047        | 25,631        | 24,985        |
| <b>Total Retained Revenue</b>          | <b>25,073</b> | <b>25,655</b> | <b>24,997</b> |
| Less:                                  |               |               |               |
| <b>Expenses Excluding Losses -</b>     |               |               |               |
| Operating Expenses -                   |               |               |               |
| Other operating expenses               | 187           | 276           | 285           |
| Grants and subsidies                   | 3,090         | 261           | 262           |
| Finance costs                          | 12,851        | 12,883        | 12,470        |
| Other expenses                         | 7,986         | 8,053         | 1,072         |
| <b>Total Expenses Excluding Losses</b> | <b>24,114</b> | <b>21,473</b> | <b>14,089</b> |
| <b>SURPLUS/(DEFICIT)</b>               | <b>959</b>    | <b>4,182</b>  | <b>10,908</b> |

**MINISTER FOR HOUSING  
HOME PURCHASE ASSISTANCE FUND**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 26              | 24               | 12              |
| Interest  | 26,666          | 27,479           | 26,638          |
| Other   | 2               | ...              | ...             |
| <b>Total Receipts</b>                           | <b>26,694</b>   | <b>27,503</b>    | <b>26,650</b>   |
| <b>Payments</b>                                 |                 |                  |                 |
| Grants and subsidies                            | 3,090           | 261              | 262             |
| Finance costs                                   | 12,851          | 12,883           | 12,470          |
| Other   | 12,275          | 13,749           | 957             |
| <b>Total Payments</b>                           | <b>28,216</b>   | <b>26,893</b>    | <b>13,689</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(1,522)</b>  | <b>610</b>       | <b>12,961</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Proceeds from sale of investments               | 9,402           | 14,270           | 14,994          |
| Advance repayments received                     | 900             | 867              | 571             |
| Purchases of investments                        | (106)           | (4,245)          | (16,565)        |
| Other   | ...             | (2,828)          | (2,905)         |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>10,196</b>   | <b>8,064</b>     | <b>(3,905)</b>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                 |
| Repayment of borrowings and advances            | (8,674)         | (8,674)          | (9,056)         |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>(8,674)</b>  | <b>(8,674)</b>   | <b>(9,056)</b>  |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | ...             | ...              | ...             |
| Opening Cash and Cash Equivalents               | 2               | 5                | 5               |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>2</b>        | <b>5</b>         | <b>5</b>        |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Surplus/(deficit)                               | 959             | 4,182            | 10,908          |
| Non cash items added back                       | 1,619           | 1,848            | 1,653           |
| Change in operating assets and liabilities      | (4,100)         | (5,420)          | 400             |
| <b>Net cash flow from operating activities</b>  | <b>(1,522)</b>  | <b>610</b>       | <b>12,961</b>   |

**MINISTER FOR HOUSING  
HOME PURCHASE ASSISTANCE FUND**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 2               | 5                | 5               |
| Receivables                          | 7,536           | 6,680            | 6,680           |
| Other financial assets               | 94,273          | 48,235           | 148,015         |
| <b>Total Current Assets</b>          | <b>101,811</b>  | <b>54,920</b>    | <b>154,700</b>  |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Other financial assets               | 330,902         | 380,099          | 279,666         |
| Property, plant and equipment -      |                 |                  |                 |
| <b>Total Non Current Assets</b>      | <b>330,902</b>  | <b>380,099</b>   | <b>279,666</b>  |
| <b>Total Assets</b>                  | <b>432,713</b>  | <b>435,019</b>   | <b>434,366</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 635             | 228              | 228             |
| Borrowings                           | 9,056           | 9,056            | 9,455           |
| Provisions                           | 1,200           | ...              | ...             |
| <b>Total Current Liabilities</b>     | <b>10,891</b>   | <b>9,284</b>     | <b>9,683</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | 267,792         | 267,792          | 258,337         |
| Provisions                           | 2,500           | 2,400            | 2,800           |
| <b>Total Non Current Liabilities</b> | <b>270,292</b>  | <b>270,192</b>   | <b>261,137</b>  |
| <b>Total Liabilities</b>             | <b>281,183</b>  | <b>279,476</b>   | <b>270,820</b>  |
| <b>NET ASSETS</b>                    | <b>151,530</b>  | <b>155,543</b>   | <b>163,546</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 151,530         | 155,543          | 163,546         |
| <b>TOTAL EQUITY</b>                  | <b>151,530</b>  | <b>155,543</b>   | <b>163,546</b>  |

**MINISTER FOR JUSTICE,  
MINISTER FOR JUVENILE JUSTICE,  
MINISTER FOR EMERGENCY SERVICES,  
MINISTER FOR LANDS, AND  
MINISTER FOR RURAL AFFAIRS**

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**OVERVIEW**

| <i>Agency</i>  | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|--|-----------------------------------|-----------------------------------|------------------------|
| <b>Department of Corrective Services</b>   |                                   |                                   |                        |
| Total Expenses .....   | 763.8                             | 796.7                             | 4.3                    |
| Capital Expenditure .....  | 164.5                             | 128.1                             | -22.1                  |
| <b>Department of Juvenile Justice</b>  |                                   |                                   |                        |
| Total Expenses .....   | 135.4                             | 141.9                             | 4.8                    |
| Capital Expenditure .....  | 12.7                              | 8.0                               | -36.8                  |
| <b>New South Wales Fire Brigades</b>   |                                   |                                   |                        |
| Total Expenses .....   | 452.9                             | 479.1                             | 5.8                    |
| Capital Expenditure .....  | 35.8                              | 44.1                              | 23.1                   |
| <b>Department of Rural Fire Service</b>  |                                   |                                   |                        |
| Total Expenses .....   | 162.0                             | 190.9                             | 17.8                   |
| Capital Expenditure .....  | 8.8                               | 9.5                               | 7.7                    |
| <b>State Emergency Service</b>   |                                   |                                   |                        |
| Total Expenses .....   | 36.4                              | 37.1                              | 2.0                    |
| Capital Expenditure .....  | 4.2                               | 4.5                               | 7.6                    |
| <b>Department of Lands</b>   |                                   |                                   |                        |
| Total Expenses .....   | 79.4                              | 83.2                              | 4.8                    |
| Capital Expenditure .....  | 3.2                               | 2.8                               | -10.8                  |
| <b>Land and Property Information New South Wales</b>   |                                   |                                   |                        |
| Total Expenses .....   | 134.8                             | 144.9                             | 7.5                    |
| Capital Expenditure .....  | 15.0                              | 19.5                              | 30.0                   |
| <b>Total, Minister for Justice, Minister for Juvenile<br/>Justice, Minister for Emergency Services,<br/>Minister for Lands, and Minister for Rural Affairs</b> |                                   |                                   |                        |
| Total Expenses .....   | <b>1764.7</b>                     | <b>1873.8</b>                     | <b>6.2</b>             |
| Capital Expenditure .....  | <b>244.2</b>                      | <b>216.5</b>                      | <b>-11.3</b>           |

## DEPARTMENT OF CORRECTIVE SERVICES

The Department of Corrective Services is an integral part of the criminal justice system and makes a major contribution to a fair, safe and just New South Wales. It ensures that court-imposed sentences are implemented and that the duty of care for offenders in custody and/or under community supervision is properly discharged. The Department administers the *Crimes (Administration of Sentences) Act 1999*.

### RESULTS AND SERVICES

The Department aims to achieve secure, safe, humane and lawful management of offenders and a reduction in the risks of re-offending.

The Department is working towards the following results:

- ◆ Effective management of correctional centre and escort security.
- ◆ Effective supervision and support for offenders while working towards successful order completion.
- ◆ Determination of offender program provision and participation through whole-sentence risks and needs assessment.
- ◆ Re-integration support through strategic partnerships with other government and non-government agencies.

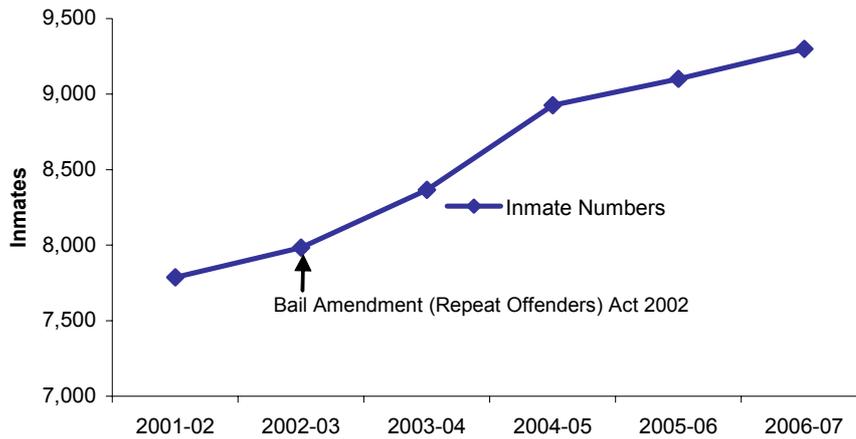
Key services provided by the Department which contribute to these results include:

- ◆ providing correctional centre and custody management;
- ◆ providing custody escorts and court security;
- ◆ advising courts and releasing authorities;
- ◆ designing programs to reduce the risk of re-offending;
- ◆ providing diversionary programs and intensive community supervision; and
- ◆ supporting post-sentence re-integration.

## 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 9,200 in April, 2006.

**Chart 12.1: NSW Daily Average Full Time Inmate Population**



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 2,150 in April 2006.

The Department has also experienced 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.

Consequent to new sentencing legislation in 2003-04, which provided for the supervision of offenders in the community on court-based parole, the Department received associated enhancement funding of \$1.5 million. Additional funding of \$2.5 million in 2006-07 will continue to provide supervision and programs for offenders.

## 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 additional 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 a dual mental illness and substance abuse problem; and
  - improve strategies for dealing with female offenders who present challenging, self-destructive or violent behaviours, including establishing alternatives to imprisonment for women with both a mental illness and substance abuse problem.
- ◆ Providing opportunities for courts to divert Aboriginal offenders from custody, and providing appropriate effective correctional services to Aboriginal offenders. The Department proposes to establish a program on the north coast based on the existing program at Brewarrina (Yetta Dhinnakal) Correctional Centre.
- ◆ 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 provide additional supervision and program provision for offenders in the community.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses of \$796.7 million in 2006-07 will be incurred by the Department. Services provided will include management of offenders within custodial institutions and in the community, delivery of programs and the provision of secure offender management within selected court and police cells.

Included in the above estimated expenses is \$4.2 million for inmate growth money and enhancement funding of \$11.2 million provided for new initiatives and expanded services for offenders in custody and the community. These initiatives include \$2.2 million for the "Second Chance" program at Tabulam (an innovative method of managing first time Indigenous offenders), \$1.5 million for a transitional centre for men, \$2 million for compulsory drug treatment, \$1 million for additional programs for inmates with mental health, intellectual and other disabilities, \$1 million for assessing the risk of re-offending, \$1 million for targeted and accredited rehabilitation programs for offenders and \$2.5 million for increased supervision of parolees.

### **Capital Expenditure**

The 2006-07 capital program totals \$128.1 million compared to \$164.5 million in 2005-06. The decrease is mainly due to the reclassification of the Long Bay Hospital Redevelopment as a privately funded project.

Highlights of the 2006-07 capital program are detailed below.

#### ***1000 New Beds***

To accommodate the growing inmate population across New South Wales, planning continues 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, to be located on the South Coast of New South Wales within an hour of Kiama.

The total estimated cost of the project is \$257.7 million (\$15 million in 2006-07) with completion expected in 2009-10.

#### ***Armoury Replacement***

The existing facility is being upgraded to enable more effective management of 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 (\$0.9 million in 2006-07) with completion anticipated in 2006-07.

## ***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 has been refurbished to support the program. The estimated total cost of the project is \$4 million (\$0.4 million in 2006-07). Construction was completed in 2005-06 with financial completion anticipated in 2006-07.

## ***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 the completion of a new pre-processing facility for visitors.

The total estimated cost of the project is \$51.4 million (\$0.3 million in 2006-07) with completion expected in 2006-07.

## ***Inmate Escort Vehicles***

The growth in inmate population has resulted in a need to increase the Department's inmate transport fleet. The Department has in excess of 130 inmate transport vehicles and it is necessary to replace vehicles and truck bodies as they reach their economical replacement time. Four vehicles will receive new bodies in 2006-07.

The estimated total cost of the project is \$8 million (\$0.4 million in 2006-07), with completion anticipated in 2014-15.

### ***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 hospital redevelopment has recently been approved for construction as a privately funded project. Funding of \$5.1 million in 2006-07 will allow for the completion of necessary enabling works. The estimated total cost of the project is \$63.9 million with completion anticipated in 2007-08.

A parallel project is being undertaken by the Department of Health to establish a 135 bed forensic hospital on the site of the existing prison hospital at Long Bay.

### ***Long Bay Staged Redevelopment***

The redevelopment caters for 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.

It also includes a new Visitor Pre-processing and Control Centre at the Anzac Parade entrance to the complex. All electronic security infrastructure for the Long Bay complex will be managed from this centre.

The estimated total cost of the project is \$44.8 million (\$3.9 million in 2006-07) and the redevelopment is scheduled for completion 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 2006-07 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.

### ***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 (\$5.3 million in 2006-07) with completion anticipated in 2007-08.

### ***Dog Squad/Kennel Complex***

Forty specially trained dog teams are used by the Department for security purposes and to detect contraband including drugs and firearms/explosives. This requires specialist facilities such as those being constructed at South Windsor to meet relevant standards for the training and upkeep of these animals. The project involves an upgrade to the existing training facility, construction of 24 new dog kennels, a veterinary clinic and food preparation area.

The total estimated cost of the project is \$1.8 million (\$1.5 million in 2006-07), with completion anticipated in 2006-07.

### ***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 (\$0.1 million in 2006-07) with completion anticipated in 2006-07.

### ***Kariong Juvenile Correctional Centre***

The Department assumed responsibility for the operation of Kariong Juvenile Correctional Centre in late 2004. Refurbishment work continues to enhance current operations in the management of high security juvenile offenders.

The total estimated cost of the project is \$5 million (\$2.5 million in 2006-07) with completion expected in 2006-07.

### ***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 2006-07) and completion is expected in 2006-07.

### ***Mulawa Staged Redevelopment – Stage 2***

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 (\$10 million in 2006-07), with completion of all stages anticipated in 2009-10.

### ***North Coast Second Chance Program***

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 receiving a first custodial sentence. The project will provide accommodation for 70 offenders and has an estimated total cost of \$9.2 million (\$5.2 million in 2006-07) and completion is expected in 2006-07.

### ***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 (\$0.8 million in 2006-07) with completion expected in 2006-07.

### ***Western Region Correctional Centre***

This project, located at Wellington, provides 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 project is \$125.6 million (\$57.1 million in 2006-07) with completion in 2007-08.

## DEPARTMENT OF JUVENILE JUSTICE

The Department of Juvenile Justice supervises juvenile offenders when mandated by an order of the court and administers youth justice conferences. Court-ordered supervision is conducted either in the community or in Juvenile Justice Centres.

Principal legislation administered by the Department includes the *Young Offenders Act 1997* (Part 5 and Schedule 1), *Children (Community Services Orders) Act 1987*, *Children (Detention Centres) Act 1987*, and *Children (Interstate Transfer of Offenders) Act 1988*.

### RESULTS AND SERVICES

The Department contributes to safer communities by working towards the following results:

- ◆ Young offenders reduce their re-offending.
- ◆ Young offenders complete their legal obligations.
- ◆ The Department's interventions with young offenders are informed by the assessed risk of re-offending and meet recognised standards.

Key services provided by the Department to contribute to these results include:

- ◆ supervising juvenile offenders ordered by the courts to remain in custody pending the outcome of their court cases and those sentenced by the courts to a period of detention;
- ◆ administering youth justice conferences for juvenile offenders referred by the police and courts;
- ◆ supervising juvenile offenders on bail and community-based sentences on order of the courts;
- ◆ providing reports to the courts to assist in sentencing and parole decisions; and
- ◆ transporting and supervising juvenile detainees at court.

### RECENT DEVELOPMENTS

In 2005-06, the Department:

- ◆ completed the construction and commissioning of the Juniperina Young Women's Juvenile Justice Centre at a total cost of \$30.6 million;

- ◆ completed the redevelopment of Reiby Juvenile Justice Centre to a 60 bed centre at a total cost of \$24.3 million;
- ◆ continued the upgrade of the Department's Client Information Management System at a projected cost of \$3.8 million;
- ◆ continued the upgrade of Juvenile Justice Centre fences and cameras – a four year program totalling \$6 million;
- ◆ assumed responsibility from NSW Police for the transport and court supervision of juvenile detainees to the Western region of New South Wales;
- ◆ improved screening processes for detainees;
- ◆ increased the number of Alcohol and Other Drug Counsellors;
- ◆ expanded the catchment areas for young people coming before the Youth Drug Court;
- ◆ conducted the community health survey; and
- ◆ commenced planning for the community integration project.

## **STRATEGIC DIRECTIONS**

The Department will continue its focus on improving community-based services with a clear emphasis on programs which have been evaluated to have a demonstrable impact on re-offending. Programs that divert young offenders from custody and address their offending behaviour in a community context have been proven to be more efficient and effective in reducing further offending. The community intervention programs will provide the opportunity for attendance at weekend bail courts, brokerage to provide accommodation for young people on conditional bail, and specialised training for the Department's community-based staff.

An additional custodial unit was opened in May 2006 to assist the Department to manage a growing detainee population.

In 2006-07, the Department will complete its program of assuming responsibility from the NSW Police for the transport and court supervision of juvenile detainees across the entirety of the State, freeing up police for front line duties.

The Department's strategic direction will improve outcomes for the community by:

- ◆ offering a more effective and proven response to the offending behaviour of young people; and

- ◆ achieving greater value for money for the community over the medium to longer term.

The provision of services and programs for young Aboriginal offenders will remain a particular focus.

## **2006-07 BUDGET**

### **Total Expenses**

The Department's total expenses for 2006-07 are estimated at \$141.9 million which will allow for existing programs to be maintained. This includes additional expenditure to meet increased demands on juvenile custodial accommodation (\$3.1 million) and the introduction of the Community Intervention Project (\$1.9 million).

In 2006-07, \$4.3 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 2006-07 maintenance budget is estimated at \$3.5 million.

### **Capital Expenditure**

The 2006-07 major capital expenditure program of \$5.2 million covers the commencement of the renewal of the Department's IT Infrastructure over a two year timeframe, continued investment in the Custodial Accommodation Management (Security Cameras and Fences) project and the completion of the upgrade to the Client Information Management System. The program also covers the initial investment in the development of the Department's Corporate Information System.

A total of \$2.8 million has been allocated to the minor capital works program.

## **NEW SOUTH WALES FIRE BRIGADES**

The New South Wales Fire Brigades (NSWFB) provides emergency risk management services from more than 335 fire stations throughout New South Wales. The NSWFB promotes fire safety and manages fire emergencies for 90 per cent of the State's population and also protects all of the State from hazardous material incidents. The NSWFB is the largest provider of non-fire rescue services in New South Wales and is a key participant in planning State-wide counter-terrorism management. The NSW Fire Brigades' governing legislation is the *Fire Brigades Act 1989*.

## **RESULTS AND SERVICES**

The NSWFB aims to enhance community safety, quality of life and confidence, by minimising the impact of hazards and emergency incidents on the people, environment and economy of New South Wales. This is achieved by working towards the following results:

- ◆ New South Wales emergency risks are accurately assessed.
- ◆ Emergency incidents are prevented where possible.
- ◆ Communities are resilient and well-prepared for likely risks.
- ◆ People in New South Wales can easily access fast, reliable, effective and safe emergency response.
- ◆ Reduced disruption to the community.

Key services provided by the NSWFB to contribute to these results include:

- ◆ providing community risk management services in which firefighters use their expertise and experience to inspect premises and educate others in preventing or preparing for emergencies;
- ◆ providing emergency management services in which firefighters provide rapid, reliable help in emergencies - 24 hours a day, seven days a week; and
- ◆ ensuring operational preparedness including developing and testing plans and training for emergencies.

## **RECENT DEVELOPMENTS**

The NSWFB is funded 73.7 per cent by collections from insurance companies, 12.3 per cent by local government and 14 per cent by the State.

Between 1999-2000 and 2005-06 there was a 10 per cent growth (or an average annual growth of 1.4 per cent) in the number of incidents attended by the NSWFB. In 2006-07, the NSWFB is expecting to respond to more than 133,000 incidents, representing a response, on average, every six minutes.

The NSWFB has received significant funding increases over recent years. The NSWFB's total expenses were \$308.9 million, and capital expenditure was \$38.8 million in 2000-2001. In 2006-07, total expenses are budgeted at \$479.1 million and capital expenditure is budgeted to be \$44.1 million, an increase of 55.1 per cent in total expenses over this period.

This Government has embarked on the first major fire station building program in 75 years, with strategic programs developed for the greater Sydney area, Central Coast, Hunter Valley and regional New South Wales. Since 1995 33 new stations have been established and 28 have undergone significant refurbishment. In 2005-06 new stations were opened at Tingira Heights, Cranebrook, Molong and Katoomba. Planning is in the process for another nine stations.

By 30 June 2006 the NSWFB will have established 317 Community Fire Units crewed by 5,375 trained volunteers, including approximately 35 per cent women, who assist the fire services to protect homes from bushfire.

In 2005-06, additional funding was provided to:

- ◆ deploy an additional 52 permanent firefighters to various fire stations across the State (\$3.5 million);
- ◆ improve the capability for firefighter safety and counter-terrorism (\$2.5 million);
- ◆ 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); and
- ◆ support the operational training program (\$0.8 million).

## **STRATEGIC DIRECTIONS**

The NSWFB continues to develop initiatives to achieve its vision of Excellence in Emergency Risk Management by maximising the effectiveness and efficiency of service delivery.

Over the next four years, the NSWFB will also receive nearly \$72 million to purchase state of the art urban and rural fire engines and \$41.1 million for information and communications technology.

Over the next four years, the NSWFB will receive an additional \$12.7 million (\$4.2 million recurrent and \$8.5 million capital) for the replacement and maintenance of firefighter safety and counter-terrorism equipment. This will significantly increase the NSWFB's capability for counter-terrorism and hazardous materials response.

Over the next four years, the NSWFB will receive an additional \$6.5 million (\$0.8 million in recurrent funding and \$5.7 million in capital) to maintain and expand the successful Community Fire Unit program.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are estimated to be \$479.1 million, an increase of \$26.2 million, or 5.8 per cent, on its 2005-06 Budget. In 2006-07, the NSWFB will receive funding to:

- ◆ support the recruit training (\$1 million) and operational training (\$1.7 million) programs;
- ◆ improve the capability for firefighter safety and counter-terrorism (\$0.4 million);
- ◆ assist in the support of community fire units (\$86,000); and
- ◆ assist in the funding of retained firefighter costs (\$1.5 million).

### **Capital Expenditure**

In 2006-07, the NSWFB's capital works program is \$44.1 million. This will fund capital works projects including:

- ◆ \$18 million for continuation of an ongoing program to acquire and replace firefighting appliances;
- ◆ \$7.1 million for continuation of the fire station building renovation program, including \$1.5 million for minor works;
- ◆ \$5.8 million for gas monitor purchasing and the replacement and servicing program for firefighter safety equipment and counter-terrorism equipment;
- ◆ \$1.5 million for community fire units; and
- ◆ \$11.6 million for plant and equipment, information and communications technology equipment and operational training.

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 Department is also the host agency for the Office for Emergency Services. The Office is responsible for policy advice to the Minister, provides administrative support to the State Emergency Management Committee and the State Rescue Board and administers the Natural Disaster Mitigation Program.

The prevention and containment of bushfires would not be possible without the unpaid work of some 70,000 volunteers, who operate through 2,069 community based rural fire brigades attached to 122 local councils.

### **RESULTS AND SERVICES**

In order to protect the community and our environment, the Department of Rural Fire Service manages the impact of fire and other emergencies by providing the highest standards of safety, training, community awareness, prevention and operational capability. In particular, the Department achieves this by working towards the following results:

- ◆ Reduction in the risk and cost of fire to the community.
- ◆ Enhanced safety of fire fighters.
- ◆ Provision of fire fighting services to the community.
- ◆ Improved management of interagency responses to fires and other emergencies.
- ◆ Incorporation of ecologically sustainable development principles in the prevention and management of bushfires.

Key services provided by the Department to contribute to these results include:

- ◆ responding to emergency incidents to prevent injury and loss; and
- ◆ increasing community awareness of the risk posed by bushfires and their participation in minimising that risk.

## **RECENT DEVELOPMENTS**

Expenditure by the Department of Rural Fire Service on bushfire fighting activities is financed by the Consolidated Fund (13 per cent), local government (13.3 per cent) and collections from insurance companies (73.7 per cent).

The State's contribution towards fire fighting services is paid into the Rural Fire Fighting Fund along with 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 2000-01 was \$91 million. The total amount to be provided in 2006-07 will be \$168.1 million, an increase of 84.7 per cent over this period.

In 2005-06 additional funding was provided, largely enabling the Department of Rural Fire Service to:

- ◆ continue the tanker upgrade program with the provision of 230 tankers (\$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);
- ◆ 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); and
- ◆ make available funds to the Office for Emergency Services for grants under the Natural Disaster Mitigation Program (\$12.1 million) and the Bushfire Mitigation Program (\$2.7 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 Department continues to respond to a wide range of emerging priorities and issues generated through government and community expectations, developments in emergency sector technology 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.

## **2006-07 BUDGET**

### **Total Expenses**

Department of Rural Fire Service 2006-07 expenses are estimated at \$190.9 million. This level of funding will allow the Rural Fire Service to:

- ◆ continue the tanker upgrade program by the provision of more than 260 tankers (\$34.1 million);
- ◆ fund maintenance grants to local councils (\$13.2 million); and
- ◆ increase subsidies to local councils for brigade stations (\$10 million).

Additional funds have been made available to the Office for Emergency Services for:

- ◆ Natural Disaster Mitigation Program (\$7.7 million);
- ◆ Bushfire Mitigation Program (\$2.7 million); and
- ◆ Critical Infrastructure planning (\$0.1 million).

### **Capital Expenditure**

The Department of Rural Fire Service's \$9.5 million 2006-07 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 (\$3 million).

## STATE EMERGENCY SERVICE

The State Emergency Service (SES) is a volunteer based emergency management response and rescue agency, established by the *State Emergency Service Act 1989*. The Service is the nominated combat agency for floods and storms, and is also the major provider of land and inland water search and rescue throughout the State. The SES provides significant assistance to the NSW Police, New South Wales Fire Brigades, New South Wales Rural Fire Service and other emergency services in a wide range of emergency situations. The SES delivers this service through its 10,000 dedicated volunteers across 231 units, supported by 17 region headquarters and the state headquarters.

### RESULTS AND SERVICES

The SES aims to ensure the community understands, is prepared and able to respond to natural disasters and other emergencies by working towards the following results:

- ◆ Risk reduction and community preparedness.
- ◆ Operational readiness (capacity and capability).
- ◆ Emergency response and recovery.

Key services provided by the SES which contribute to these results include:

- ◆ conducting educational campaigns (residents, businesses and schools) targeting communities particularly those in flood prone areas to be better prepared;
- ◆ providing expert advice to councils and other agencies;
- ◆ strengthening community and media communications strategies;
- ◆ engaging in mutual aid agreements and information sharing with other combat agencies;
- ◆ clearly defining resource requirements and improving the management of current resources; and
- ◆ recognising and rewarding volunteers' effort and commitment.

## **RECENT DEVELOPMENTS**

The SES has received significant funding increases in recent financial years.

Since 2000-01, the SES's total expenditure, including capital, has increased from \$26.2 million to \$41.6 million, representing an increase of 58.8 per cent. The additional funding has enabled the SES to address major priorities in the areas of rescue equipment, improve protective clothing for all volunteers, provide nationally recognised competency based training, purchase and maintain communication equipment, construct new regional headquarters, employ additional staff at both state and regional level, and establish a 24x7 operations communications centre to ensure that calls for help are processed and dispatched in a more timely and efficient manner.

Additional funding in 2005-06 included:

- ◆ \$1.9 million to increase the organisational capability of the Service by enhancing state and regional headquarters;
- ◆ \$0.9 million to operate a 24x7 operations communications centre that will facilitate 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.

## **STRATEGIC DIRECTIONS**

The SES is employing a number of strategies to meet the delivery of the programmed results. These include:

- ◆ development of flood intelligence capabilities;
- ◆ delivery of community education at the local level through the facilitation of trained volunteer community education officers;
- ◆ developing telecommunication capabilities to deal with changing telecommunications systems;
- ◆ provision of a governance framework, establishment of standard operating environment for software and hardware and the implementation of a information security management framework;
- ◆ the provision of a robust and secure SES wide area network; and

- ◆ developing and implementing information services and knowledge management through SES online.

## **2006-07 BUDGET**

### **Total Expenses**

The State Emergency Service's total expenses for 2006-07 are projected to be \$37.1 million.

The SES will fund the following programs:

- ◆ \$3 million to improve the SES organisational capability; and
- ◆ \$1.4 million to implement and operate a 24x7 operations communications centre that will help improve the dispatch of SES crews to emergencies.

### **Capital Expenditure**

The SES capital program is estimated at \$4.5 million.

Capital funding will continue in the following areas:

- ◆ \$2.4 million for communication and paging systems;
- ◆ \$1.4 million for rescue equipment;
- ◆ an additional \$0.4 million to replace motorised hydraulic cutters for road crash rescue units; and
- ◆ \$0.2 million to complete the construction of a new Macquarie region headquarters in Dubbo.

## **DEPARTMENT OF LANDS**

The Department administers Crown Land within New South Wales on behalf of the Crown Entity as well as environmental soil conservation earthworks and consulting services to landowners. The Office of Rural Affairs within the Department provides a co-ordinating forum to gather rural people's views to inform government. Land and Property Information New South Wales (a division within the Department), also undertakes property valuations and provides guarantee of title to land on a fee for service basis.

The Department operates from 68 rural and regional locations with its major governing legislation being the *Crown Lands Act 1989*, the *Soil Conservation Act 1938*, the *Valuation of Land Act 1916* and the *Real Property Act 1900*.

## **RESULTS AND SERVICES**

The Department contributes to the State's natural resource infrastructure management and economic activity levels by working towards the following results:

- ◆ Sustainable natural resource management.
- ◆ Increased economic returns from State land infrastructure assets.

Key services provided by the Department which contribute to these results include:

- ◆ revenue collection and other Crown land administrative activities;
- ◆ marketing and disposal of Crown land for residential, commercial, industrial and rural use;
- ◆ managing Crown reserves for the benefit and use of the public, in partnership with local councils and community trusts;
- ◆ management of Crown land for environmental conservation and sustainability in public use and industry;
- ◆ managing indigenous land rights issues under Aboriginal Land Rights and Native Title legislation;
- ◆ skills and knowledge in managing and implementing soil conservation earthworks and consultancy services; and
- ◆ engagement of rural communities throughout New South Wales to develop solutions to address issues affecting their sustainability.

## **RECENT DEVELOPMENTS**

Department expenditures over the last four years have increased with the growth in the size of the Department following transfers of activities from other Departments. Activities transferred include the minor ports and river entrances program and the Tweed River Sand Bypassing initiative. As a result total operating expenses have increased from \$56 million in 2003-04 to \$83 million in 2006-07.

## **STRATEGIC DIRECTIONS**

Over the past two years Parliament has approved changes to the *Crown Lands Act 1989* to simplify Crown land lease and licence administration. These changes will result in divestment of some lands to their users on a permanent basis and also sale of other Crown land. In 2006-07 the Department will continue to embody the legislative changes in operational practices.

These changes should 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 the Soil Conservation Service to make it commercially viable whilst continuing to provide value added services to its rural and regional customers.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for 2006-07 are \$83.2 million. This includes \$52.2 million for the maintenance and management of Crown Lands, \$17.8 million for soil conservation activity and \$13.2 million paid to Land and Property Information New South Wales 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 2006-07 is \$2.8 million. This program includes \$0.4 million for replacement of computers, plant and equipment and \$0.3 million for building refurbishments to continue to address occupational health and safety issues.

Funding of \$1.9 million has also been provided within the Crown Lands capital works program for the continuation of remediation work to a number of minor dams. 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**

Through the Surveyor General, Registrar General and Valuer General statutory positions, Land and Property Information (LPI) manages the State's land and property registration system, mapping, survey and land valuation services.

## **RECENT DEVELOPMENTS**

LPI's overall business grows in line with the increasing number of properties in New South Wales. However, LPI's operations are subject to the volatility of the property market. During 2006-07 LPI will continue to implement the recommendations of the Ombudsman's report on valuations.

## **STRATEGIC DIRECTIONS**

LPI continues to invest in integrating its data sets and electronic delivery of its information to improve efficiency and convenience for its customers. LPI will also work with the other jurisdictions to develop a National Electronic Conveyancing System. When fully implemented this system will further enhance the way conveyancing is undertaken across Australia.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for 2006-07 are estimated to be \$144.9 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 2006-07 Budget for capital expenditure is \$19.5 million. The program for LPI includes improving land information systems, enhancing and developing electronic service delivery capabilities and the renewal of plant and equipment.

New projects include:

- ◆ development of a National Electronic Conveyancing System;
- ◆ conversion of Crown Parcels; and
- ◆ restructuring of the Aerial Photography Program for the Digital Environment.

Projects continuing include:

- ◆ development of E-Channel services;
- ◆ upgrade of rural addresses;

- ◆ improved regional service delivery;
- ◆ improvements to enhance the transparency and accuracy of the valuation systems;
- ◆ the conversion of old system and manual Torrens titles to the Integrated Titling System; and
- ◆ the conservation and digitisation of historical plans.

**MINISTER FOR JUSTICE, MINISTER FOR JUVENILE JUSTICE,  
MINISTER FOR EMERGENCY SERVICES, MINISTER FOR LANDS,  
AND MINISTER FOR RURAL AFFAIRS**

**32 DEPARTMENT OF CORRECTIVE SERVICES**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                            |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                            |
| Operating expenses -                          |                 |                  |                            |
| Employee related                              | 527,926         | 552,619          | <b>564,638</b>             |
| Other operating expenses                      | 180,200         | 168,563          | <b>173,342</b>             |
| Depreciation and amortisation                 | 50,103          | 50,104           | <b>54,148</b>              |
| Grants and subsidies                          | 3,935           | 3,935            | <b>3,900</b>               |
| Other expenses                                | 1,665           | 665              | <b>665</b>                 |
| <b>Total Expenses Excluding Losses</b>        | <b>763,829</b>  | <b>775,886</b>   | <b>796,693</b>             |
| Less:   |                 |                  |                            |
| <b>Retained Revenue -</b>                     |                 |                  |                            |
| Sales of goods and services                   | 25,634          | 27,654           | <b>26,506</b>              |
| Investment income                             | 970             | 1,100            | <b>1,003</b>               |
| Grants and contributions                      | 4,522           | 4,899            | <b>4,588</b>               |
| Other revenue                                 | 533             | 650              | <b>551</b>                 |
| <b>Total Retained Revenue</b>                 | <b>31,659</b>   | <b>34,303</b>    | <b>32,648</b>              |
| Gain/(loss) on disposal of non current assets | ...             | 164              | ...                        |
| Other gains/(losses)                          | (10)            | (10)             | <b>(9)</b>                 |
| <b>NET COST OF SERVICES</b>                   | <b>732,180</b>  | <b>741,429</b>   | <b>764,054</b>             |

**MINISTER FOR JUSTICE, MINISTER FOR JUVENILE JUSTICE,  
MINISTER FOR EMERGENCY SERVICES, MINISTER FOR LANDS,  
AND MINISTER FOR RURAL AFFAIRS**

**32 DEPARTMENT OF CORRECTIVE SERVICES**

|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>CASH FLOW STATEMENT</b>                                      |                  |                  |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |                  |                  |                  |
| <b>Payments</b>   |                  |                  |                  |
| Employee related  | 490,414          | 512,002          | <b>527,276</b>   |
| Grants and subsidies  | 3,935            | 3,935            | <b>3,900</b>     |
| Other   | 205,638          | 200,517          | <b>197,025</b>   |
| <b>Total Payments</b>   | <b>699,987</b>   | <b>716,454</b>   | <b>728,201</b>   |
| <b>Receipts</b>   |                  |                  |                  |
| Sale of goods and services                                      | 25,634           | 23,998           | <b>26,506</b>    |
| Interest  | 970              | 1,126            | <b>1,003</b>     |
| Other   | 26,823           | 30,049           | <b>28,130</b>    |
| <b>Total Receipts</b>   | <b>53,427</b>    | <b>55,173</b>    | <b>55,639</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>                 | <b>(646,560)</b> | <b>(661,281)</b> | <b>(672,562)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |                  |                  |                  |
| Proceeds from sale of property, plant and equipment             | ...              | 1,933            | ...              |
| Purchases of property, plant and equipment                      | (164,500)        | (119,728)        | <b>(128,095)</b> |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>                 | <b>(164,500)</b> | <b>(117,795)</b> | <b>(128,095)</b> |
| <b>CASH FLOWS FROM GOVERNMENT</b>                               |                  |                  |                  |
| Recurrent appropriation   | 651,783          | 651,783          | <b>679,793</b>   |
| Capital appropriation   | 164,500          | 119,728          | <b>128,095</b>   |
| Asset sale proceeds transferred to the Consolidated Fund Entity | ...              | (962)            | ...              |
| Cash transfers to Consolidated Fund                             | ...              | (1,403)          | ...              |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>                           | <b>816,283</b>   | <b>769,146</b>   | <b>807,888</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                          | <b>5,223</b>     | <b>(9,930)</b>   | <b>7,231</b>     |
| Opening Cash and Cash Equivalents                               | 15,942           | 36,201           | <b>26,271</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>                        | <b>21,165</b>    | <b>26,271</b>    | <b>33,502</b>    |

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**MINISTER FOR JUSTICE, MINISTER FOR JUVENILE JUSTICE,  
MINISTER FOR EMERGENCY SERVICES, MINISTER FOR LANDS,  
AND MINISTER FOR RURAL AFFAIRS**

**32 DEPARTMENT OF CORRECTIVE SERVICES**

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|  | ———2005-06——— |         |
|--|---------------|---------|
|  | Budget        | Revised |
|  | \$000         | \$000   |

|  |  | 2006-07 |
|--|--|---------|
|  |  | Budget  |
|  |  | \$000   |

**CASH FLOW STATEMENT (cont)**

**CASH FLOW RECONCILIATION**

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| Net cost of services                           | (732,180)        | (741,429)        | <b>(764,054)</b> |
| Non cash items added back                      | 84,486           | 84,487           | <b>88,561</b>    |
| Change in operating assets and liabilities     | 1,134            | (4,339)          | <b>2,931</b>     |
| <b>Net cash flow from operating activities</b> | <b>(646,560)</b> | <b>(661,281)</b> | <b>(672,562)</b> |

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|                                      | 2005-06          |                  | 2006-07          |
|--------------------------------------|------------------|------------------|------------------|
|                                      | Budget           | Revised          | Budget           |
|                                      | \$000            | \$000            | \$000            |
| <b>BALANCE SHEET</b>                 |                  |                  |                  |
| <b>ASSETS -</b>                      |                  |                  |                  |
| <b>Current Assets -</b>              |                  |                  |                  |
| Cash assets                          | 21,165           | 26,271           | <b>33,502</b>    |
| Receivables                          | 14,390           | 10,611           | <b>10,611</b>    |
| Inventories                          | 5,526            | 5,526            | <b>5,526</b>     |
| Other                                | 1,450            | 1,450            | <b>1,450</b>     |
| <b>Total Current Assets</b>          | <b>42,531</b>    | <b>43,858</b>    | <b>51,089</b>    |
| <b>Non Current Assets -</b>          |                  |                  |                  |
| Property, plant and equipment -      |                  |                  |                  |
| Land and building                    | 1,437,414        | 1,389,133        | <b>1,549,002</b> |
| Plant and equipment                  | 42,507           | 52,994           | <b>52,818</b>    |
| Intangibles                          | 10,000           | 3,728            | <b>1,328</b>     |
| <b>Total Non Current Assets</b>      | <b>1,489,921</b> | <b>1,445,855</b> | <b>1,603,148</b> |
| <b>Total Assets</b>                  | <b>1,532,452</b> | <b>1,489,713</b> | <b>1,654,237</b> |
| <b>LIABILITIES -</b>                 |                  |                  |                  |
| <b>Current Liabilities -</b>         |                  |                  |                  |
| Payables                             | 24,977           | 24,977           | <b>25,959</b>    |
| Provisions                           | 40,206           | 43,751           | <b>44,592</b>    |
| <b>Total Current Liabilities</b>     | <b>65,183</b>    | <b>68,728</b>    | <b>70,551</b>    |
| <b>Non Current Liabilities -</b>     |                  |                  |                  |
| Provisions                           | 25,500           | 33,200           | <b>34,308</b>    |
| Other                                | 1,904            | 2,500            | <b>2,500</b>     |
| <b>Total Non Current Liabilities</b> | <b>27,404</b>    | <b>35,700</b>    | <b>36,808</b>    |
| <b>Total Liabilities</b>             | <b>92,587</b>    | <b>104,428</b>   | <b>107,359</b>   |
| <b>NET ASSETS</b>                    | <b>1,439,865</b> | <b>1,385,285</b> | <b>1,546,878</b> |
| <b>EQUITY</b>                        |                  |                  |                  |
| Reserves                             | 512,982          | 499,411          | <b>582,757</b>   |
| Accumulated funds                    | 926,883          | 885,874          | <b>964,121</b>   |
| <b>TOTAL EQUITY</b>                  | <b>1,439,865</b> | <b>1,385,285</b> | <b>1,546,878</b> |

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**32 DEPARTMENT OF CORRECTIVE SERVICES**

**32.1 Containment and Care of Inmates**

**32.1.1 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 | 2003-04 | 2004-05 | 2005-06            | <b>2006-07</b> |
|---|-------|---------|---------|--------------------|----------------|
| Escapes from custody -                          |       |         |         |                    |                |
| Maximum security                                | no.   | ...     | ...     | 1                  | <b>n.a.</b>    |
| Medium security                                 | no.   | ...     | ...     | 1                  | <b>n.a.</b>    |
| Minimum security                                | no.   | 7       | 24      | 12                 | <b>n.a.</b>    |
| Escorted (external) work party                  | no.   | 7       | 1       | 3                  | <b>n.a.</b>    |
| Escorted (external)                             |       |         |         |                    |                |
| sports/educational excursion                    | no.   | ...     | ...     | ...                | <b>n.a.</b>    |
| Escorted - other (e.g. transfers, hospital etc) | no.   | 1       | 3       | 2                  | <b>n.a.</b>    |
| Day/weekend leave                               | no.   | ...     | ...     | ...                | <b>n.a.</b>    |
| Unescorted education programs                   | no.   | ...     | ...     | ...                | <b>n.a.</b>    |
| Work release program                            | no.   | 1       | 2       | 2                  | <b>n.a.</b>    |
| Other unescorted authorised absence             | no.   | 1       | ...     | ...                | <b>n.a.</b>    |
| Court complex                                   | no.   | 3       | 2       | 2                  | <b>n.a.</b>    |
| Periodic detention                              | no.   | 2       | ...     | 1                  | <b>n.a.</b>    |
| Transport (including transfers)                 | no.   | ...     | ...     | ...                | <b>n.a.</b>    |
| Total escapes                                   | no.   | 22      | 32      | 24                 | <b>n.a.</b>    |
| Overall escape rate (per 100 inmate years)      | no.   | 0.3     | 0.3     | 0.3*               | <b>n.a.</b>    |
| Deaths in custody (rate per 100 inmates)** -    |       |         |         |                    |                |
| Apparent unnatural deaths                       | no.   | 0.10    | 0.09    | 0.03*              | <b>n.a.</b>    |
| Inmates segregated (daily average) -            |       |         |         |                    |                |
| Segregation                                     | no.   | 95      | 70      | 60*                | <b>n.a.</b>    |
| Protection                                      | no.   | 1,372   | 1,378   | 1,452*             | <b>n.a.</b>    |
| Assaults (rate per 100 inmates)**               |       |         |         |                    |                |
| Inmate on staff (serious)                       | no.   | ...     | ...     | ... <sup>#</sup>   | <b>n.a.</b>    |
| Inmate on staff                                 | no.   | 1.16    | 1.13    | 1.10 <sup>#</sup>  | <b>n.a.</b>    |
| Inmates on inmates (serious)                    | no.   | 0.74    | 0.75    | 0.70 <sup>#</sup>  | <b>n.a.</b>    |
| Inmate on inmates                               | no.   | 13.57   | 11.88   | 11.00 <sup>#</sup> | <b>n.a.</b>    |

\* Actual data to 26 March 2006.

\*\* Counting rules developed for the Productivity Commission's "Report on Government Services" have been adopted for this indicator.

# Estimates based on current information and projected trends from previous years.

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**32 DEPARTMENT OF CORRECTIVE SERVICES**

**32.1 Containment and Care of Inmates**

**32.1.1 Containment and Care of Inmates (cont)**

Outputs:

|  |     |       |        |                    |               |
|--|-----|-------|--------|--------------------|---------------|
| Sentenced receptions during year<br>(incl. periodic detention) | no. | 8,713 | 9,063  | 8,700*             | <b>8,700*</b> |
| Inmate population  |     |       |        |                    |               |
| Daily average full time custody population**                   | no. | 8,367 | 8,926  | 9,100*             | <b>9,300*</b> |
| Highest full-time population achieved<br>during year (actual)  | no. | 8,669 | 9,160  | 9,354 <sup>#</sup> | <b>9,500*</b> |
| Average unsentenced and appellants<br>population               | no. | 2,380 | 2,551  | 2,500*             | <b>2,600*</b> |
| Average number under sentence to<br>periodic detention         | no. | 748   | 791    | 830*               | <b>850*</b>   |
| Video Conferences<br>Court appearances                         | no. | ...   | 18,884 | 19,000             | <b>20,000</b> |
| <u>Average Staffing:</u>                                       | EFT | 4,134 | 4,340  | 4,226              | <b>4,226</b>  |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|                               |         |         |                |
|-------------------------------|---------|---------|----------------|
| Operating expenses -          |         |         |                |
| Employee related              | 369,913 | 383,583 | <b>379,005</b> |
| Other operating expenses      | 143,431 | 136,497 | <b>138,788</b> |
| Depreciation and amortisation | 45,619  | 46,877  | <b>51,077</b>  |
| Grants and subsidies          |         |         |                |
| Clergy attending centres      | 1       | ...     | ...            |

\* Estimates based on projected trends from previous years and year to date.

\*\* Counting rules developed for the Productivity Commission's "Report on Government Services" have been adopted for this indicator. Figures include Transitional Centres, 24 hour police/court cells and fresh custody detainees discharged on the same day.

<sup>#</sup> Actual data to 26 March 2006.

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**32 DEPARTMENT OF CORRECTIVE SERVICES**

**32.1 Containment and Care of Inmates**

**32.1.1 Containment and Care of Inmates (cont)**

**OPERATING STATEMENT (cont)**

|  |                |                |                         |
|--|----------------|----------------|-------------------------|
| Other expenses   |                |                |                         |
| Settlement of claims for damages and compensation to inmates | 144            | 156            | <b>148</b>              |
| Expenses of Parole Board                                     | 922            | 339            | <b>347<sup>##</sup></b> |
| Official Visitors Scheme                                     | 48             | 84             | <b>84</b>               |
| Drug and Alcohol Program for Aboriginal inmates              | 16             | 16             | <b>15</b>               |
| <b>Total Expenses Excluding Losses</b>                       | <b>560,094</b> | <b>567,552</b> | <b>569,464</b>          |
| Less:  |                |                |                         |
| <b>Retained Revenue -</b>                                    |                |                |                         |
| Sales of goods and services                                  |                |                |                         |
| Rents and leases   | 328            | 320            | <b>331</b>              |
| Canteen sales  | 987            | 863            | <b>893</b>              |
| Accommodation work release                                   | 12             | 320            | <b>261</b>              |
| ACT inmates  | 5,843          | 6,459          | <b>5,905</b>            |
| Maintenance of prohibited immigrants                         | 88             | 3              | <b>89</b>               |
| Minor sales of goods and services                            | 1,610          | 1,221          | <b>1,854</b>            |
| Investment income  | 693            | 768            | <b>700</b>              |
| Grants and contributions                                     | 1,256          | 1,278          | <b>1,777</b>            |
| Other revenue  | 381            | 454            | <b>385</b>              |
| <b>Total Retained Revenue</b>                                | <b>11,198</b>  | <b>11,686</b>  | <b>12,195</b>           |
| Gain/(loss) on disposal of non current assets                | ...            | 115            | ...                     |
| Other gains/(losses)   | (7)            | (7)            | <b>(6)</b>              |
| <b>NET COST OF SERVICES</b>                                  | <b>548,903</b> | <b>555,758</b> | <b>557,275</b>          |
| <b>CAPITAL EXPENDITURE</b>                                   | <b>153,460</b> | <b>107,396</b> | <b>114,670</b>          |

<sup>##</sup> Parole Board salaries expenses have been re-classified from "Other Expenses" to "Employee Related Expenses".

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**32 DEPARTMENT OF CORRECTIVE SERVICES**

**32.2 Assessment, Classification and Development of Inmates**

**32.2.1 Assessment, Classification and Development of Inmates**

Program Objective(s): To classify inmates to the 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---------------------------------------|-------|---------|---------|---------|----------------|
| Inmate employment -                   |       |         |         |         |                |
| Commercial industries                 | %     | 34.4    | 35.1    | 35.0    | <b>35.0</b>    |
| Services industries                   | %     | 39.4    | 35.3    | 35.9    | <b>35.9</b>    |
| Works release                         | %     | 1.1     | 1.4     | 1.6     | <b>1.6</b>     |
| Periodic detainee employment          | %     | 72.2    | 78.3    | 78.0    | <b>78.0</b>    |
| Inmate education -                    |       |         |         |         |                |
| Pre-certificate Level 1               | %     | 2.9     | 3.4     | 3.0     | <b>3.4</b>     |
| Secondary school                      | %     | 20.5    | 17.9    | 16.9    | <b>18.1</b>    |
| Vocational                            | %     | 26.4    | 28.0    | 29.0    | <b>29.6</b>    |
| Higher education                      | %     | 1.3     | 1.5     | 1.2     | <b>1.3</b>     |
| <br><u>Outputs:</u>                   |       |         |         |         |                |
| Inmate employment positions available | no.   | 5,607   | 6,038   | 6,050   | <b>6,100</b>   |
| Inmate Course / Module completion -   |       |         |         |         |                |
| Inmate Course completion              | no.   | 124     | 144     | 140*    | <b>150</b>     |
| Inmate Module completions             | no.   | 5,709   | 5,930   | 5,505*  | <b>6,000</b>   |
| Therapeutic Program participants      | no.   | 2,670   | 2,800   | 3,367   | <b>4,482</b>   |
| <u>Average Staffing:</u>              | EFT   | 1,028   | 1,109   | 1,118   | <b>1,162</b>   |

\* Actual data to 26 March 2006.

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**32.2 Assessment, Classification and Development of Inmates**

**32.2.1 Assessment, Classification and Development of Inmates (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                                      |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                              |                 |                  |                                     |
| Operating expenses -  |                 |                  |                                     |
| Employee related  | 90,932          | 98,917           | <b>107,299</b>                      |
| Other operating expenses  | 20,356          | 16,274           | <b>17,380</b>                       |
| Depreciation and amortisation                                   | 2,598           | 1,492            | <b>1,367</b>                        |
| Grants and subsidies  |                 |                  |                                     |
| Inmates' after-care   | 2,635           | 2,635            | <b>2,645</b>                        |
| Clergy attending centres  | 1,299           | 1,300            | <b>1,255</b>                        |
| Other expenses  |                 |                  |                                     |
| Settlement of claims for damages and<br>compensation to inmates | 35              | 28               | <b>28</b>                           |
| Expenses of Parole Board  | 236             | ...              | ...                                 |
| Serious Offenders Review Council                                | 13              | 13               | <b>13</b>                           |
| Official Visitors Scheme  | 37              | 1                | <b>1</b>                            |
| Drug and Alcohol Program for Aboriginal inmates                 | 4               | 4                | <b>4</b>                            |
| <b>Total Expenses Excluding Losses</b>                          | <b>118,145</b>  | <b>120,664</b>   | <b>129,992</b>                      |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                                       |                 |                  |                                     |
| Sales of goods and services                                     |                 |                  |                                     |
| Rents and leases  | 60              | 70               | <b>72</b>                           |
| Canteen sales   | 5               | 75               | <b>77</b>                           |
| Accommodation work release                                      | 240             | ...              | ...                                 |
| ACT inmates   | 1,358           | 1,641            | <b>1,500</b>                        |
| Maintenance of prohibited immigrants                            | 21              | 1                | <b>23</b>                           |
| Corrective Services Industries                                  | 12,538          | 14,538           | <b>12,965</b>                       |
| Minor sales of goods and services                               | 1,291           | 806              | <b>1,224</b>                        |
| Investment income   | 161             | 195              | <b>178</b>                          |
| Grants and contributions  | 1,895           | 2,801            | <b>1,783</b>                        |
| Other revenue   | 88              | 115              | <b>98</b>                           |
| <b>Total Retained Revenue</b>                                   | <b>17,657</b>   | <b>20,242</b>    | <b>17,920</b>                       |

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**32.2 Assessment, Classification and Development of Inmates**

**32.2.1 Assessment, Classification and Development of Inmates (cont)**

***OPERATING STATEMENT (cont)***

|   |                |                |                |
|---|----------------|----------------|----------------|
| Gain/(loss) on disposal of non current assets | ...            | 29             | ...            |
| Other gains/(losses)                          | (2)            | (2)            | (2)            |
| <b>NET COST OF SERVICES</b>                   | <b>100,490</b> | <b>100,395</b> | <b>112,074</b> |
| <hr/>   |                |                |                |
| <b>CAPITAL EXPENDITURE</b>                    | <b>4,503</b>   | <b>9,037</b>   | <b>10,379</b>  |
| <hr/>   |                |                |                |

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**32 DEPARTMENT OF CORRECTIVE SERVICES**

**32.3 Alternatives to Custody**

**32.3.1 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 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 | 2003-04 | 2004-05 | 2005-06* | <b>2006-07*</b> |
|--|-------|---------|---------|----------|-----------------|
| <u>Outputs:</u>                                  |       |         |         |          |                 |
| Reports for courts/releasing authorities         | no.   | ...     | 31,462  | 32,186   | <b>34,760</b>   |
| New registrations (caseload intake) -            |       |         |         |          |                 |
| Probation  | no.   | 15,144  | 15,402  | 15,613   | <b>15,700</b>   |
| Post custodial                                   | no.   | 5,120   | 6,779   | 6,851    | <b>6,900</b>    |
| Community service orders                         | no.   | 5,358   | 5,942   | 5,691    | <b>5,700</b>    |
| Fine default orders                              | no.   | 120     | 197     | 148      | <b>100</b>      |
| Home detention                                   | no.   | 426     | 453     | 423      | <b>430</b>      |
| Total registrations <sup>#</sup>                 | no.   | 24,344  | 26,754  | 25,895   | <b>26,000</b>   |
| Average monthly offender population (caseload) - |       |         |         |          |                 |
| Probation  | no.   | 10,308  | 10,568  | 11,568   | <b>12,000</b>   |
| Post custodial                                   | no.   | 3,626   | 3,985   | 4,158    | <b>4,300</b>    |
| Community service orders                         | no.   | 4,375   | 4,631   | 4,668    | <b>4,700</b>    |
| Fine default orders                              | no.   | 29      | 139     | 107      | <b>75</b>       |
| Home detention                                   | no.   | 200     | 192     | 215      | <b>220</b>      |
| Total cases <sup>#</sup>                         | no.   | 16,840  | 17,676  | 18,056   | <b>18,500</b>   |
| <u>Average Staffing:</u>                         | EFT   | 749     | 825     | 891      | <b>898</b>      |

\* Estimate based on projected trends from previous years and year to date (where applicable).

# Some offenders are subject to more than one court order in more than one category (e.g. 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.

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**32 DEPARTMENT OF CORRECTIVE SERVICES**

**32.3 Alternatives to Custody**

**32.3.1 Alternatives to Custody (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                                      |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                              |                 |                  |                                     |
| Operating expenses -  |                 |                  |                                     |
| Employee related  | 67,081          | 70,119           | <b>78,334</b>                       |
| Other operating expenses  | 16,413          | 15,792           | <b>17,174</b>                       |
| Depreciation and amortisation                                   | 1,886           | 1,735            | <b>1,704</b>                        |
| Other expenses  |                 |                  |                                     |
| Settlement of claims for damages and<br>compensation to inmates | 26              | 21               | <b>22</b>                           |
| Expenses of Parole Board  | 181             | ...              | ...                                 |
| Drug and Alcohol Program for Aboriginal inmates                 | 3               | 3                | <b>3</b>                            |
| <b>Total Expenses Excluding Losses</b>                          | <b>85,590</b>   | <b>87,670</b>    | <b>97,237</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                                       |                 |                  |                                     |
| Sales of goods and services                                     |                 |                  |                                     |
| Rents and leases  | 28              | 26               | <b>27</b>                           |
| Canteen sales   | ...             | 54               | <b>56</b>                           |
| ACT inmates   | 977             | 1,150            | <b>1,051</b>                        |
| Maintenance of prohibited immigrants                            | 15              | ...              | <b>16</b>                           |
| Minor sales of goods and services                               | 233             | 107              | <b>162</b>                          |
| Investment income   | 116             | 137              | <b>125</b>                          |
| Grants and contributions  | 1,371           | 820              | <b>1,028</b>                        |
| Other revenue   | 64              | 81               | <b>68</b>                           |
| <b>Total Retained Revenue</b>                                   | <b>2,804</b>    | <b>2,375</b>     | <b>2,533</b>                        |
| Gain/(loss) on disposal of non current assets                   | ...             | 20               | ...                                 |
| Other gains/(losses)  | (1)             | (1)              | <b>(1)</b>                          |
| <b>NET COST OF SERVICES</b>                                     | <b>82,787</b>   | <b>85,276</b>    | <b>94,705</b>                       |
| <b>CAPITAL EXPENDITURE</b>                                      |                 |                  |                                     |
|   | <b>6,537</b>    | <b>3,295</b>     | <b>3,046</b>                        |

**MINISTER FOR JUSTICE, MINISTER FOR JUVENILE JUSTICE,  
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AND MINISTER FOR RURAL AFFAIRS**

**33 DEPARTMENT OF JUVENILE JUSTICE**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating expenses -                          |                 |                  |                 |
| Employee related                              | 99,275          | 104,289          | <b>103,442</b>  |
| Other operating expenses                      | 18,166          | 18,275           | <b>20,927</b>   |
| Depreciation and amortisation                 | 7,776           | 6,121            | <b>7,810</b>    |
| Grants and subsidies                          | 6,808           | 6,808            | <b>6,702</b>    |
| Other expenses                                | 3,356           | 3,231            | <b>3,063</b>    |
| <b>Total Expenses Excluding Losses</b>        | <b>135,381</b>  | <b>138,724</b>   | <b>141,944</b>  |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   | 66              | 66               | ...             |
| Investment income                             | 260             | 460              | <b>486</b>      |
| Grants and contributions                      | 2,445           | 2,175            | <b>2,423</b>    |
| Other revenue                                 | 836             | 4,421            | <b>363</b>      |
| <b>Total Retained Revenue</b>                 | <b>3,607</b>    | <b>7,122</b>     | <b>3,272</b>    |
| Gain/(loss) on disposal of non current assets | ...             | (15)             | ...             |
| <b>NET COST OF SERVICES</b>                   | <b>131,774</b>  | <b>131,617</b>   | <b>138,672</b>  |

**MINISTER FOR JUSTICE, MINISTER FOR JUVENILE JUSTICE,  
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AND MINISTER FOR RURAL AFFAIRS**

**33 DEPARTMENT OF JUVENILE JUSTICE**

|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget           | Revised          | Budget           |
|   | \$000            | \$000            | \$000            |
| <b>CASH FLOW STATEMENT</b>                          |                  |                  |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                  |                  |                  |
| <b>Payments</b>                                     |                  |                  |                  |
| Employee related                                    | 94,407           | 100,989          | <b>99,311</b>    |
| Grants and subsidies                                | 6,808            | 6,808            | <b>6,702</b>     |
| Other   | 25,822           | 26,216           | <b>28,075</b>    |
| <b>Total Payments</b>                               | <b>127,037</b>   | <b>134,013</b>   | <b>134,088</b>   |
| <b>Receipts</b>                                     |                  |                  |                  |
| Sale of goods and services                          | 66               | 66               | ...              |
| Interest  | 260              | 456              | <b>556</b>       |
| Other   | 7,456            | 10,415           | <b>6,951</b>     |
| <b>Total Receipts</b>                               | <b>7,782</b>     | <b>10,937</b>    | <b>7,507</b>     |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(119,255)</b> | <b>(123,076)</b> | <b>(126,581)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                  |                  |                  |
| Proceeds from sale of property, plant and equipment | ...              | 12               | ...              |
| Purchases of property, plant and equipment          | (12,665)         | (10,605)         | <b>(7,405)</b>   |
| Other   | ...              | (1,330)          | <b>(603)</b>     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(12,665)</b>  | <b>(11,923)</b>  | <b>(8,008)</b>   |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                  |                  |                  |
| Recurrent appropriation                             | 120,383          | 122,883          | <b>127,687</b>   |
| Capital appropriation                               | 12,665           | 12,915           | <b>8,008</b>     |
| Cash transfers to Consolidated Fund                 | ...              | (464)            | ...              |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>133,048</b>   | <b>135,334</b>   | <b>135,695</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>1,128</b>     | <b>335</b>       | <b>1,106</b>     |
| Opening Cash and Cash Equivalents                   | 10,069           | 10,424           | <b>10,759</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>11,197</b>    | <b>10,759</b>    | <b>11,865</b>    |

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**33 DEPARTMENT OF JUVENILE JUSTICE**

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|  | 2005-06 | 2006-07 |
|--|---------|---------|
|  | Budget  | Budget  |
|  | \$000   | \$000   |

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**CASH FLOW STATEMENT (cont)**

**CASH FLOW RECONCILIATION**

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| Net cost of services                           | (131,774)        | (131,617)        | (138,672)        |
| Non cash items added back                      | 12,150           | 9,468            | 11,291           |
| Change in operating assets and liabilities     | 369              | (927)            | 800              |
| <b>Net cash flow from operating activities</b> | <b>(119,255)</b> | <b>(123,076)</b> | <b>(126,581)</b> |

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**33 DEPARTMENT OF JUVENILE JUSTICE**

|                                      | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>                 |                 |                  |                            |
| <b>ASSETS -</b>                      |                 |                  |                            |
| <b>Current Assets -</b>              |                 |                  |                            |
| Cash assets                          | 11,197          | 10,759           | <b>11,865</b>              |
| Receivables                          | 1,580           | 1,969            | <b>1,819</b>               |
| Assets held for sale                 | 9,758           | ...              | ...                        |
| Other                                | 150             | 550              | <b>550</b>                 |
| <b>Total Current Assets</b>          | <b>22,685</b>   | <b>13,278</b>    | <b>14,234</b>              |
| <b>Non Current Assets -</b>          |                 |                  |                            |
| Property, plant and equipment -      |                 |                  |                            |
| Land and building                    | 219,053         | 205,116          | <b>203,255</b>             |
| Plant and equipment                  | 3,225           | 5,202            | <b>6,657</b>               |
| Infrastructure systems               | 19,489          | 15,161           | <b>16,481</b>              |
| Intangibles                          | 3,998           | 5,451            | <b>4,735</b>               |
| <b>Total Non Current Assets</b>      | <b>245,765</b>  | <b>230,930</b>   | <b>231,128</b>             |
| <b>Total Assets</b>                  | <b>268,450</b>  | <b>244,208</b>   | <b>245,362</b>             |
| <b>LIABILITIES -</b>                 |                 |                  |                            |
| <b>Current Liabilities -</b>         |                 |                  |                            |
| Payables                             | 2,700           | 2,922            | <b>3,226</b>               |
| Provisions                           | 6,376           | 6,352            | <b>6,574</b>               |
| Other                                | ...             | 4                | <b>4</b>                   |
| <b>Total Current Liabilities</b>     | <b>9,076</b>    | <b>9,278</b>     | <b>9,804</b>               |
| <b>Non Current Liabilities -</b>     |                 |                  |                            |
| Provisions                           | 1,840           | 3,214            | <b>3,338</b>               |
| <b>Total Non Current Liabilities</b> | <b>1,840</b>    | <b>3,214</b>     | <b>3,338</b>               |
| <b>Total Liabilities</b>             | <b>10,916</b>   | <b>12,492</b>    | <b>13,142</b>              |
| <b>NET ASSETS</b>                    | <b>257,534</b>  | <b>231,716</b>   | <b>232,220</b>             |
| <b>EQUITY</b>                        |                 |                  |                            |
| Reserves                             | 68,599          | 57,475           | <b>57,475</b>              |
| Accumulated funds                    | 188,935         | 174,241          | <b>174,745</b>             |
| <b>TOTAL EQUITY</b>                  | <b>257,534</b>  | <b>231,716</b>   | <b>232,220</b>             |

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**33 DEPARTMENT OF JUVENILE JUSTICE**

**33.1 Juvenile Justice**

**33.1.1 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.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outcomes:</u>  |       |         |         |         |                |
| Custodial Services-   |       |         |         |         |                |
| Control admissions per 1,000 resident population in age group                 | no.   | 0.7     | 0.6     | 1.0     | <b>1.0</b>     |
| Escapes from secure perimeter per 1,000 admissions                            | no.   | 3.6     | 1.1     | 1.9     | <b>n.a.</b>    |
| Deaths in custody   | no.   | ...     | ...     | ...     | <b>n.a.</b>    |
| Self harm incidents   | no.   | 126     | 91      | 100     | <b>n.a.</b>    |
| Community Based Services-   |       |         |         |         |                |
| Supervised orders per 1,000 resident population in age group (including CSOs) | no.   | 3.7     | 3.4     | 3.0     | <b>3.0</b>     |
| Community based orders completed  | %     | 84.2    | 82.9    | 82.0    | <b>84.0</b>    |
| Youth Justice Conferencing-   |       |         |         |         |                |
| Outcome plans completed   | %     | 90.1    | 89.7    | 89.0    | <b>89.0</b>    |
| <u>Outputs:</u>   |       |         |         |         |                |
| Custodial Services-   |       |         |         |         |                |
| Control admissions  | no.   | 480     | 407     | 460     | <b>480</b>     |
| Total admissions  | no.   | 3,341   | 3,574   | 3,730   | <b>4,300</b>   |
| Median daily number in custody -  |       |         |         |         |                |
| Total   | no.   | 273     | 285     | 320     | <b>340</b>     |
| Aboriginal & Torres Strait Islander   | no.   | 108     | 125     | 150     | <b>150</b>     |
| Remand  | no.   | 128     | 124     | 150     | <b>170</b>     |
| Control   | no.   | 142     | 154     | 160     | <b>150</b>     |
| Median length of stay on control (days)                                       | no.   | 97      | 118     | 120     | <b>125</b>     |

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**33 DEPARTMENT OF JUVENILE JUSTICE**

**33.1 Juvenile Justice**

**33.1.1 Juvenile Justice (cont)**

|                                    |     |       |       |       |              |
|------------------------------------|-----|-------|-------|-------|--------------|
| Community Based Services-          |     |       |       |       |              |
| Court reports                      | no. | 4,297 | 3,996 | 3,510 | <b>3,400</b> |
| Supervised orders                  | no. | 2,714 | 2,508 | 2,340 | <b>2,090</b> |
| Average caseload - Community staff |     |       |       |       |              |
| Metropolitan                       | no. | 13.6  | 13.5  | 15.0  | <b>17.0</b>  |
| Non-metropolitan                   | no. | 15.4  | 17.8  | 19.0  | <b>21.0</b>  |
| Youth Justice Conferencing-        |     |       |       |       |              |
| Conferences facilitated            | no. | 1,232 | 1,232 | 1,150 | <b>1,200</b> |
| <u>Average Staffing:</u>           | EFT | 1,536 | 1,550 | 1,480 | <b>1,505</b> |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |                |                |                |
|--|----------------|----------------|----------------|
| Operating expenses -   |                |                |                |
| Employee related   | 99,275         | 104,289        | <b>103,442</b> |
| Other operating expenses                                     | 18,166         | 18,275         | <b>20,927</b>  |
| Depreciation and amortisation                                | 7,776          | 6,121          | <b>7,810</b>   |
| Grants and subsidies   |                |                |                |
| Clergy attending centres                                     | 220            | 220            | <b>310</b>     |
| Recurrent grants to non-profit organisations                 | 6,588          | 6,588          | <b>6,392</b>   |
| Other expenses   |                |                |                |
| Supervised travel of children                                | 240            | 350            | <b>242</b>     |
| Professional reports, assessments and consultations          | 50             | 100            | <b>38</b>      |
| Expenses for child support and departmental residential care | 3,066          | 2,781          | <b>2,783</b>   |
| <b>Total Expenses Excluding Losses</b>                       | <b>135,381</b> | <b>138,724</b> | <b>141,944</b> |

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**33 DEPARTMENT OF JUVENILE JUSTICE**

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**33.1 Juvenile Justice**

**33.1.1 Juvenile Justice (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Sales of goods and services                   |                |                |                |
| Minor sales of goods and services             | 66             | 66             | ...            |
| Investment income                             | 260            | 460            | <b>486</b>     |
| Grants and contributions                      | 2,445          | 2,175          | <b>2,423</b>   |
| Other revenue                                 | 836            | 4,421          | <b>363</b>     |
| <b>Total Retained Revenue</b>                 | <b>3,607</b>   | <b>7,122</b>   | <b>3,272</b>   |
| Gain/(loss) on disposal of non current assets | ...            | (15)           | ...            |
| <b>NET COST OF SERVICES</b>                   | <b>131,774</b> | <b>131,617</b> | <b>138,672</b> |

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|                            |               |               |              |
|----------------------------|---------------|---------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>12,665</b> | <b>12,915</b> | <b>8,008</b> |
|----------------------------|---------------|---------------|--------------|

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**MINISTER FOR JUSTICE, MINISTER FOR JUVENILE JUSTICE,  
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**34 NEW SOUTH WALES FIRE BRIGADES**

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|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating expenses -                          |                 |                  |                 |
| Employee related                              | 358,815         | 375,480          | <b>388,122</b>  |
| Other operating expenses                      | 64,753          | 65,717           | <b>61,807</b>   |
| Depreciation and amortisation                 | 28,045          | 28,412           | <b>29,047</b>   |
| Finance costs                                 | 1,280           | 650              | <b>132</b>      |
| <b>Total Expenses Excluding Losses</b>        | <b>452,893</b>  | <b>470,259</b>   | <b>479,108</b>  |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   | 8,340           | 12,750           | <b>11,238</b>   |
| Investment income                             | 1,600           | 3,100            | <b>2,171</b>    |
| Retained taxes, fees and fines                | 2,000           | 4,051            | <b>3,000</b>    |
| Other revenue                                 | 88              | 3,148            | <b>91</b>       |
| <b>Total Retained Revenue</b>                 | <b>12,028</b>   | <b>23,049</b>    | <b>16,500</b>   |
| Gain/(loss) on disposal of non current assets | ...             | 300              | ...             |
| Other gains/(losses)                          | (824)           | (800)            | <b>(900)</b>    |
| <b>NET COST OF SERVICES</b>                   | <b>441,689</b>  | <b>447,710</b>   | <b>463,508</b>  |

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34 NEW SOUTH WALES FIRE BRIGADES**

|   | 2005-06          |                  | 2006-07<br>Budget<br>\$000 |
|---|------------------|------------------|----------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                          |                  |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                  |                  |                            |
| <b>Payments</b>                                     |                  |                  |                            |
| Employee related                                    | 358,815          | 375,014          | <b>388,122</b>             |
| Finance costs                                       | 1,280            | 650              | <b>132</b>                 |
| Other   | 73,953           | 75,380           | <b>71,007</b>              |
| <b>Total Payments</b>                               | <b>434,048</b>   | <b>451,044</b>   | <b>459,261</b>             |
| <b>Receipts</b>                                     |                  |                  |                            |
| Sale of goods and services                          | 7,516            | 9,216            | <b>9,838</b>               |
| Retained taxes                                      | 2,000            | 4,051            | <b>3,000</b>               |
| Interest  | 1,600            | 3,100            | <b>2,171</b>               |
| Other   | 9,288            | 12,348           | <b>9,291</b>               |
| <b>Total Receipts</b>                               | <b>20,404</b>    | <b>28,715</b>    | <b>24,300</b>              |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(413,644)</b> | <b>(422,329)</b> | <b>(434,961)</b>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                  |                  |                            |
| Proceeds from sale of property, plant and equipment | ...              | 600              | ...                        |
| Purchases of property, plant and equipment          | (35,807)         | (46,487)         | <b>(44,069)</b>            |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(35,807)</b>  | <b>(45,887)</b>  | <b>(44,069)</b>            |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                  |                  |                            |
| Proceeds from borrowings and advances               | 3,287            | 2,000            | <b>800</b>                 |
| Repayment of borrowings and advances                | (8,752)          | (8,752)          | <b>(2,321)</b>             |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(5,465)</b>   | <b>(6,752)</b>   | <b>(1,521)</b>             |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                  |                  |                            |
| Recurrent appropriation                             | 450,441          | 450,441          | <b>465,829</b>             |
| Capital appropriation                               | 7,631            | 7,631            | <b>13,791</b>              |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>458,072</b>   | <b>458,072</b>   | <b>479,620</b>             |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>3,156</b>     | <b>(16,896)</b>  | <b>(931)</b>               |
| Opening Cash and Cash Equivalents                   | 43,533           | 59,604           | <b>42,708</b>              |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>46,689</b>    | <b>42,708</b>    | <b>41,777</b>              |

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**34 NEW SOUTH WALES FIRE BRIGADES**

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|  | 2005-06 |         |
|--|---------|---------|
|  | Budget  | Revised |
|  | \$000   | \$000   |

|  | 2006-07 |
|--|---------|
|  | Budget  |
|  | \$000   |

**CASH FLOW STATEMENT (cont)**

**CASH FLOW RECONCILIATION**

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| Net cost of services                           | (441,689)        | (447,710)        | (463,508)        |
| Non cash items added back                      | 28,045           | 28,412           | 29,047           |
| Change in operating assets and liabilities     | ...              | (3,031)          | (500)            |
| <b>Net cash flow from operating activities</b> | <b>(413,644)</b> | <b>(422,329)</b> | <b>(434,961)</b> |

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AND MINISTER FOR RURAL AFFAIRS  
34 NEW SOUTH WALES FIRE BRIGADES**

|                                      | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>                 |                 |                  |                            |
| <b>ASSETS -</b>                      |                 |                  |                            |
| <b>Current Assets -</b>              |                 |                  |                            |
| Cash assets                          | 46,689          | 42,708           | 41,777                     |
| Receivables                          | 10,457          | 9,847            | 10,347                     |
| Other financial assets               | ...             | 9,753            | 9,753                      |
| Inventories                          | 1,139           | 1,193            | 1,193                      |
| Other                                | 1,294           | 1,153            | 1,153                      |
| <b>Total Current Assets</b>          | <b>59,579</b>   | <b>64,654</b>    | <b>64,223</b>              |
| <b>Non Current Assets -</b>          |                 |                  |                            |
| Property, plant and equipment -      |                 |                  |                            |
| Land and building                    | 250,031         | 271,259          | 271,276                    |
| Plant and equipment                  | 176,470         | 159,146          | 174,151                    |
| <b>Total Non Current Assets</b>      | <b>426,501</b>  | <b>430,405</b>   | <b>445,427</b>             |
| <b>Total Assets</b>                  | <b>486,080</b>  | <b>495,059</b>   | <b>509,650</b>             |
| <b>LIABILITIES -</b>                 |                 |                  |                            |
| <b>Current Liabilities -</b>         |                 |                  |                            |
| Payables                             | 21,227          | 22,473           | 22,473                     |
| Provisions                           | 22,214          | 24,804           | 24,804                     |
| <b>Total Current Liabilities</b>     | <b>43,441</b>   | <b>47,277</b>    | <b>47,277</b>              |
| <b>Non Current Liabilities -</b>     |                 |                  |                            |
| Borrowings                           | 4,613           | 3,582            | 2,061                      |
| Provisions                           | 14,146          | 15,293           | 15,293                     |
| Other                                | ...             | 1,360            | 1,360                      |
| <b>Total Non Current Liabilities</b> | <b>18,759</b>   | <b>20,235</b>    | <b>18,714</b>              |
| <b>Total Liabilities</b>             | <b>62,200</b>   | <b>67,512</b>    | <b>65,991</b>              |
| <b>NET ASSETS</b>                    | <b>423,880</b>  | <b>427,547</b>   | <b>443,659</b>             |
| <b>EQUITY</b>                        |                 |                  |                            |
| Reserves                             | 197,006         | 198,578          | 198,578                    |
| Accumulated funds                    | 226,874         | 228,969          | 245,081                    |
| <b>TOTAL EQUITY</b>                  | <b>423,880</b>  | <b>427,547</b>   | <b>443,659</b>             |

**MINISTER FOR JUSTICE, MINISTER FOR JUVENILE JUSTICE,  
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34 NEW SOUTH WALES FIRE BRIGADES**

**34.1 Prevention and Suppression of Fire and Provision of Other Emergency and Rescue Services**

**34.1.1 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   | 2003-04   | 2004-05   | 2005-06   | <b>2006-07</b>   |
|--|---------|-----------|-----------|-----------|------------------|
| Building fires in which spread of fire was confined to - |         |           |           |           |                  |
| Object and room of origin                                | %       | 74.0      | 69.4      | 68.9      | <b>68.9</b>      |
| Structure of origin                                      | %       | 96.0      | 96.0      | 99.6      | <b>99.6</b>      |
| <br><u>Outputs:</u>                                      |         |           |           |           |                  |
| Total attendance at incidents                            | no.     | 129,403   | 131,991   | 133,233   | <b>133,750</b>   |
| Response times to structure fires -                      |         |           |           |           |                  |
| 50th percentile (minutes)                                | no.     | 7.0       | 6.8       | 6.8       | <b>6.8</b>       |
| 90th percentile (minutes)                                | no.     | 11.4      | 11.0      | 11.5      | <b>11.5</b>      |
| <br><u>Average Staffing:</u>                             | <br>EFT | <br>3,876 | <br>3,854 | <br>3,897 | <br><b>3,914</b> |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |                    |                    |                    |
|--|--------------------|--------------------|--------------------|
| Operating expenses -                       |                    |                    |                    |
| Employee related                           | 340,253            | 353,755            | <b>362,434</b>     |
| Other operating expenses                   | 56,608             | 57,434             | <b>53,243</b>      |
| Depreciation and amortisation              | 26,862             | 26,997             | <b>27,629</b>      |
| Finance costs                              |                    |                    |                    |
| Interest on T-Corp loans                   | 1,280              | 617                | <b>125</b>         |
| <br><b>Total Expenses Excluding Losses</b> | <br><b>425,003</b> | <br><b>438,803</b> | <br><b>443,431</b> |

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**34.1 Prevention and Suppression of Fire and Provision of Other Emergency and  
Rescue Services**

**34.1.1 Operation and Maintenance of Brigades and Special Services (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Sales of goods and services                   |                |                |                |
| Rents and leases                              | 191            | 334            | 197            |
| Automatic fire alarm monitoring               | 5,157          | 5,157          | 5,333          |
| Public education course fees                  | 1,145          | 1,814          | 1,679          |
| False alarm charges                           | 1,433          | 4,775          | 3,484          |
| Minor sales of goods and services             | 40             | 100            | 41             |
| Investment income                             | 1,528          | 2,961          | 2,073          |
| Retained taxes, fees and fines                | 1,910          | 3,869          | 2,865          |
| Other revenue                                 | 84             | 3,005          | 87             |
| <b>Total Retained Revenue</b>                 | <b>11,488</b>  | <b>22,015</b>  | <b>15,759</b>  |
| Gain/(loss) on disposal of non current assets | ...            | 300            | ...            |
| Other gains/(losses)                          | (783)          | (768)          | (864)          |
| <b>NET COST OF SERVICES</b>                   | <b>414,298</b> | <b>417,256</b> | <b>428,536</b> |

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>34,017</b> | <b>44,162</b> | <b>41,921</b> |
|----------------------------|---------------|---------------|---------------|

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**34 NEW SOUTH WALES FIRE BRIGADES**

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**34.1 Prevention and Suppression of Fire and Provision of Other Emergency and Rescue Services**

**34.1.2 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|----------------------------------|-------|---------|---------|---------|----------------|
| Mean time to control incidents - |       |         |         |         |                |
| Building fires                   | mins. | 34      | 48      | 41      | <b>41</b>      |
| Non-fire rescue calls            | mins. | 26      | 27      | 28      | <b>28</b>      |
| Hazardous material incidents     | mins. | 31      | 35      | 30      | <b>30</b>      |

Outputs:

|  |     |       |       |       |               |
|--|-----|-------|-------|-------|---------------|
| Recruit firefighters trained                                 | no. | 227   | 322   | 312   | <b>300</b>    |
| Number of firefighters qualified for Senior Firefighter rank | no. | 206   | 166   | 169   | <b>180</b>    |
| Number qualified for Station Officer rank and above          | no. | 118   | 108   | 79    | <b>80</b>     |
| Firefighters qualified as pumper/aerial appliance operators  | no. | 359   | 605   | 620   | <b>600</b>    |
| Breathing apparatus training/accreditation                   | no. | 5,922 | 5,922 | 9,000 | <b>10,000</b> |
| <u>Average Staffing</u> :                                    | EFT | 111   | 120   | 127   | <b>146</b>    |

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**34.1 Prevention and Suppression of Fire and Provision of Other Emergency and  
Rescue Services**

**34.1.2 Fire Brigade Training and Development (cont)**

|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>             |               |               |               |
| <b>Expenses Excluding Losses -</b>     |               |               |               |
| Operating expenses -                   |               |               |               |
| Employee related                       | 9,617         | 11,086        | <b>13,765</b> |
| Other operating expenses               | 5,019         | 5,167         | <b>5,462</b>  |
| Depreciation and amortisation          | 941           | 1,062         | <b>1,065</b>  |
| Finance costs                          |               |               |               |
| Interest on T-Corp loans               | ...           | 20            | <b>4</b>      |
| <b>Total Expenses Excluding Losses</b> | <b>15,577</b> | <b>17,335</b> | <b>20,296</b> |
| Less:                                  |               |               |               |
| <b>Retained Revenue -</b>              |               |               |               |
| Sales of goods and services            |               |               |               |
| Rents and leases                       | 5             | 8             | <b>5</b>      |
| Automatic fire alarm monitoring        | 124           | 124           | <b>128</b>    |
| Public education course fees           | 26            | 44            | <b>40</b>     |
| False alarm charges                    | 35            | 115           | <b>84</b>     |
| Investment income                      | 37            | 71            | <b>50</b>     |
| Retained taxes, fees and fines         | 46            | 93            | <b>69</b>     |
| Other revenue                          | 2             | 73            | <b>2</b>      |
| <b>Total Retained Revenue</b>          | <b>275</b>    | <b>528</b>    | <b>378</b>    |
| Other gains/(losses)                   | (20)          | (16)          | <b>(18)</b>   |
| <b>NET COST OF SERVICES</b>            | <b>15,322</b> | <b>16,823</b> | <b>19,936</b> |
| <b>CAPITAL EXPENDITURE</b>             | <b>1,075</b>  | <b>1,395</b>  | <b>1,289</b>  |

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**34 NEW SOUTH WALES FIRE BRIGADES**

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**34.1 Prevention and Suppression of Fire and Provision of Other Emergency and Rescue Services**

**34.1.3 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Fires/100,000 population   | no.   | 537     | 543     | 499     | <b>510</b>     |
| Incendiary/suspicious fires/100,000 population   | no.   | 185     | 185     | 152     | <b>150</b>     |
| Malicious calls/100,000 population   | no.   | 97      | 95      | 68      | <b>68</b>      |
| Building fires/100,000 population  | no.   | 124     | 123     | 92      | <b>92</b>      |
| <br><u>Outputs:</u>  |       |         |         |         |                |
| Number of building inspections completed   | no.   | 1,628   | 1,544   | 1,549   | <b>1,549</b>   |
| Total time spent on inspection of premises (in officer hours)  | no.   | 5,177   | 4,941   | 4,925   | <b>4,925</b>   |
| Total incidents investigated -   | no.   | 402     | 411     | 355     | <b>355</b>     |
| Accidental   | no.   | 150     | 138     | 108     | <b>108</b>     |
| Suspicious/deliberate  | no.   | 181     | 192     | 159     | <b>159</b>     |
| Undetermined   | no.   | 71      | 81      | 88      | <b>88</b>      |
| Number of automatic fire alarms connected to various types of premises (including third party service providers) | no.   | 9,456   | 9,754   | 11,020  | <b>11,500</b>  |
| <br><u>Average Staffing:</u>   | EFT   | 66      | 66      | 82      | <b>86</b>      |

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**34 NEW SOUTH WALES FIRE BRIGADES**

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**34.1 Prevention and Suppression of Fire and Provision of Other Emergency and  
Rescue Services**

**34.1.3 Investigations, Research and Advisory Services (cont)**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating expenses -                   |                 |                  |                                     |
| Employee related                       | 8,945           | 10,639           | <b>11,923</b>                       |
| Other operating expenses               | 3,126           | 3,116            | <b>3,102</b>                        |
| Depreciation and amortisation          | 242             | 353              | <b>353</b>                          |
| Finance costs                          |                 |                  |                                     |
| Interest on T-Corp loans               | ...             | 13               | <b>3</b>                            |
| <b>Total Expenses Excluding Losses</b> | <b>12,313</b>   | <b>14,121</b>    | <b>15,381</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            |                 |                  |                                     |
| Rents and leases                       | 4               | 8                | <b>5</b>                            |
| Automatic fire alarm monitoring        | 119             | 119              | <b>123</b>                          |
| Public education course fees           | 29              | 42               | <b>39</b>                           |
| False alarm charges                    | 32              | 110              | <b>80</b>                           |
| Investment income                      | 35              | 68               | <b>48</b>                           |
| Retained taxes, fees and fines         | 44              | 89               | <b>66</b>                           |
| Other revenue                          | 2               | 70               | <b>2</b>                            |
| <b>Total Retained Revenue</b>          | <b>265</b>      | <b>506</b>       | <b>363</b>                          |
| Other gains/(losses)                   | (21)            | (16)             | <b>(18)</b>                         |
| <b>NET COST OF SERVICES</b>            | <b>12,069</b>   | <b>13,631</b>    | <b>15,036</b>                       |
| <hr/>                                  |                 |                  |                                     |
| <b>CAPITAL EXPENDITURE</b>             | <b>715</b>      | <b>930</b>       | <b>859</b>                          |

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**35 DEPARTMENT OF RURAL FIRE SERVICE**

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|  | 2005-06        |                | 2006-07        |
|--|----------------|----------------|----------------|
|  | Budget         | Revised        | Budget         |
|  | \$000          | \$000          | \$000          |
| <b>OPERATING STATEMENT</b>             |                |                |                |
| <b>Expenses Excluding Losses -</b>     |                |                |                |
| Operating expenses -                   |                |                |                |
| Employee related                       | 55,692         | 55,692         | <b>60,627</b>  |
| Other operating expenses               | 12,128         | 11,765         | <b>12,593</b>  |
| Depreciation and amortisation          | 3,000          | 3,000          | <b>3,000</b>   |
| Grants and subsidies                   | 82,976         | 98,186         | <b>106,184</b> |
| Finance costs                          | ...            | 157            | ...            |
| Other expenses                         | 8,217          | 8,217          | <b>8,447</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>162,013</b> | <b>177,017</b> | <b>190,851</b> |
| Less:                                  |                |                |                |
| <b>Retained Revenue -</b>              |                |                |                |
| Retained taxes, fees and fines         | 103,407        | 103,407        | <b>123,924</b> |
| Grants and contributions               | 18,660         | 33,660         | <b>22,363</b>  |
| Other revenue                          | 5,330          | 5,330          | <b>7,061</b>   |
| <b>Total Retained Revenue</b>          | <b>127,397</b> | <b>142,397</b> | <b>153,348</b> |
| <b>NET COST OF SERVICES</b>            | <b>34,616</b>  | <b>34,620</b>  | <b>37,503</b>  |

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**35 DEPARTMENT OF RURAL FIRE SERVICE**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                            |
| <b>Payments</b>                                     |                 |                  |                            |
| Employee related                                    | 53,629          | 51,557           | <b>58,755</b>              |
| Grants and subsidies                                | 62,176          | 77,543           | <b>84,062</b>              |
| Finance costs                                       | ...             | 157              | ...                        |
| Other   | 47,158          | 47,379           | <b>50,112</b>              |
| <b>Total Payments</b>                               | <b>162,963</b>  | <b>176,636</b>   | <b>192,929</b>             |
| <b>Receipts</b>                                     |                 |                  |                            |
| Retained taxes                                      | 103,407         | 103,407          | <b>123,924</b>             |
| Other   | 29,740          | 44,309           | <b>36,374</b>              |
| <b>Total Receipts</b>                               | <b>133,147</b>  | <b>147,716</b>   | <b>160,298</b>             |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(29,816)</b> | <b>(28,920)</b>  | <b>(32,631)</b>            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                            |
| Proceeds from sale of property, plant and equipment | 4,980           | 4,980            | <b>4,980</b>               |
| Purchases of property, plant and equipment          | (8,799)         | (8,799)          | <b>(9,480)</b>             |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(3,819)</b>  | <b>(3,819)</b>   | <b>(4,500)</b>             |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                            |
| Recurrent appropriation                             | 36,572          | 33,170           | <b>34,303</b>              |
| Capital appropriation                               | 819             | 819              | <b>1,500</b>               |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>37,391</b>   | <b>33,989</b>    | <b>35,803</b>              |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>3,756</b>    | <b>1,250</b>     | <b>(1,328)</b>             |
| Opening Cash and Cash Equivalents                   | 21,345          | 12,975           | <b>14,225</b>              |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>25,101</b>   | <b>14,225</b>    | <b>12,897</b>              |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                            |
| Net cost of services                                | (34,616)        | (34,620)         | <b>(37,503)</b>            |
| Non cash items added back                           | 3,000           | 3,000            | <b>3,000</b>               |
| Change in operating assets and liabilities          | 1,800           | 2,700            | <b>1,872</b>               |
| <b>Net cash flow from operating activities</b>      | <b>(29,816)</b> | <b>(28,920)</b>  | <b>(32,631)</b>            |

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**35 DEPARTMENT OF RURAL FIRE SERVICE**

|  | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--|-----------------|------------------|----------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>                                   |                 |                  |                            |
| <b>ASSETS -</b>  |                 |                  |                            |
| <b>Current Assets -</b>                                |                 |                  |                            |
| Cash assets  | 25,101          | 14,225           | <b>12,897</b>              |
| Receivables  | 2,519           | 3,257            | <b>3,257</b>               |
| Other  | 237             | 446              | <b>446</b>                 |
| <b>Total Current Assets</b>                            | <b>27,857</b>   | <b>17,928</b>    | <b>16,600</b>              |
| <b>Non Current Assets -</b>                            |                 |                  |                            |
| Property, plant and equipment -<br>Plant and equipment | 14,953          | 17,283           | <b>18,783</b>              |
| <b>Total Non Current Assets</b>                        | <b>14,953</b>   | <b>17,283</b>    | <b>18,783</b>              |
| <b>Total Assets</b>                                    | <b>42,810</b>   | <b>35,211</b>    | <b>35,383</b>              |
| <b>LIABILITIES -</b>                                   |                 |                  |                            |
| <b>Current Liabilities -</b>                           |                 |                  |                            |
| Payables   | 2,905           | 1,720            | <b>1,720</b>               |
| Provisions   | 11,694          | 11,391           | <b>12,291</b>              |
| <b>Total Current Liabilities</b>                       | <b>14,599</b>   | <b>13,111</b>    | <b>14,011</b>              |
| <b>Non Current Liabilities -</b>                       |                 |                  |                            |
| Provisions   | 9,699           | 11,785           | <b>12,757</b>              |
| <b>Total Non Current Liabilities</b>                   | <b>9,699</b>    | <b>11,785</b>    | <b>12,757</b>              |
| <b>Total Liabilities</b>                               | <b>24,298</b>   | <b>24,896</b>    | <b>26,768</b>              |
| <b>NET ASSETS</b>                                      | <b>18,512</b>   | <b>10,315</b>    | <b>8,615</b>               |
| <b>EQUITY</b>  |                 |                  |                            |
| Accumulated funds                                      | 18,512          | 10,315           | <b>8,615</b>               |
| <b>TOTAL EQUITY</b>                                    | <b>18,512</b>   | <b>10,315</b>    | <b>8,615</b>               |

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**35 DEPARTMENT OF RURAL FIRE SERVICE**

**35.1 Funding and Administration of Rural Firefighting Services**

**35.1.1 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 rural fire brigades.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |       |         |         |         |                |
| Provision and maintenance of new and second hand tankers | \$m   | 25.5    | 25.5    | 27.4    | <b>34.1</b>    |
| Subsidies to local government for brigade stations       | \$m   | 3.6     | 3.2     | 3.4     | <b>10.0</b>    |
| Provision of maintenance grants to local government      | \$m   | 11.4    | 13.1    | 13.2    | <b>13.2</b>    |
| Provision of equipment grants to local government        | \$m   | 30.2    | 32.4    | 34.2    | <b>38.5</b>    |
| District management costs                                | \$m   | 32.2    | 33.0    | 36.5    | <b>39.1</b>    |
| <u>Average Staffing:</u>                                 | EFT   | 578     | 608     | 614     | <b>649</b>     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |        |        |               |
|---|--------|--------|---------------|
| Operating expenses -  |        |        |               |
| Employee related  | 52,115 | 52,478 | <b>57,084</b> |
| Other operating expenses  | 8,829  | 8,466  | <b>9,203</b>  |
| Depreciation and amortisation   | 3,000  | 3,000  | <b>3,000</b>  |
| Grants and subsidies  |        |        |               |
| Firefighting equipment - capital grants   | 38,720 | 42,126 | <b>63,585</b> |
| Payments to Regional Fire Associations  | 800    | 800    | <b>1,322</b>  |
| Costs associated with bushfire fighting activities - payments to Local Councils | 20,000 | 19,843 | <b>20,800</b> |
| Disaster response services  | 7,277  | 22,277 | <b>8,661</b>  |

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**35 DEPARTMENT OF RURAL FIRE SERVICE**

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**35.1 Funding and Administration of Rural Firefighting Services**

**35.1.1 Funding and Administration of Rural Firefighting Services (cont)**

**OPERATING STATEMENT (cont)**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Finance costs                                     |                |                |                |
| Interest on public sector borrowings and advances | ...            | 157            | ...            |
| Other expenses                                    |                |                |                |
| Aerial support                                    | 1,648          | 1,648          | <b>1,694</b>   |
| Insurance costs - firefighting                    | 3,069          | 3,069          | <b>3,155</b>   |
| Workers compensation - Bushfire Fund              | 3,500          | 3,500          | <b>3,598</b>   |
| <b>Total Expenses Excluding Losses</b>            | <b>138,958</b> | <b>157,364</b> | <b>172,102</b> |
| Less:   |                |                |                |
| <b>Retained Revenue -</b>                         |                |                |                |
| Retained taxes, fees and fines                    | 103,407        | 103,407        | <b>123,924</b> |
| Grants and contributions                          | 18,660         | 33,660         | <b>22,363</b>  |
| Other revenue                                     | 4,380          | 4,380          | <b>6,086</b>   |
| <b>Total Retained Revenue</b>                     | <b>126,447</b> | <b>141,447</b> | <b>152,373</b> |
| <b>NET COST OF SERVICES</b>                       | <b>12,511</b>  | <b>15,917</b>  | <b>19,729</b>  |
| <hr/>   |                |                |                |
| <b>CAPITAL EXPENDITURE</b>                        | <b>8,799</b>   | <b>8,799</b>   | <b>9,480</b>   |

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**35 DEPARTMENT OF RURAL FIRE SERVICE**

**35.2 Support of Rural Firefighting Services**

**35.2.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                                 |       |         |         |         |                |
| Certified bushfire instructors                  | no.   | 1,700   | 2,000   | 2,100   | <b>2,100</b>   |
| Bushfire assessors                              | no.   | 600     | 800     | 900     | <b>1,000</b>   |
| Hours of training, regional and State           | thous | 18      | 21      | 24      | <b>25</b>      |
| Hours of training, local district/brigade level | thous | 360     | 370     | 400     | <b>400</b>     |
| <u>Average Staffing:</u>                        | EFT   | 8       | 9       | 12      | <b>13</b>      |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

Operating expenses -

Employee related

Other operating expenses

|       |       |              |
|-------|-------|--------------|
| 815   | 815   | <b>848</b>   |
| 1,070 | 1,070 | <b>1,100</b> |

**Total Expenses Excluding Losses**

|              |              |              |
|--------------|--------------|--------------|
| <b>1,885</b> | <b>1,885</b> | <b>1,948</b> |
|--------------|--------------|--------------|

**NET COST OF SERVICES**

|              |              |              |
|--------------|--------------|--------------|
| <b>1,885</b> | <b>1,885</b> | <b>1,948</b> |
|--------------|--------------|--------------|

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**35 DEPARTMENT OF RURAL FIRE SERVICE**

**35.2 Support of Rural Firefighting Services**

**35.2.2 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :  |       |         |         |         |                |
| BushFire Bulletin circulation   | no.   | 36,000  | 36,000  | 36,000  | <b>36,000</b>  |
| Public skills displays and competitions for bushfire fighters   | no.   | 20      | 25      | 25      | <b>25</b>      |
| Community fireguard courses   | no.   | 10      | 20      | 20      | <b>20</b>      |
| Fire safety education programs for rural landowners and managers  | no.   | 10      | 10      | 10      | <b>10</b>      |
| School training and development programs on fire safety, leadership, fire science and accident prevention | no.   | 4       | 4       | 4       | <b>4</b>       |
| <u>Average Staffing</u> :   | EFT   | 8       | 10      | 10      | <b>10</b>      |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

Operating expenses -

Employee related

Other operating expenses

|       |       |              |
|-------|-------|--------------|
| 642   | 642   | <b>744</b>   |
| 1,108 | 1,108 | <b>1,138</b> |

**Total Expenses Excluding Losses**

|              |              |              |
|--------------|--------------|--------------|
| <b>1,750</b> | <b>1,750</b> | <b>1,882</b> |
|--------------|--------------|--------------|

**NET COST OF SERVICES**

|              |              |              |
|--------------|--------------|--------------|
| <b>1,750</b> | <b>1,750</b> | <b>1,882</b> |
|--------------|--------------|--------------|

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**35 DEPARTMENT OF RURAL FIRE SERVICE**

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**35.3 Planning and Co-ordination of Rescue Services and Emergency  
Management**

**35.3.1 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 policy, resource allocation and specific issues. Support to the Minister in the performance of ministerial functions. Co-ordination of advice from, and actions by, emergency services agencies on policies and specific issues. Administration of the Natural Disaster Mitigation Program.

| <u>Activities:</u>  | Average Staffing (EFT) |         |
|---|------------------------|---------|
|   | 2005-06                | 2006-07 |
| Training  | 1                      | 1       |
| Administrative support to State<br>Emergency Management Committee<br>and State Rescue Board | 7                      | 7       |
| Planning and Operations   | 5                      | 7       |
| Policy advice and co-ordination   | 6                      | 6       |
| Natural Disaster Mitigation Program<br>Management   | 4                      | 4       |
|   | 23                     | 25      |

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**35 DEPARTMENT OF RURAL FIRE SERVICE**

**35.3 Planning and Co-ordination of Rescue Services and Emergency  
Management**

**35.3.1 Planning and Co-ordination of Rescue Services and Emergency  
Management (cont)**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                           |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                   |                 |                  |                                     |
| Operating expenses -                                 |                 |                  |                                     |
| Employee related                                     | 2,120           | 1,757            | <b>1,951</b>                        |
| Other operating expenses                             | 1,121           | 1,121            | <b>1,152</b>                        |
| Grants and subsidies                                 |                 |                  |                                     |
| Grants to volunteer units                            | 1,339           | 1,339            | <b>1,376</b>                        |
| Disaster mitigation Australia package -<br>recurrent | 14,840          | 11,801           | <b>10,440</b>                       |
| <b>Total Expenses Excluding Losses</b>               | <b>19,420</b>   | <b>16,018</b>    | <b>14,919</b>                       |
| Less:  |                 |                  |                                     |
| <b>Retained Revenue -</b>                            |                 |                  |                                     |
| Other revenue  | 950             | 950              | <b>975</b>                          |
| <b>Total Retained Revenue</b>                        | <b>950</b>      | <b>950</b>       | <b>975</b>                          |
| <b>NET COST OF SERVICES</b>                          | <b>18,470</b>   | <b>15,068</b>    | <b>13,944</b>                       |

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**36 STATE EMERGENCY SERVICE**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Employee related                              | 11,358          | 11,751           | <b>12,929</b>                       |
| Other operating expenses                      | 11,726          | 10,122           | <b>12,891</b>                       |
| Depreciation and amortisation                 | 2,520           | 2,635            | <b>2,520</b>                        |
| Grants and subsidies                          | 10,756          | 10,756           | <b>8,756</b>                        |
| <b>Total Expenses Excluding Losses</b>        | <b>36,360</b>   | <b>35,264</b>    | <b>37,096</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 28              | 28               | <b>29</b>                           |
| Investment income                             | 84              | 84               | <b>87</b>                           |
| Grants and contributions                      | 5,481           | 5,596            | <b>5,481</b>                        |
| Other revenue                                 | ...             | 105              | ...                                 |
| <b>Total Retained Revenue</b>                 | <b>5,593</b>    | <b>5,813</b>     | <b>5,597</b>                        |
| Gain/(loss) on disposal of non current assets | 71              | 71               | <b>71</b>                           |
| <b>NET COST OF SERVICES</b>                   | <b>30,696</b>   | <b>29,380</b>    | <b>31,428</b>                       |

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**36 STATE EMERGENCY SERVICE**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                            |
| <b>Payments</b>                                     |                 |                  |                            |
| Employee related                                    | 10,786          | 10,883           | <b>12,164</b>              |
| Grants and subsidies                                | 10,756          | 10,756           | <b>8,756</b>               |
| Other   | 13,036          | 11,853           | <b>14,563</b>              |
| <b>Total Payments</b>                               | <b>34,578</b>   | <b>33,492</b>    | <b>35,483</b>              |
| <b>Receipts</b>                                     |                 |                  |                            |
| Sale of goods and services                          | 28              | 44               | <b>29</b>                  |
| Interest  | 84              | (30)             | <b>87</b>                  |
| Other   | 6,791           | 7,212            | <b>7,390</b>               |
| <b>Total Receipts</b>                               | <b>6,903</b>    | <b>7,226</b>     | <b>7,506</b>               |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(27,675)</b> | <b>(26,266)</b>  | <b>(27,977)</b>            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                            |
| Proceeds from sale of property, plant and equipment | 71              | 71               | <b>71</b>                  |
| Purchases of property, plant and equipment          | (4,187)         | (6,582)          | <b>(4,507)</b>             |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(4,116)</b>  | <b>(6,511)</b>   | <b>(4,436)</b>             |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                            |
| Recurrent appropriation                             | 27,603          | 27,603           | <b>28,312</b>              |
| Capital appropriation                               | 4,187           | 4,811            | <b>4,507</b>               |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>31,790</b>   | <b>32,414</b>    | <b>32,819</b>              |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(1)</b>      | <b>(363)</b>     | <b>406</b>                 |
| Opening Cash and Cash Equivalents                   | 3,544           | 4,125            | <b>3,762</b>               |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>3,543</b>    | <b>3,762</b>     | <b>4,168</b>               |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                            |
| Net cost of services                                | (30,696)        | (29,380)         | <b>(31,428)</b>            |
| Non cash items added back                           | 3,092           | 3,143            | <b>3,115</b>               |
| Change in operating assets and liabilities          | (71)            | (29)             | <b>336</b>                 |
| <b>Net cash flow from operating activities</b>      | <b>(27,675)</b> | <b>(26,266)</b>  | <b>(27,977)</b>            |

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**36 STATE EMERGENCY SERVICE**

|                                      | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>                 |                 |                  |                            |
| <b>ASSETS -</b>                      |                 |                  |                            |
| <b>Current Assets -</b>              |                 |                  |                            |
| Cash assets                          | 3,543           | 3,762            | 4,168                      |
| Receivables                          | 1,047           | 1,067            | 488                        |
| Inventories                          | 3,361           | 4,000            | 4,000                      |
| Other                                | 213             | 213              | 367                        |
| <b>Total Current Assets</b>          | <b>8,164</b>    | <b>9,042</b>     | <b>9,023</b>               |
| <b>Non Current Assets -</b>          |                 |                  |                            |
| Property, plant and equipment -      |                 |                  |                            |
| Land and building                    | 8,515           | 12,882           | 17,190                     |
| Plant and equipment                  | 16,805          | 17,089           | 14,768                     |
| <b>Total Non Current Assets</b>      | <b>25,320</b>   | <b>29,971</b>    | <b>31,958</b>              |
| <b>Total Assets</b>                  | <b>33,484</b>   | <b>39,013</b>    | <b>40,981</b>              |
| <b>LIABILITIES -</b>                 |                 |                  |                            |
| <b>Current Liabilities -</b>         |                 |                  |                            |
| Payables                             | 1,215           | 1,453            | 651                        |
| Provisions                           | 496             | 506              | 830                        |
| Other                                | ...             | ...              | 350                        |
| <b>Total Current Liabilities</b>     | <b>1,711</b>    | <b>1,959</b>     | <b>1,831</b>               |
| <b>Non Current Liabilities -</b>     |                 |                  |                            |
| Provisions                           | 321             | 414              | 524                        |
| <b>Total Non Current Liabilities</b> | <b>321</b>      | <b>414</b>       | <b>524</b>                 |
| <b>Total Liabilities</b>             | <b>2,032</b>    | <b>2,373</b>     | <b>2,355</b>               |
| <b>NET ASSETS</b>                    | <b>31,452</b>   | <b>36,640</b>    | <b>38,626</b>              |
| <b>EQUITY</b>                        |                 |                  |                            |
| Reserves                             | 1,807           | 5,815            | 5,815                      |
| Accumulated funds                    | 29,645          | 30,825           | 32,811                     |
| <b>TOTAL EQUITY</b>                  | <b>31,452</b>   | <b>36,640</b>    | <b>38,626</b>              |

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**36 STATE EMERGENCY SERVICE**

**36.1 Provision of Emergency Services**

**36.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |       |         |         |         |                |
| Number of volunteers trained -   |       |         |         |         |                |
| Disaster rescue  | no.   | 400     | 400     | 400     | <b>405</b>     |
| Flood boat rescue  | no.   | 340     | 350     | 380     | <b>385</b>     |
| First aid  | no.   | 1,800   | 1,820   | 1,800   | <b>1,810</b>   |
| Vertical rescue  | no.   | 80      | 90      | 115     | <b>100</b>     |
| Flood plans completed or reviewed  | no.   | 18      | 15      | 25      | <b>38</b>      |
| Flood plans tested   | no.   | 8       | 56      | 20      | <b>53</b>      |
| River action guides completed  | no.   | 13      | 19      | 20      | <b>22</b>      |
| Flood intelligence cards completed   | no.   | 11      | 25      | 25      | <b>17</b>      |
| Operational training sessions conducted                                    | no.   | 15      | 10      | 10      | <b>12</b>      |
| Field and regional radio systems installed                                 | no.   | 4       | 4       | 17      | <b>2</b>       |
| Protective clothing supplied   | thous | 30      | 20      | 15      | <b>15</b>      |
| Flood boats provided   | no.   | 17      | 10      | 20      | <b>20</b>      |
| General rescue equipment provided  | no.   | 1,900   | 2,100   | 2,200   | <b>1,900</b>   |
| Radio stations receiving community service announcements                   | no.   | 150     | 160     | 160     | <b>160</b>     |
| Public awareness workshops conducted                                       | no.   | 12      | 8       | 8       | <b>9</b>       |
| Responses to flood, storms, motor vehicle accidents, and search and rescue | thous | 12      | 20      | 13      | <b>15</b>      |
| Responses to support for communities, bushfires and other agencies         | thous | 4       | 3       | 3       | <b>3</b>       |
| Information technology equipment delivered and installed                   | no.   | ...     | ...     | ...     | <b>100</b>     |
| Website visits   | thous | ...     | ...     | ...     | <b>200</b>     |
| <u>Average Staffing:</u>   | EFT   | 87      | 87      | 134     | <b>169</b>     |

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**36 STATE EMERGENCY SERVICE**

**36.1 Provision of Emergency Services**

**36.1.1 Provision of Emergency Services (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Employee related                              | 11,358          | 11,751           | <b>12,929</b>                       |
| Other operating expenses                      | 11,726          | 10,122           | <b>12,891</b>                       |
| Depreciation and amortisation                 | 2,520           | 2,635            | <b>2,520</b>                        |
| Grants and subsidies                          |                 |                  |                                     |
| Emergency Rescue Workers Insurance            | 3,500           | 3,500            | <b>1,500</b>                        |
| Grants to volunteer rescue units              | 975             | 975              | <b>975</b>                          |
| Volunteer rescue units - capital grants       | 1,281           | 1,281            | <b>1,281</b>                        |
| Disaster response services                    | 5,000           | 5,000            | <b>5,000</b>                        |
| <b>Total Expenses Excluding Losses</b>        | <b>36,360</b>   | <b>35,264</b>    | <b>37,096</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   |                 |                  |                                     |
| Minor sales of goods and services             | 28              | 28               | <b>29</b>                           |
| Investment income                             | 84              | 84               | <b>87</b>                           |
| Grants and contributions                      | 5,481           | 5,596            | <b>5,481</b>                        |
| Other revenue                                 | ...             | 105              | ...                                 |
| <b>Total Retained Revenue</b>                 | <b>5,593</b>    | <b>5,813</b>     | <b>5,597</b>                        |
| Gain/(loss) on disposal of non current assets | 71              | 71               | <b>71</b>                           |
| <b>NET COST OF SERVICES</b>                   | <b>30,696</b>   | <b>29,380</b>    | <b>31,428</b>                       |
| <b>CAPITAL EXPENDITURE</b>                    |                 |                  |                                     |
|   | <b>4,187</b>    | <b>6,582</b>     | <b>4,507</b>                        |

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**37 DEPARTMENT OF LANDS**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                            |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                            |
| Operating expenses -                          |                 |                  |                            |
| Employee related                              | 35,994          | 38,252           | <b>37,878</b>              |
| Other operating expenses                      | 17,089          | 16,779           | <b>16,541</b>              |
| Depreciation and amortisation                 | 830             | 1,849            | <b>1,773</b>               |
| Grants and subsidies                          | 24,377          | 25,190           | <b>24,833</b>              |
| Finance costs                                 | ...             | 1,072            | <b>1,094</b>               |
| Other expenses                                | 1,080           | 1,118            | <b>1,080</b>               |
| <b>Total Expenses Excluding Losses</b>        | <b>79,370</b>   | <b>84,260</b>    | <b>83,199</b>              |
| Less:   |                 |                  |                            |
| <b>Retained Revenue -</b>                     |                 |                  |                            |
| Sales of goods and services                   | 16,794          | 17,437           | <b>17,675</b>              |
| Investment income                             | 650             | 900              | <b>822</b>                 |
| Retained taxes, fees and fines                | 3,105           | 3,600            | <b>3,183</b>               |
| Grants and contributions                      | 2,309           | 4,506            | <b>3,711</b>               |
| Other revenue                                 | 1,432           | 1,601            | <b>1,479</b>               |
| <b>Total Retained Revenue</b>                 | <b>24,290</b>   | <b>28,044</b>    | <b>26,870</b>              |
| Gain/(loss) on disposal of non current assets | ...             | (51)             | ...                        |
| Other gains/(losses)                          | ...             | (65)             | <b>(59)</b>                |
| <b>NET COST OF SERVICES</b>                   | <b>55,080</b>   | <b>56,332</b>    | <b>56,388</b>              |

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**37 DEPARTMENT OF LANDS**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                            |
| <b>Payments</b>                                 |                 |                  |                            |
| Employee related                                | 33,370          | 37,666           | <b>35,764</b>              |
| Grants and subsidies                            | 24,377          | 25,190           | <b>24,833</b>              |
| Finance costs                                   | ...             | 1,072            | <b>1,094</b>               |
| Other   | 24,676          | 23,055           | <b>21,621</b>              |
| <b>Total Payments</b>                           | <b>82,423</b>   | <b>86,983</b>    | <b>83,312</b>              |
| <b>Receipts</b>                                 |                 |                  |                            |
| Sale of goods and services                      | 26,531          | 18,673           | <b>18,916</b>              |
| Interest  | 650             | 900              | <b>822</b>                 |
| Other   | 6,346           | 13,354           | <b>12,277</b>              |
| <b>Total Receipts</b>                           | <b>33,527</b>   | <b>32,927</b>    | <b>32,015</b>              |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(48,896)</b> | <b>(54,056)</b>  | <b>(51,297)</b>            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                            |
| Advance repayments received                     | ...             | 1,000            | <b>2,500</b>               |
| Purchases of property, plant and equipment      | (3,157)         | (2,897)          | <b>(2,817)</b>             |
| Advances made                                   | (10,637)        | (2,988)          | <b>(2,500)</b>             |
| Other   | ...             | (219)            | ...                        |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(13,794)</b> | <b>(5,104)</b>   | <b>(2,817)</b>             |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                            |
| Proceeds from borrowings and advances           | 6               | ...              | ...                        |
| Repayment of borrowings and advances            | ...             | (719)            | <b>(550)</b>               |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>6</b>        | <b>(719)</b>     | <b>(550)</b>               |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                            |
| Recurrent appropriation                         | 53,318          | 53,318           | <b>54,800</b>              |
| Capital appropriation                           | 2,907           | 2,907            | <b>2,567</b>               |
| Cash transfers to Consolidated Fund             | ...             | (67)             | ...                        |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>56,225</b>   | <b>56,158</b>    | <b>57,367</b>              |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(6,459)</b>  | <b>(3,721)</b>   | <b>2,703</b>               |

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**37 DEPARTMENT OF LANDS**

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|  | 2005-06         |                 | 2006-07         |
|--|-----------------|-----------------|-----------------|
|  | Budget          | Revised         | Budget          |
|  | \$000           | \$000           | \$000           |
| <b>CASH FLOW STATEMENT (cont)</b>              |                 |                 |                 |
| Opening Cash and Cash Equivalents              | 7,867           | 11,125          | <b>7,404</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>       | <b>1,408</b>    | <b>7,404</b>    | <b>10,107</b>   |
| <b>CASH FLOW RECONCILIATION</b>                |                 |                 |                 |
| Net cost of services                           | (55,080)        | (56,332)        | <b>(56,388)</b> |
| Non cash items added back                      | 3,372           | 3,884           | <b>4,065</b>    |
| Change in operating assets and liabilities     | 2,812           | (1,608)         | <b>1,026</b>    |
| <b>Net cash flow from operating activities</b> | <b>(48,896)</b> | <b>(54,056)</b> | <b>(51,297)</b> |

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**37 DEPARTMENT OF LANDS**

|                                      | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>                 |                 |                  |                            |
| <b>ASSETS -</b>                      |                 |                  |                            |
| <b>Current Assets -</b>              |                 |                  |                            |
| Cash assets                          | 1,408           | 7,404            | <b>10,107</b>              |
| Receivables                          | 10,606          | 14,208           | <b>12,804</b>              |
| Inventories                          | 298             | 179              | <b>179</b>                 |
| Other                                | 693             | 500              | <b>500</b>                 |
| <b>Total Current Assets</b>          | <b>13,005</b>   | <b>22,291</b>    | <b>23,590</b>              |
| <b>Non Current Assets -</b>          |                 |                  |                            |
| Other financial assets               | 25,769          | 17,511           | <b>17,511</b>              |
| Property, plant and equipment -      |                 |                  |                            |
| Land and building                    | 7,939           | 8,226            | <b>8,026</b>               |
| Plant and equipment                  | 7,637           | 7,089            | <b>9,216</b>               |
| Infrastructure systems               | 3,200           | 16,108           | <b>15,758</b>              |
| Intangibles                          | ...             | 2,335            | <b>1,802</b>               |
| <b>Total Non Current Assets</b>      | <b>44,545</b>   | <b>51,269</b>    | <b>52,313</b>              |
| <b>Total Assets</b>                  | <b>57,550</b>   | <b>73,560</b>    | <b>75,903</b>              |
| <b>LIABILITIES -</b>                 |                 |                  |                            |
| <b>Current Liabilities -</b>         |                 |                  |                            |
| Payables                             | 4,917           | 7,734            | <b>7,534</b>               |
| Borrowings                           | 5               | 1,130            | <b>1,130</b>               |
| Provisions                           | 2,715           | 3,324            | <b>3,324</b>               |
| Other                                | 27              | ...              | ...                        |
| <b>Total Current Liabilities</b>     | <b>7,664</b>    | <b>12,188</b>    | <b>11,988</b>              |
| <b>Non Current Liabilities -</b>     |                 |                  |                            |
| Borrowings                           | 3,340           | 13,845           | <b>13,295</b>              |
| Provisions                           | 5,566           | 9,556            | <b>9,378</b>               |
| <b>Total Non Current Liabilities</b> | <b>8,906</b>    | <b>23,401</b>    | <b>22,673</b>              |
| <b>Total Liabilities</b>             | <b>16,570</b>   | <b>35,589</b>    | <b>34,661</b>              |
| <b>NET ASSETS</b>                    | <b>40,980</b>   | <b>37,971</b>    | <b>41,242</b>              |

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**37 DEPARTMENT OF LANDS**

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|                             | 2005-06       |               | 2006-07       |
|-----------------------------|---------------|---------------|---------------|
|                             | Budget        | Revised       | Budget        |
|                             | \$000         | \$000         | \$000         |
| <b>BALANCE SHEET (cont)</b> |               |               |               |
| <b>EQUITY</b>               |               |               |               |
| Reserves                    | 349           | 594           | <b>594</b>    |
| Accumulated funds           | 40,631        | 37,377        | <b>40,648</b> |
| <b>TOTAL EQUITY</b>         | <b>40,980</b> | <b>37,971</b> | <b>41,242</b> |

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**37 DEPARTMENT OF LANDS**

**37.1 Crown Lands**

**37.1.1 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.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>                                     |       |         |         |         |                |
| Stewardship of Crown Land:                          |       |         |         |         |                |
| Bushfire Mitigation works                           | no.   | 71      | 113     | 130     | <b>130</b>     |
| Weed reduction programs                             | no.   | 144     | 142     | 108     | <b>114</b>     |
| Pest animal control programs                        | no.   | 40      | 40      | 44      | <b>46</b>      |
| Reserve Trusts supported:                           |       |         |         |         |                |
| Community Trusts                                    | no.   | 1,621   | 1,610   | 1,421   | <b>1,430</b>   |
| Local government trusts                             | no.   | 5,045   | 5,248   | 5,483   | <b>5,490</b>   |
| State Recreation Area trusts                        | no.   | 8       | 8       | 8       | <b>8</b>       |
| Minor Ports Maintenance Program                     | \$000 | 2,088   | 1,080   | 2,060   | <b>2,060</b>   |
| Minor Dams Program                                  | \$000 | 400     | 400     | 2,100   | <b>1,900</b>   |
| State Land Tenure System:                           |       |         |         |         |                |
| Lease, Licence & Permit applications                | thous | 0.7     | 0.8     | 1.0     | <b>0.9</b>     |
| Lease, Licence & Permit accounts administered       | thous | 12.7    | 13.3    | 35.6    | <b>34.0</b>    |
| Provision of Tenure Information - searches          | thous | 8.0     | 8.1     | 6.5     | <b>6.5</b>     |
| Sale/Development of Crown land parcels              |       |         |         |         |                |
| Sale of developed land                              | no.   | 152     | 138     | 50      | <b>85</b>      |
| Sale of surplus sites                               | no.   | 509     | 570     | 600     | <b>615</b>     |
| Aboriginal Land Claims finalised                    | no.   | 146     | 153     | 160     | <b>160</b>     |
| Native Title applications and status investigations | no.   | 966     | 957     | 1,487   | <b>1,555</b>   |
| <u>Average Staffing:</u>                            | EFT   | 313     | 329     | 350     | <b>350</b>     |

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**37 DEPARTMENT OF LANDS**

**37.1 Crown Lands**

**37.1.1 Crown Land Services (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                                  |                 |                  |                                     |
| Operating expenses -  |                 |                  |                                     |
| Employee related  | 25,274          | 28,057           | <b>27,616</b>                       |
| Other operating expenses  | 8,663           | 10,005           | <b>9,508</b>                        |
| Depreciation and amortisation                                       | 180             | 1,245            | <b>1,238</b>                        |
| Grants and subsidies  |                 |                  |                                     |
| State Parks Trusts  | 1,114           | 1,083            | <b>1,152</b>                        |
| Recurrent grants to non-profit organisations                        | 1,944           | 1,928            | <b>1,998</b>                        |
| Capital grants paid to other organisations                          | 315             | 315              | <b>315</b>                          |
| Local Government - capital grants                                   | 6,776           | 1,800            | <b>1,800</b>                        |
| Public Reserves - capital grants                                    | 900             | 900              | <b>900</b>                          |
| Tweed River Sand Bypass - capital grant                             | ...             | 5,796            | <b>5,500</b>                        |
| Grants to organisations - other general<br>government agencies      | 160             | 200              | ...                                 |
| Finance costs   |                 |                  |                                     |
| interest on private sector loans                                    | ...             | 1,030            | <b>1,044</b>                        |
| Other expenses  |                 |                  |                                     |
| Fishing port maintenance  | 1,080           | 1,118            | <b>1,080</b>                        |
| <b>Total Expenses Excluding Losses</b>                              | <b>46,406</b>   | <b>53,477</b>    | <b>52,151</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>   |                 |                  |                                     |
| Sales of goods and services   |                 |                  |                                     |
| Miscellaneous services  | 874             | 1,162            | <b>896</b>                          |
| Fees for services   | 104             | 659              | <b>108</b>                          |
| Fees for services rendered - Land Titles Office                     | 172             | ...              | ...                                 |
| Recoupment of administration costs - general<br>government agencies | ...             | 740              | <b>340</b>                          |
| Other operating revenue   | ...             | 80               | <b>80</b>                           |
| Materials to produce goods and services                             | ...             | (400)            | <b>(400)</b>                        |

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**37 DEPARTMENT OF LANDS**

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**37.1 Crown Lands**

**37.1.1 Crown Land Services (cont)**

**OPERATING STATEMENT (cont)**

|                                |               |               |               |
|--------------------------------|---------------|---------------|---------------|
| Investment income              | 650           | 600           | <b>667</b>    |
| Retained taxes, fees and fines | 3,105         | 3,600         | <b>3,183</b>  |
| Grants and contributions       | 150           | 4,491         | <b>3,701</b>  |
| Other revenue                  | 90            | 444           | <b>671</b>    |
| <b>Total Retained Revenue</b>  | <b>5,145</b>  | <b>11,376</b> | <b>9,246</b>  |
| <b>NET COST OF SERVICES</b>    | <b>41,261</b> | <b>42,101</b> | <b>42,905</b> |
| <b>CAPITAL EXPENDITURE</b>     | <b>2,907</b>  | <b>2,795</b>  | <b>2,567</b>  |

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**37 DEPARTMENT OF LANDS**

**37.2 Soil Conservation and Rural Services**

**37.2.1 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 soil conservation. Undertake construction of soil conservation earthworks, farm water supplies and 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      2003-04    2004-05    2005-06    **2006-07**

Outputs:

|  |     |        |        |        |               |
|--|-----|--------|--------|--------|---------------|
| Soil and water conservation earthworks | ha  | 28,032 | 25,857 | 22,800 | <b>20,000</b> |
| Consultancy net sales target           | \$m | 6.0    | 6.8    | 8.4    | <b>8.4</b>    |
| Soilworks net sales target             | \$m | 7.4    | 7.2    | 7.5    | <b>7.8</b>    |

|                           |     |     |     |     |            |
|---------------------------|-----|-----|-----|-----|------------|
| <u>Average Staffing</u> : | EFT | 182 | 164 | 141 | <b>141</b> |
|---------------------------|-----|-----|-----|-----|------------|

|         |         |                |
|---------|---------|----------------|
| 2005-06 |         | <b>2006-07</b> |
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

Operating expenses -

|   |        |        |               |
|---|--------|--------|---------------|
| Employee related                          | 10,720 | 10,195 | <b>10,262</b> |
| Other operating expenses                  | 8,426  | 6,774  | <b>7,033</b>  |
| Depreciation and amortisation             | 650    | 604    | <b>535</b>    |
| Grants and subsidies                      |        |        |               |
| Grants to agencies for recurrent purposes | 13,168 | 13,168 | <b>13,168</b> |
| Finance costs                             | ...    | 42     | <b>50</b>     |

|  |               |               |               |
|--|---------------|---------------|---------------|
| <b>Total Expenses Excluding Losses</b> | <b>32,964</b> | <b>30,783</b> | <b>31,048</b> |
|--|---------------|---------------|---------------|

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**37.2 Soil Conservation and Rural Services**

**37.2.1 Soil Conservation Service and the Office of Rural Affairs (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|  |         |        |               |
|--|---------|--------|---------------|
| Sales of goods and services                                      |         |        |               |
| Miscellaneous services   | ...     | 68     | <b>68</b>     |
| Recoupment of administration costs - general government agencies | ...     | 12     | <b>12</b>     |
| Other operating revenue  | 1,320   | 989    | <b>820</b>    |
| Soil Business Operations   | 18,006  | 15,027 | <b>16,651</b> |
| Materials to produce goods and services                          | (3,682) | (900)  | <b>(900)</b>  |
| Investment income  | ...     | 300    | <b>155</b>    |
| Grants and contributions   | 2,159   | 15     | <b>10</b>     |
| Other revenue  | 1,342   | 1,157  | <b>808</b>    |

|                               |               |               |               |
|-------------------------------|---------------|---------------|---------------|
| <b>Total Retained Revenue</b> | <b>19,145</b> | <b>16,668</b> | <b>17,624</b> |
|-------------------------------|---------------|---------------|---------------|

|   |     |      |             |
|---|-----|------|-------------|
| Gain/(loss) on disposal of non current assets | ... | (51) | ...         |
| Other gains/(losses)                          | ... | (65) | <b>(59)</b> |

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>13,819</b> | <b>14,231</b> | <b>13,483</b> |
|-----------------------------|---------------|---------------|---------------|

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>250</b> | <b>250</b> | <b>250</b> |
|----------------------------|------------|------------|------------|

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**LAND AND PROPERTY INFORMATION NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                            |
| <b>Retained Revenue -</b>                     |                 |                  |                            |
| Sales of goods and services                   | 131,274         | 133,931          | <b>141,515</b>             |
| Investment income                             | 1,530           | 1,730            | <b>400</b>                 |
| Grants and contributions                      | 13,168          | 13,168           | <b>13,168</b>              |
| <b>Total Retained Revenue</b>                 | <b>145,972</b>  | <b>148,829</b>   | <b>155,083</b>             |
| Less:   |                 |                  |                            |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                            |
| Operating Expenses -                          |                 |                  |                            |
| Employee related                              | 83,964          | 84,564           | <b>89,605</b>              |
| Other operating expenses                      | 38,973          | 38,315           | <b>40,788</b>              |
| Depreciation and amortisation                 | 11,464          | 11,852           | <b>14,182</b>              |
| Grants and subsidies                          | 368             | 368              | <b>301</b>                 |
| <b>Total Expenses Excluding Losses</b>        | <b>134,769</b>  | <b>135,099</b>   | <b>144,876</b>             |
| Gain/(loss) on disposal of non current assets | ...             | (70)             | ...                        |
| <b>SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS</b> | <b>11,203</b>   | <b>13,660</b>    | <b>10,207</b>              |
| <b>Distributions -</b>                        |                 |                  |                            |
| Dividends and capital repatriations           | 6,666           | 8,128            | <b>6,074</b>               |
| Tax equivalents                               | 3,361           | 4,098            | <b>3,062</b>               |
| <b>SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</b>  | <b>1,176</b>    | <b>1,434</b>     | <b>1,071</b>               |

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**LAND AND PROPERTY INFORMATION NEW SOUTH WALES**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                            |
| <b>Receipts</b>                                 |                 |                  |                            |
| Sale of goods and services                      | 131,882         | 132,114          | 141,702                    |
| Interest  | 1,648           | 1,687            | 362                        |
| Other   | 17,118          | 18,545           | 18,660                     |
| <b>Total Receipts</b>                           | <b>150,648</b>  | <b>152,346</b>   | <b>160,724</b>             |
| <b>Payments</b>                                 |                 |                  |                            |
| Employee related                                | 80,704          | 79,640           | 91,575                     |
| Grants and subsidies                            | 368             | 368              | 301                        |
| Equivalent Income Tax                           | 4,611           | 8,021            | 3,321                      |
| Other   | 43,779          | 47,265           | 44,522                     |
| <b>Total Payments</b>                           | <b>129,462</b>  | <b>135,294</b>   | <b>139,719</b>             |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>21,186</b>   | <b>17,052</b>    | <b>21,005</b>              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                            |
| Purchases of property, plant and equipment      | (15,000)        | (2,800)          | (2,000)                    |
| Other   | ...             | (12,200)         | (17,500)                   |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(15,000)</b> | <b>(15,000)</b>  | <b>(19,500)</b>            |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                            |
| Repayment of borrowings and advances            | (2,558)         | ...              | ...                        |
| Dividends paid                                  | (8,705)         | (25,804)         | (8,128)                    |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>(11,263)</b> | <b>(25,804)</b>  | <b>(8,128)</b>             |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(5,077)</b>  | <b>(23,752)</b>  | <b>(6,623)</b>             |
| Opening Cash and Cash Equivalents               | 23,847          | 44,154           | 20,402                     |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>18,770</b>   | <b>20,402</b>    | <b>13,779</b>              |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                            |
| Surplus/(deficit) for year before distributions | 7,842           | 9,562            | 7,145                      |
| Non cash items added back                       | 11,464          | 12,002           | 14,182                     |
| Change in operating assets and liabilities      | 1,880           | (4,512)          | (322)                      |
| <b>Net cash flow from operating activities</b>  | <b>21,186</b>   | <b>17,052</b>    | <b>21,005</b>              |

**MINISTER FOR JUSTICE, MINISTER FOR JUVENILE JUSTICE,  
MINISTER FOR EMERGENCY SERVICES, MINISTER FOR LANDS,  
AND MINISTER FOR RURAL AFFAIRS**

**LAND AND PROPERTY INFORMATION NEW SOUTH WALES**

|                                      | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>                 |                 |                  |                            |
| <b>ASSETS -</b>                      |                 |                  |                            |
| <b>Current Assets -</b>              |                 |                  |                            |
| Cash assets                          | 18,770          | 20,402           | 13,779                     |
| Receivables                          | 9,313           | 11,052           | 12,508                     |
| Inventories                          | 1,800           | 362              | 369                        |
| Other                                | 1,830           | 1,650            | 1,691                      |
| <b>Total Current Assets</b>          | <b>31,713</b>   | <b>33,466</b>    | <b>28,347</b>              |
| <b>Non Current Assets -</b>          |                 |                  |                            |
| Inventories                          | ...             | 1,438            | 1,474                      |
| Property, plant and equipment -      |                 |                  |                            |
| Land and building                    | 49,900          | 49,073           | 50,643                     |
| Plant and equipment                  | 18,120          | 12,500           | 11,263                     |
| Intangibles                          | 22,175          | 25,765           | 30,750                     |
| <b>Total Non Current Assets</b>      | <b>90,195</b>   | <b>88,776</b>    | <b>94,130</b>              |
| <b>Total Assets</b>                  | <b>121,908</b>  | <b>122,242</b>   | <b>122,477</b>             |
| <b>LIABILITIES -</b>                 |                 |                  |                            |
| <b>Current Liabilities -</b>         |                 |                  |                            |
| Payables                             | 8,225           | 3,530            | 6,986                      |
| Tax                                  | 1,250           | 1,025            | 766                        |
| Provisions                           | 23,959          | 16,470           | 14,437                     |
| <b>Total Current Liabilities</b>     | <b>33,434</b>   | <b>21,025</b>    | <b>22,189</b>              |
| <b>Non Current Liabilities -</b>     |                 |                  |                            |
| Provisions                           | 106,611         | 116,698          | 114,698                    |
| <b>Total Non Current Liabilities</b> | <b>106,611</b>  | <b>116,698</b>   | <b>114,698</b>             |
| <b>Total Liabilities</b>             | <b>140,045</b>  | <b>137,723</b>   | <b>136,887</b>             |
| <b>NET ASSETS</b>                    | <b>(18,137)</b> | <b>(15,481)</b>  | <b>(14,410)</b>            |
| <b>EQUITY</b>                        |                 |                  |                            |
| Accumulated funds                    | (18,137)        | (15,481)         | (14,410)                   |
| <b>TOTAL EQUITY</b>                  | <b>(18,137)</b> | <b>(15,481)</b>  | <b>(14,410)</b>            |



# MINISTER FOR LOCAL GOVERNMENT

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## OVERVIEW

| <i>Agency</i>                               | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Department of Local Government</b>       |                                   |                                   |                        |
| Total Expenses .....                        | 89.4                              | 90.4                              | 1.1                    |
| Capital Expenditure .....                   | 0.2                               | 0.2                               | ...                    |
| <b>Total, Minister for Local Government</b> |                                   |                                   |                        |
| Total Expenses .....                        | <b>89.4</b>                       | <b>90.4</b>                       | <b>1.1</b>             |
| Capital Expenditure .....                   | <b>0.2</b>                        | <b>0.2</b>                        | <b>...</b>             |

## DEPARTMENT OF LOCAL GOVERNMENT

The Department of Local Government provides the policy and legislative framework to local government in New South Wales. The Department aims to ensure local councils are sustainable and deliver quality services to their communities. The key legislation administered by the Department is the *Local Government Act 1993* and the *Companion Animals Act 1998*.

## RESULTS AND SERVICES

The Department contributes to the development of sustainable local government that meets changing community needs by working towards the following results:

- ◆ The reform of local government through implementing options aimed at ensuring councils are appropriately structured and operate strategically.
- ◆ Effective, informed and transparent decision making by local councils.
- ◆ Efficient and effective local councils with a culture of continuous improvement and best practice, financial sustainability and capacity to comply with legislation.

Key services provided by the Department to contribute to these results include:

- ◆ conducting Council Better Practice Reviews;
- ◆ managing Local Government involvement in Public Private Partnerships;
- ◆ facilitating strategic alliances between councils;
- ◆ implementing the Compulsory Councillor Training initiative; and
- ◆ drafting legislation, circulars and guidelines.

## **RECENT DEVELOPMENTS**

In September 2003, a reform program was introduced for local government. Promoting Better Practice Reviews are a government priority and the central piece of this reform program. The reviews have been a success and there is increasing pressure to accelerate the number of reviews. The assistance of the Internal Audit Bureau has been used to resource this activity.

Strategic alliances between councils are encouraged. A conference was held in May 2006 aimed at providing councils with the opportunity to benefit from the experience of councils already involved in alliances.

An issue has been identified regarding inadequacies in the understanding by councillors of their roles and responsibilities. In response to this, the Minister has announced that compulsory training for all councillors will commence following the 2008 council elections. The Department has a lead role in the development of this training.

## **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.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses for the Department in 2006-07 are \$90.4 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
- ◆ \$4.6 million for Companion Animals administration and payments to local councils.

### **Capital Expenditure**

The capital allocation of \$150,000 provides for replacement of obsolete computer and office equipment.

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**MINISTER FOR LOCAL GOVERNMENT**  
**38 DEPARTMENT OF LOCAL GOVERNMENT**

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|   | 2005-06       |               | 2006-07       |
|---|---------------|---------------|---------------|
|   | Budget        | Revised       | Budget        |
|   | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>                    |               |               |               |
| <b>Expenses Excluding Losses -</b>            |               |               |               |
| Operating expenses -                          |               |               |               |
| Employee related                              | 6,154         | 6,311         | <b>6,433</b>  |
| Other operating expenses                      | 6,484         | 6,922         | <b>7,128</b>  |
| Depreciation and amortisation                 | 264           | 302           | <b>304</b>    |
| Grants and subsidies                          | 76,500        | 74,625        | <b>76,500</b> |
| <b>Total Expenses Excluding Losses</b>        | <b>89,402</b> | <b>88,160</b> | <b>90,365</b> |
| Less:   |               |               |               |
| <b>Retained Revenue -</b>                     |               |               |               |
| Sales of goods and services                   | 54            | 54            | <b>56</b>     |
| Investment income                             | 207           | 357           | <b>328</b>    |
| Retained taxes, fees and fines                | 4,500         | 4,500         | <b>4,500</b>  |
| Other revenue                                 | ...           | 50            | ...           |
| <b>Total Retained Revenue</b>                 | <b>4,761</b>  | <b>4,961</b>  | <b>4,884</b>  |
| Gain/(loss) on disposal of non current assets | ...           | 10            | ...           |
| <b>NET COST OF SERVICES</b>                   | <b>84,641</b> | <b>83,189</b> | <b>85,481</b> |

**MINISTER FOR LOCAL GOVERNMENT**  
**38 DEPARTMENT OF LOCAL GOVERNMENT**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 5,827           | 6,315            | <b>6,104</b>    |
| Grants and subsidies                                | 76,500          | 74,625           | <b>76,500</b>   |
| Other   | 7,486           | 7,223            | <b>7,533</b>    |
| <b>Total Payments</b>                               | <b>89,813</b>   | <b>88,163</b>    | <b>90,137</b>   |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 54              | 54               | <b>56</b>       |
| Interest  | 207             | 520              | <b>328</b>      |
| Other   | 4,740           | 5,662            | <b>4,740</b>    |
| <b>Total Receipts</b>                               | <b>5,001</b>    | <b>6,236</b>     | <b>5,124</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(84,812)</b> | <b>(81,927)</b>  | <b>(85,013)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | ...             | 10               | ...             |
| Purchases of property, plant and equipment          | (150)           | (150)            | <b>(150)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(150)</b>    | <b>(140)</b>     | <b>(150)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                 |
| Recurrent appropriation                             | 84,195          | 84,195           | <b>84,383</b>   |
| Capital appropriation                               | 150             | 150              | <b>150</b>      |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>84,345</b>   | <b>84,345</b>    | <b>84,533</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(617)</b>    | <b>2,278</b>     | <b>(630)</b>    |
| Opening Cash and Cash Equivalents                   | 6,117           | 7,387            | <b>9,665</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>5,500</b>    | <b>9,665</b>     | <b>9,035</b>    |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Net cost of services                                | (84,641)        | (83,189)         | <b>(85,481)</b> |
| Non cash items added back                           | 591             | 629              | <b>633</b>      |
| Change in operating assets and liabilities          | (762)           | 633              | <b>(165)</b>    |
| <b>Net cash flow from operating activities</b>      | <b>(84,812)</b> | <b>(81,927)</b>  | <b>(85,013)</b> |

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**MINISTER FOR LOCAL GOVERNMENT**  
**38 DEPARTMENT OF LOCAL GOVERNMENT**

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 5,500           | 9,665            | <b>9,035</b>    |
| Receivables  | 902             | 1                | <b>1</b>        |
| Other  | 82              | ...              | ...             |
| <b>Total Current Assets</b>                            | <b>6,484</b>    | <b>9,666</b>     | <b>9,036</b>    |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Property, plant and equipment -<br>Plant and equipment | 752             | 573              | <b>481</b>      |
| Intangibles  | 73              | 226              | <b>164</b>      |
| <b>Total Non Current Assets</b>                        | <b>825</b>      | <b>799</b>       | <b>645</b>      |
| <b>Total Assets</b>                                    | <b>7,309</b>    | <b>10,465</b>    | <b>9,681</b>    |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 1,523           | 1,523            | <b>1,358</b>    |
| Provisions   | 531             | 531              | <b>531</b>      |
| <b>Total Current Liabilities</b>                       | <b>2,054</b>    | <b>2,054</b>     | <b>1,889</b>    |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 91              | ...              | ...             |
| <b>Total Non Current Liabilities</b>                   | <b>91</b>       | ...              | ...             |
| <b>Total Liabilities</b>                               | <b>2,145</b>    | <b>2,054</b>     | <b>1,889</b>    |
| <b>NET ASSETS</b>                                      | <b>5,164</b>    | <b>8,411</b>     | <b>7,792</b>    |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 5,164           | 8,411            | <b>7,792</b>    |
| <b>TOTAL EQUITY</b>                                    | <b>5,164</b>    | <b>8,411</b>     | <b>7,792</b>    |

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**MINISTER FOR LOCAL GOVERNMENT**  
**38 DEPARTMENT OF LOCAL GOVERNMENT**

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**38.1 Development, Oversight and Assistance to Local Government**

**38.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Amendments to legislation and regulations                       | no.   | 12      | 4       | 6       | <b>6</b>       |
| Circulars and guidelines issued to councils                     | no.   | 53      | 65      | 65      | <b>70</b>      |
| Councils that attended education seminars run by the Department | no.   | 90      | 85      | 85      | <b>85</b>      |
| Complaints processed  | no.   | 1,050   | 1,105   | 1,200   | <b>1,300</b>   |
| Regulatory determinations made                                  | no.   | 130     | 110     | 115     | <b>130</b>     |
| <u>Average Staffing:</u>  | EFT   | 62      | 62      | 63      | <b>60</b>      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -   |              |              |              |
| Employee related   | 5,774        | 5,877        | <b>5,970</b> |
| Other operating expenses   | 2,134        | 2,572        | <b>2,908</b> |
| Depreciation and amortisation  | 264          | 302          | <b>304</b>   |
| Grants and subsidies   |              |              |              |
| Grants and Subsidies - Public-Private Partnerships Project Assessments | 500          | 125          | <b>500</b>   |
| <b>Total Expenses Excluding Losses</b>                                 | <b>8,672</b> | <b>8,876</b> | <b>9,682</b> |

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**MINISTER FOR LOCAL GOVERNMENT**  
**38 DEPARTMENT OF LOCAL GOVERNMENT**

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**38.1 Development, Oversight and Assistance to Local Government**

**38.1.1 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             | 54           | 54           | <b>56</b>    |
| Investment income                             | 67           | 217          | <b>228</b>   |
| Other revenue                                 | ...          | 50           | ...          |
| <b>Total Retained Revenue</b>                 | <b>121</b>   | <b>321</b>   | <b>284</b>   |
| Gain/(loss) on disposal of non current assets | ...          | 10           | ...          |
| <b>NET COST OF SERVICES</b>                   | <b>8,551</b> | <b>8,545</b> | <b>9,398</b> |

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>150</b> | <b>150</b> | <b>150</b> |
|----------------------------|------------|------------|------------|

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**MINISTER FOR LOCAL GOVERNMENT**  
**38 DEPARTMENT OF LOCAL GOVERNMENT**

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**38.2 Rate Rebates for Pensioners**

**38.2.1 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 55 per cent of eligible pensioner council rates.

| <u>Outcomes</u> :  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Pensioner households assisted across the rating categories - |       |         |         |         |                |
| General  | thous | 460     | 573     | 570     | <b>570</b>     |
| Water  | thous | 250     | 291     | 290     | <b>290</b>     |
| Sewerage   | thous | 190     | 215     | 215     | <b>215</b>     |
| <br><u>Outputs</u> :   |       |         |         |         |                |
| Rebate claims processed                                      | no.   | 420     | 367     | 370     | <b>400*</b>    |
| <u>Average Staffing</u> :                                    | EFT   | 1       | 1       | 1       | <b>1</b>       |

---

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

---

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                   |               |               |               |
| Employee related                       | 80            | 80            | <b>83</b>     |
| Grants and subsidies                   |               |               |               |
| Pensioner rate rebates                 | 76,000        | 74,500        | <b>76,000</b> |
| <b>Total Expenses Excluding Losses</b> | <b>76,080</b> | <b>74,580</b> | <b>76,083</b> |
| <b>NET COST OF SERVICES</b>            | <b>76,080</b> | <b>74,580</b> | <b>76,083</b> |

\* The department has improved reporting of rebate claims for 2006-07.

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**MINISTER FOR LOCAL GOVERNMENT**  
**38 DEPARTMENT OF LOCAL GOVERNMENT**

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**38.3 Companion Animals**

**38.3.1 Companion Animals**

Program Objective(s): To improve companion animal welfare and monitor their ownership.

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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|------------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>              |       |         |         |         |                |
| Number of animals registered | thous | 104     | 95      | 96      | <b>96</b>      |
| Education - visits           | no.   | 9       | 9       | 10      | <b>12</b>      |
| Funded projects              | no.   | 24      | 5       | 10      | <b>8</b>       |
| <u>Average Staffing:</u>     | EFT   | 4       | 4       | 4       | <b>4</b>       |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

Operating expenses -

Employee related

300 354 **380**

Other operating expenses

4,350 4,350 **4,220**

**Total Expenses Excluding Losses**

**4,650 4,704 4,600**

Less:

**Retained Revenue -**

Investment income

140 140 **100**

Retained taxes, fees and fines

4,500 4,500 **4,500**

**Total Retained Revenue**

**4,640 4,640 4,600**

**NET COST OF SERVICES**

**10 64 ...**

# **Budget Estimates**

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**2006-07**



**New South Wales**

**Budget Paper No. 3**

**Volume 3**



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# MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES

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## OVERVIEW

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Department of Natural Resources</b>  |                                   |                                   |                        |
| Total Expenses .....  | 459.9                             | 612.7                             | 33.2                   |
| Capital Expenditure .....   | 26.6                              | 17.6                              | -33.9                  |
| <b>Department of Primary Industries</b>   |                                   |                                   |                        |
| Total Expenses .....  | 359.9                             | 389.8                             | 8.3                    |
| Capital Expenditure .....   | 13.3                              | 21.3                              | 59.5                   |
| <b>Rural Assistance Authority</b>   |                                   |                                   |                        |
| Total Expenses .....  | 37.9                              | 40.7                              | 7.4                    |
| Capital Expenditure .....   | 0.1                               | 0.1                               | ...                    |
| <b>Coal Compensation Board</b>  |                                   |                                   |                        |
| Total Expenses .....  | 9.5                               | 7.1                               | -25.5                  |
| Capital Expenditure .....   | 0.1                               | 0.1                               | ...                    |
| <b>Catchment Management Authorities</b>   |                                   |                                   |                        |
| Total Expenses .....  | 192.0                             | 243.6                             | 26.9                   |
| Capital Expenditure .....   | 0.3                               | 0.3                               | ...                    |
| <b>NSW Food Authority</b>   |                                   |                                   |                        |
| Total Expenses .....  | 22.7                              | 21.9                              | -3.3                   |
| Capital Expenditure .....   | 2.1                               | 2.5                               | 17.9                   |
| <b>Total, Minister for Natural Resources,<br/>Minister for Primary Industries, and<br/>Minister for Mineral Resources</b> |                                   |                                   |                        |
| Total Expenses .....  | <b>1,081.9</b>                    | <b>1,315.8</b>                    | <b>21.6</b>            |
| Capital Expenditure .....   | <b>42.5</b>                       | <b>41.9</b>                       | <b>-1.4</b>            |

## DEPARTMENT OF NATURAL RESOURCES

Established on 29 August 2005, the Department of Natural Resources (DNR) administers key natural resources legislation and leads the Government's management and protection of the State's water, soils, native vegetation, coastal and floodplain resources.

## **RESULTS AND SERVICES**

The Department contributes to the Government priority of balancing economic and social development with protection of natural resources by working towards the following results:

- ◆ Water is allocated to industry, utilities, communities and the environment in a balanced and sustainable manner.
- ◆ Soil and vegetation is maintained or improved, whilst certainty is provided about land management for regional investment and the Government's policy of stopping broadscale clearing is achieved.
- ◆ Coastal and flood-prone areas are protected.

Key services provided by the Department which contribute to these results include:

- ◆ ensuring compliance with natural resource legislation and regulations;
- ◆ issuing of licences such as for water access and land use;
- ◆ developing natural resources market-based instruments, such as for water trading;
- ◆ undertaking natural resource management planning;
- ◆ monitoring and evaluating natural resource condition; and
- ◆ providing scientific, technical and financial assistance to stakeholders.

In addition to providing these natural resource management services, DNR provides shared corporate services to 24 agencies, including all Catchment Management Authorities (CMAs).

## **RECENT DEVELOPMENTS**

DNR is the lead agency for implementation of the National Water Initiative (NWI) in New South Wales. Benefits realised to date have been the separation of water licences from property title, allowing for flexible water trading; the issue of perpetual water access licences allowing more certainty and investment opportunities for water users; and the development of statutory water sharing plans that cover about 80 per cent of the water used in New South Wales.

DNR has delivered the Government's commitment to provide investment security to farmers and to end broadscale clearing through the *Native Vegetation Act 2003*. DNR is supporting the CMAs in assessing Property Vegetation Plans (PVPs), which enable landholders to have long term clarity about managing native vegetation on their properties, by offering access to the best available science and information on native vegetation management. DNR also assists the CMAs in preparing Catchment Action Plans and Investment Strategies to enable funds to be delivered for on-ground works.

Over 160 coastal, estuary and floodplain management plans have been developed in partnership with local government. These works have been instrumental in catering for population growth, managing the risks from floods and coastal erosion and ensuring sustainable development in valuable coastal and floodplain areas. The results of DNR's floodplain management services were demonstrated in 2005 when a DNR-funded levee saved Lismore from flooding and the associated costs of property damage and community dislocation. In 2005-06, DNR allocated funds and assisted councils with more than 250 flood management projects. State and local government funds have also been used to protect and restore coasts and estuaries.

## **STRATEGIC DIRECTIONS**

The Department will focus on continuing implementation of the NWI with the aim of balancing the restoration of healthy river systems with the provision of water for regional economic growth; consolidating and delivering reforms including the PVP system and supporting farmers to improve both production and conservation outcomes; and the implementation of management plans to reduce losses from flooding, coastal erosion and other hazards.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are estimated at \$612.7 million of which \$459 million relates specifically to grants and subsidies, and other expenses.

The increase in grants and subsidies from \$275 million in 2005-06 to \$404 million in 2006-07 largely reflects the \$101 million allocated for payments under the joint State/Commonwealth Groundwater Structural Adjustment Package. Other grants increasing in 2006-07 include grants to the CMAs (\$25 million increase), expenses under the Living Murray water initiative (\$6 million increase) and the Wetland Recovery Strategy (\$5 million increase), offset by reductions in forestry assistance packages after substantial payments in 2005-06.

Expenditure in 2006-07 on key initiatives that are ongoing or commencing will be:

- ◆ \$167 million to CMAs for various State and State/Commonwealth funded programs including the \$396 million National Action Plan for Salinity and Water Quality (NAP);
- ◆ \$101.4 million to be distributed for structural adjustment assistance to groundwater users to adjust to allocations within sustainable yields. 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;
- ◆ \$12.3 million as part of a three year \$37 million allocation for the implementation of Native Vegetation Structural Reform initiatives;
- ◆ \$18.1 million as the State's share of operating costs and works programs for irrigation areas with similar ongoing expenditure;
- ◆ \$4.1 million under the Forest Industry Structural Adjustment Package aimed at supporting a sustainable and internationally competitive native hardwood timber industry in coastal areas;
- ◆ \$6.6 million for industry assistance and forestry structural adjustment funding in the Brigalow and Nandewar regions. Total assistance of \$41 million over five years has been provided to assist industry in the regions to invest in value-adding new timber products and for business exit assistance and worker assistance;
- ◆ \$1 million in 2006-07 as part of a \$5 million Aboriginal Water Trust to assist Aboriginal communities in the development of water-based farming and aquaculture enterprises;
- ◆ \$9 million as part of a two year \$13.4 million 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.

The Department will also continue to develop Macro Water Sharing Plans that will cover most of the remaining 20 per cent of the water used in the State. Under the Living Murray program, to which New South Wales is contributing \$115 million over five years, work will soon begin on the \$54 million Darling Anabranch Pipeline which is expected to save about 47,000 megalitres of water each year.

### **Total Revenue**

Total revenue in 2006-07 is estimated at \$73.4 million. Major items include fees for services provided to the Murray Darling Basin Commission (estimate \$6 million), fees recovered from water users for Water Resource Management (estimate \$12 million) and an estimated receipt of \$12.3 million from the Environmental Trust to implement Native Vegetation structural reform.

### **Capital Expenditure**

The capital expenditure programs for 2006-07 are estimated at \$17.6 million. Funding for new works includes \$1.2 million over 3 years for the refurbishment of office accommodation at Deniliquin, a further \$0.7 million for upgrading the Department's IT system and \$1.4 million to enhance the Water Information billing system.

A further \$5.7 million has been provided to continue Water Management Information Systems projects. Other items include \$1.4 million for building works at the Department's historically significant Bridge Street building in Sydney and a further \$1.8 million for the continuing computer replacement program.

## **DEPARTMENT OF PRIMARY INDUSTRIES**

The Department of Primary Industries (DPI) supports the development of profitable primary industries that enhance the New South Wales economy through the sustainable use of natural resources. The Department maintains close links with industry and has front line service delivery as a priority.

### **RESULTS AND SERVICES**

The Department contributes to profitable and sustainable primary industries by working towards the following overall results:

- ◆ Primary industries perform strongly in the economy.
- ◆ Primary industries have appropriate access to natural resources and manage them wisely.
- ◆ Primary industries are healthy and safe because risks to the environment, human health and economy are excluded, eradicated or effectively managed.

Key services provided by the Department to contribute to these results include:

- ◆ providing science, research and innovative technologies to improve the competitiveness of New South Wales primary industries in an environmentally sustainable way;
- ◆ providing a biosecurity framework to support and improve domestic and international market access for New South Wales primary industries products;
- ◆ developing and delivering education and extension services for primary industries with particular emphasis on the development and delivery of the PROfarm program;
- ◆ planning, managing and regulating the sustainable commercial and recreational use of the State's fisheries resources;
- ◆ licensing and inspecting animal research and exhibited animal establishments, and administering animal welfare legislation;
- ◆ assessing the State's geology and mineral resources, and allocating them for exploration and mining; and
- ◆ regulating exploration and mining activities for safety and environmental performance.

## **RECENT DEVELOPMENTS**

Forecast recurrent expenditure for 2005-06 is \$399.3 million. Significant initiatives and developments during 2005-06 include:

- ◆ publishing the Department's Primary Industries Science and Research Strategy 2005-2008;
- ◆ establishing a joint venture with the University of Sydney to form the NSW Centre of Animal and Plant Biosecurity at Camden;
- ◆ completing the Department's participation in the Sustainable Rice Production Cooperative Research Centre and commencing partnerships in six new Cooperative Research Centres;
- ◆ reinvesting \$3.5 million from asset sales in the Towards 2020 initiative to enhance research facilities such as the Automated Dairy Farm at the Elizabeth Macarthur Institute of Agriculture, the fisheries laboratory in Cronulla and commencing electronic surveillance at the Queensland border for improved tick control. This initiative will continue in 2006-07;

- ◆ implementing a Mine Safety Levy effective from 30 January 2006 to fund the Department's mine safety function;
- ◆ awarding an exploration licence to BHP Billiton for a potential world class coal mine at Caroona;
- ◆ developing PROfarm to deliver accredited short courses and other training products to meet the needs of farmers, agribusiness and the community. Approximately 150 short courses are now available;
- ◆ starting implementation of AgStart, a program to encourage young people into the farming sector by raising their awareness of career opportunities and providing tailored assistance;
- ◆ providing drought assistance and support to rural New South Wales. Total expenditure in 2005-06 is predicted to be \$19.1 million;
- ◆ co-ordinating the whole of New South Wales Government involvement in the National Avian Influenza exercise – Exercise Eleusis;
- ◆ restructuring fishing activities at Port Jackson in response to elevated dioxin levels in fish by implementing a buy-out program for commercial fishers and an advisory program for recreational fishers;
- ◆ releasing the Oyster Industry Sustainable Aquaculture Strategy for public consultation; and
- ◆ implementing commercial fishing buyout arrangements for Cape Byron Marine Park.

## **STRATEGIC DIRECTIONS**

The Department delivers its services through four operational divisions: Agriculture and Fisheries; Mineral Resources; Biosecurity, Compliance and Mine Safety; and Science and Research.

The Department has the following strategic directions for each industry:

- ◆ Agricultural industries rapidly implement new technologies to increase economic performance whilst reducing environmental impacts. In particular, on-farm water is used efficiently and risks posed by pests, diseases and chemicals are excluded, eradicated or effectively managed.

- ◆ The fishing industry harvests at levels which allow sustainable regeneration of fish stocks. The living aquatic environment is conserved and protected for current and future generations.
- ◆ The mining industry operates to best practice health, safety and environmental standards, and New South Wales attracts new investment from the exploration and mining industry.

The strategic directions for each division are as follows:

### **Agriculture and Fisheries**

- ◆ provide a broad range of quality education and extension programs, such as PROfarm, to help primary producers to manage risks and use innovative technologies;
- ◆ implement the Government's response to the independent performance reviews of fisheries led by Palmer, Stevens and Keniry;
- ◆ facilitate structural adjustment in the fisheries industry by implementing share management plans with an emphasis on controlling the number of fish caught within sustainable levels; and
- ◆ protect the aquatic habitat and allow sustainable use of the fisheries resource by completing a marine parks network and threatened species plans.

### **Mineral Resources**

- ◆ continue to provide world class information through the geological survey program to support exploration, mining investment and geosequestration in New South Wales;
- ◆ facilitate mineral and petroleum exploration and new resource developments to maximise social and economic benefits and minimise adverse environmental impacts;
- ◆ regulate and further improve the environmental performance of the New South Wales mining industry; and
- ◆ identify additional coal development areas for future tender allocation to increase the competitiveness of the New South Wales mining industry.

## **Biosecurity, Compliance and Mine Safety**

- ◆ develop a New South Wales Biosecurity Strategy and a comprehensive invasive species action plan to effectively manage risks posed by pests, diseases and chemicals;
- ◆ improve emergency response through the implementation of Frontgate, a web-based enquiry system to rapidly identify owners and occupiers of land for effective emergency management across all government agencies;
- ◆ facilitate implementation of the National Agricultural Monitoring System to achieve a more objective drought declaration process, and improve producers' response to drought and climatic risk management; and
- ◆ regulate mine safety to ensure the health and safety of mine workers.

## **Science and Research**

- ◆ develop and deliver new technologies and production systems to encourage primary industries' innovation, profitability and sustainability;
- ◆ align research with government priorities and obtain appropriate levels of external funding from potential beneficiaries;
- ◆ establish a joint venture with the Charles Sturt University to form the Australian Temperate Agriculture Centre in Orange, and participate as a core partner in six new Cooperative Research Centre bids; and
- ◆ maintain and develop strategic alliances with other research organisations to increase research capability and eligibility for external research funding.

## **2006-07 BUDGET**

### **Total Expenses**

The Department of Primary Industries' total expenses for 2006-07 are budgeted at \$389.8 million.

The areas of expenditure are:

- ◆ \$118.5 million for the Agriculture and Fisheries Program;
- ◆ \$53.7 million for the Mineral Resources Program;
- ◆ \$85.9 million for the Biosecurity, Compliance and Mine Safety Program; and
- ◆ \$131.7 million for the Science and Research Program.

Major initiatives for 2006-07 include:

- ◆ \$5.5 million in total for exploration ensuring continuity of production of geoscientific data and assessment of the prospectivity of New South Wales for petroleum and minerals;
- ◆ \$10.1 million to buy out commercial fishery licences in marine parks; and
- ◆ \$2.7 million to maintain the marine parks program administered by DPI.

### **Capital Expenditure**

The Department of Primary Industries' capital expenditure is \$21.3 million for 2006-07, of which \$5.6 million is reinvestment of proceeds from sale of assets. The Department's Towards 2020 Asset Sale and Reinvestment capital program is consolidating and modernising research facilities. This will contribute to better research results and improve partnerships with industry. Specific reinvestment projects will be assessed for their contribution to Government and industry research priorities and compliance with New South Wales Procurement Policy.

Major projects within the Department's capital program include:

#### ***Replacing and maintaining Departmental infrastructure***

- ◆ \$4.1 million to purchase new and replacement plant and equipment; and
- ◆ \$7.2 million to rationalise and replace information, communications and technology infrastructure.

#### ***Maintaining and upgrading research facilities***

- ◆ \$1.3 million to construct new laboratories at Wagga Wagga for oilseeds and feed-evaluation research;
- ◆ \$0.8 million to construct a new processing and storage facility at Tamworth for grain, soil and plant samples;
- ◆ \$0.5 million to construct new laboratories at Narrabri for environmental research in the cotton industry;
- ◆ \$0.5 million to continue work on upgrading the Cronulla fisheries research facilities;
- ◆ \$0.7 million for the Elizabeth Macarthur Agricultural Institute;

- ◆ \$0.4 million for health, safety and environmental upgrades of laboratories; and
- ◆ \$0.2 million to upgrade research facilities in Port Stephens for dealing with QX disease outbreaks in the oyster industry.

### ***Improving facilities for fisheries compliance and Marine Parks***

- ◆ \$1 million to redevelop and enhance fisheries office facilities at Woy Woy, Swansea and Tuncurry;
- ◆ \$0.4 million for Stage 1 of construction of a new joint office for the Department's Fisheries branch, Marine Parks Authority and Maritime Authority of New South Wales at Jervis Bay;
- ◆ \$1.4 million for purchase of new and replacement plant and equipment in Marine Parks; and
- ◆ \$0.3 million for the Port Stephens-Great Lakes Marine Park Office.

## **RURAL ASSISTANCE AUTHORITY**

The New South Wales Rural Assistance Authority, under the *Rural Assistance Act 1989*, promotes the efficient delivery of programs of assistance to farmers and others engaged in rural industries.

### **RESULTS AND SERVICES**

The Authority supports the strong economic performance of primary industries, mainly by providing interest subsidies, loans, grants and mediation services to help farmers manage debt and business risks such as natural disasters and drought. The Authority also encourages the sustainable use of natural resources, mainly by provision of low-interest loans for works to improve land management.

The Authority aims to administer, monitor and influence adjustment and assistance programs which encourage self-reliance, facilitate appropriate change and mitigate extreme events whilst being aware of client welfare. The Authority works towards the following results to achieve government objectives:

- ◆ The agricultural and small business sector is able to recover from the effects of natural disasters and exceptional circumstances.
- ◆ The agricultural sector is able to manage business risks such as drought and disease.

- ◆ The agricultural sector is able to co-exist with and support the natural environment.
- ◆ Farm debt disputes are resolved efficiently and equitably.

Key services provided by the Authority to contribute to these results include:

- ◆ loans to farmers and small businesses to allow them to continue their normal operations following a natural disaster;
- ◆ interest subsidies to help farmers affected by exceptional circumstances to obtain carry-on finance, restructure debt and implement productivity improvements;
- ◆ loans to farmers aimed at promoting improved land management practices; and
- ◆ administration of the *Farm Debt Mediation Act 1994*.

## **RECENT DEVELOPMENTS**

Increased expenditure in 2005-06 compared with 2004-05 is mainly driven by drought related programs. Projected expenditure in 2005-06 is \$206.6 million, compared to budgeted expenditure of \$37.9 million. Exceptional Circumstances assistance, jointly funded by the State and the Commonwealth Governments, is expected to total \$197.7 million due to the continuing effects of the drought, enhanced levels of assistance and further extension of the recovery period in most drought-affected areas.

Demand for the Special Conservation Scheme, which provides loans for conservation works at concessional interest rates, increased in 2004-05 because the scheme was extended to cover drought-related initiatives such as works on stock and domestic water supply and dam desilting. Activity has continued at the 2004-05 level with loans in 2005-06 totalling an estimated \$12.5 million.

## **STRATEGIC DIRECTIONS**

The Authority recognises the importance of developing, implementing and maintaining measures which improve industry productivity, profitability, sustainability and farm financial management skills. Strategies employed by the Authority to ensure achievement of planned results are:

- ◆ promotion to increase awareness of assistance programs and provision of advice about eligibility requirements to potential applicants;
- ◆ periodic reviews of specific programs and continued development and monitoring of result indicators and service measures;

- ◆ effective management of the Authority's loan portfolio to limit the risk of non-repayment; and
- ◆ ongoing review and refinement of internal policies and procedures, and identification of synergies within government and statutory authorities for streamlining the provision of assistance.

## **2006-07 BUDGET**

### **Total Expenses**

In 2006-07, total expenses of the Authority are budgeted at \$40.7 million. The largest component in the Authority's 2006-07 budget is \$32 million for the Advancing Australian Agriculture program, which includes the Exceptional Circumstances scheme.

The Authority also manages the Special Conservation Scheme, offering concessional-rate loans for works that will have a beneficial impact on the land, the community and the environment. An amount of \$13 million has been provided for the scheme in 2006-07.

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 2006-07, \$2 million has notionally been provided for this scheme. Actual expenditure will depend on the occurrence of natural disasters.

### **Capital Expenditure**

The Authority receives a minor allocation of \$50,000 for the replacement and upgrade of office facilities.

## **COAL COMPENSATION BOARD**

The Coal Compensation Board is responsible for the acquisition of, and compensation for, private coal in New South Wales. It operates under four schemes: the compensation scheme for private coal acquired in 1981; the reacquisition scheme for private coal acquired after 1997; the voluntary acquisition scheme for coal purchased from private owners; and the coal restitution scheme for former owners preferring the return of coal rights to compensation.

## RESULTS AND SERVICES

The Board contributes to a fair and equitable society and economic improvement by working towards the following results:

- ◆ Compensation, restoration and reacquisition arrangements are fair, consistent and carried out in accordance with the relevant legislation.
- ◆ The public accepts these arrangements.

The key services provided by the Board which contribute to these results include:

- ◆ investigating, assessing and determining claims and paying compensation to former owners of private coal acquired by the State;
- ◆ restoring selected coal titles to former owners; and
- ◆ reacquiring selected coal titles previously restored to former owners.

## RECENT DEVELOPMENTS

Following the introduction of an *ad valorem* coal royalty scheme on 1 July 2004, the Government introduced the *Coal Acquisition Amendment (Fair Compensation) Act 2005*. This Act provides fair compensation to all claimants by aligning the basis used to assess remaining compensation claims with that used to assess previous compensation claims.

The Board has also embarked on a program of updating all modelling relating to claims still to be determined to ensure consistency and fairness in determining compensation for those claims.

## STRATEGIC DIRECTIONS

The Board is a sunset organisation whose work will cease once all claims are settled.

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 an additional \$13.8 million over two years to achieve this goal by early 2007. Most of this additional funding has been provided for recruitment of additional staff. Total staff increased from 32 in 2004-05 to 57 in 2005-06.

Most of the remaining work involves the assessment of claims for compensation under the *Coal Acquisition (Reacquisition Arrangements) Order 1997*. Apart from Native Title claims, most of the work flowing from the original compensation scheme was finalised some years ago.

## **2006-07 BUDGET**

### **Total Expenses**

At March 2006, total compensation paid by the Board was \$698.7 million.

The Board is working to pay all remaining compensation in 2006-07. This compensation is currently estimated at \$50 million. However, this amount may vary as a result of litigation, interest rate fluctuations and updates to the model used to calculate compensation. It is not expected that any new claims for compensation will be received. The Board's total expenses are budgeted to be \$7.1 million in 2006-07.

### **Capital Expenditure**

The Board has been allocated \$50,000 in 2006-07 for the replacement of minor assets.

## **CATCHMENT MANAGEMENT AUTHORITIES**

The Catchment Management Authorities (CMAs) are 13 independent statutory authorities established under the *Catchment Management Authorities Act 2003*, reporting directly to the Minister for Natural Resources.

The CMAs co-ordinate regional involvement in natural resource decisions across both private and public land tenure to ensure that local communities have a greater say in how natural resources are managed in their catchments. Specific functions of the CMAs include preparing and implementing Catchment Action Plans and associated investment strategies and issuing consents under the *Native Vegetation Act 2003*.

## **RECENT DEVELOPMENTS**

Commencing in late 2003-04, the CMAs' initial focus was to develop investment strategies that are now enabling the roll out of various New South Wales and Commonwealth Government funded programs, in particular the National Action Plan for Salinity and Water Quality, the Natural Heritage Trust, the Land and Water Management Plan and the Sustainability Fund investment funds.

In addition, CMAs have formed a number of funding partnerships which have significantly increased the funding for regional natural resource management delivery. This leveraging includes extensive in-kind contribution from landholders and community volunteers and financial and in-kind support from local government and industry.

## **STRATEGIC DIRECTIONS**

The CMAs' key priorities include preparing Catchment Action Plans and associated investment strategies to direct funds to local on-ground works and activities.

On 1 December 2005, the *Native Vegetation Act 2003* came into effect. The CMAs are responsible for approving Property Vegetation Plans, which enable those landholders who develop a Plan to have long term clarity about managing native vegetation on their properties.

The CMAs will also be responsible for managing adaptive environmental water and establishing environmental water trust accounts to deliver water to depleted water systems.

CMAs have submitted, or are in the process of submitting, draft Catchment Action Plans to the Natural Resources Commission and the Minister for assessment and approval by Government. These Catchment Action Plans are ten year plans, which will direct and prioritise investment into natural resource management activities across the catchments. In line with their Catchment Action Plans, the CMAs are currently preparing their second set of rolling three year investment strategies to 2008.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for 2006-07 are estimated at \$243.6 million, including \$197 million for grants and subsidies for sustainable natural resource management in line with Catchment Action Plans and associated investment strategies. The Government will also provide \$39 million towards the operating costs of the CMAs in 2006-07.

### **Capital Expenditure**

The 2006-07 budget includes \$0.3 million for plant and equipment purchases.

## **NSW FOOD AUTHORITY**

The NSW Food Authority was established in April 2004 by merging Safe Food Production NSW with the food regulatory resources of the Department of 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 service of food. 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 councils, 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.

## **RECENT DEVELOPMENTS**

Expenditure for 2005-06 was originally estimated at \$22.7 million and included costs associated with implementation and regulation of new food safety programs. This expenditure has been subsequently revised to reflect the agency's proposed implementation of a performance-based risk intervention model for auditing that incorporates third party auditing. Expenditure for 2005-06 is now projected at \$19.6 million. Other key developments during the year include:

- ◆ implementation of an egg food-safety scheme and continuing development of proposed schemes in the areas of aged care, hospitals, nursing homes, childcare, delivered meals and high-risk catering, a number of which are scheduled for regulation in 2006-07;
- ◆ completion of classification of waters under the NSW Shellfish Harvest Area Classification regime and commencement of maintenance of the scheme to ensure shellfish are harvested from clean waters;
- ◆ development and implementation of a policy detailing enforcement action and protocols for the agency under its legislation;

- ◆ completion of planning and preparation for implementation of the Food Regulation Partnership Model previously agreed with the local government sector;
- ◆ establishment and conduct of local government forums, communication and training programs;
- ◆ contribution to the development of national standards, including the Food Standards Code, and the Ministerial policy guidelines for the Australian and New Zealand regulatory system; and
- ◆ successful implementation of a consumer education campaign on mercury in fish for pregnant women which was awarded the Australian Public Relations Institute Golden Target Award for excellence in communications.

## **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 and 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.

## **2006-07 BUDGET**

### **Total Expenses**

The Authority is funded on a shared basis by the Government and industry with the Government contributing \$11.7 million in 2006-07 toward the agency's total planned recurrent expenditure of \$21.9 million. Total expenditure mainly relates to the provision of food-safety audit, compliance, enforcement, scheme development, implementation and licensing services along with communication, consumer information and education, policy and scientific services.

Total expenditure is an increase on the revised budget for 2005-06, and includes government funded expenditure of \$10.1 million for existing food regulatory activities and additional government expenditure of \$1.6 million toward the implementation of the Food Regulation Partnership Model with local government. This will begin with establishment of a framework for the administration, support and co-ordination of local government's role in food regulation and include a communications program and training for local government officers.

### **Capital Expenditure**

The Government is contributing \$0.7 million in 2006-07 towards the capital expenditure program which is estimated at \$2.5 million. This includes:

- ◆ \$1.9 million for continued development of infrastructure, including the Paddock-to-Plate intelligence system for managing interactions with NSW food businesses, providing a real-time interface for stakeholders and enabling State-wide tracking of food-borne illness and timely action to prevent its spread; and
- ◆ \$0.6 million for the purchase of replacement motor vehicles.

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|   | 2005-06        |                | 2006-07        |
|---|----------------|----------------|----------------|
|   | Budget         | Revised        | Budget         |
|   | \$000          | \$000          | \$000          |
| <b>OPERATING STATEMENT</b>                    |                |                |                |
| <b>Expenses Excluding Losses -</b>            |                |                |                |
| Operating expenses -                          |                |                |                |
| Employee related                              | 116,273        | 113,915        | <b>104,434</b> |
| Other operating expenses                      | 24,944         | 56,010         | <b>42,363</b>  |
| Depreciation and amortisation                 | 5,425          | 7,090          | <b>7,000</b>   |
| Grants and subsidies                          | 250,062        | 274,462        | <b>403,555</b> |
| Other expenses                                | 63,178         | 65,943         | <b>55,387</b>  |
| <b>Total Expenses Excluding Losses</b>        | <b>459,882</b> | <b>517,420</b> | <b>612,739</b> |
| Less:   |                |                |                |
| <b>Retained Revenue -</b>                     |                |                |                |
| Sales of goods and services                   | 22,955         | 35,161         | <b>49,243</b>  |
| Investment income                             | 888            | 1,000          | <b>918</b>     |
| Grants and contributions                      | 16,036         | 4,495          | <b>17,472</b>  |
| Other revenue                                 | 5,645          | 5,645          | <b>5,732</b>   |
| <b>Total Retained Revenue</b>                 | <b>45,524</b>  | <b>46,301</b>  | <b>73,365</b>  |
| Gain/(loss) on disposal of non current assets | (2,534)        | (2,534)        | <b>(2,600)</b> |
| Other gains/(losses)                          | (38)           | (1,387)        | <b>(300)</b>   |
| <b>NET COST OF SERVICES</b>                   | <b>416,930</b> | <b>475,040</b> | <b>542,274</b> |

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|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>CASH FLOW STATEMENT</b>                          |                  |                  |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                  |                  |                  |
| <b>Payments</b>                                     |                  |                  |                  |
| Employee related                                    | 105,936          | 94,952           | <b>95,377</b>    |
| Grants and subsidies                                | 250,450          | 274,850          | <b>403,555</b>   |
| Other   | 84,802           | 133,330          | <b>98,321</b>    |
| <b>Total Payments</b>                               | <b>441,188</b>   | <b>503,132</b>   | <b>597,253</b>   |
| <b>Receipts</b>                                     |                  |                  |                  |
| Sale of goods and services                          | 19,308           | 35,268           | <b>49,514</b>    |
| Interest  | 888              | 696              | <b>918</b>       |
| Other   | 21,681           | 6,712            | <b>23,204</b>    |
| <b>Total Receipts</b>                               | <b>41,877</b>    | <b>42,676</b>    | <b>73,636</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(399,311)</b> | <b>(460,456)</b> | <b>(523,617)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                  |                  |                  |
| Proceeds from sale of property, plant and equipment | 1,466            | 1,466            | <b>1,400</b>     |
| Purchases of property, plant and equipment          | (26,591)         | (28,049)         | <b>(17,589)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(25,125)</b>  | <b>(26,583)</b>  | <b>(16,189)</b>  |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                  |                  |                  |
| Recurrent appropriation                             | 396,812          | 453,977          | <b>524,999</b>   |
| Capital appropriation                               | 24,923           | 26,523           | <b>16,246</b>    |
| Cash transfers to Consolidated Fund                 | (3,078)          | (185)            | <b>(3,078)</b>   |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>418,657</b>   | <b>480,315</b>   | <b>538,167</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(5,779)</b>   | <b>(6,724)</b>   | <b>(1,639)</b>   |
| Opening Cash and Cash Equivalents                   | 27,587           | 21,652           | <b>14,928</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>21,808</b>    | <b>14,928</b>    | <b>13,289</b>    |
| <b>CASH FLOW RECONCILIATION</b>                     |                  |                  |                  |
| Net cost of services                                | (416,930)        | (475,040)        | <b>(542,274)</b> |
| Non cash items added back                           | 15,762           | 19,805           | <b>16,057</b>    |
| Change in operating assets and liabilities          | 1,857            | (5,221)          | <b>2,600</b>     |
| <b>Net cash flow from operating activities</b>      | <b>(399,311)</b> | <b>(460,456)</b> | <b>(523,617)</b> |

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|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 21,808          | 14,928           | <b>13,289</b>   |
| Receivables                          | 35,171          | 47,254           | <b>47,254</b>   |
| Other                                | 1,291           | 943              | <b>943</b>      |
| <b>Total Current Assets</b>          | <b>58,270</b>   | <b>63,125</b>    | <b>61,486</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Other financial assets               | 35              | 29               | <b>29</b>       |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 71,032          | 99,345           | <b>100,892</b>  |
| Plant and equipment                  | 38,143          | 26,554           | <b>37,191</b>   |
| Infrastructure systems               | 53,974          | 43,528           | <b>37,933</b>   |
| <b>Total Non Current Assets</b>      | <b>163,184</b>  | <b>169,456</b>   | <b>176,045</b>  |
| <b>Total Assets</b>                  | <b>221,454</b>  | <b>232,581</b>   | <b>237,531</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 60,603          | 40,287           | <b>40,287</b>   |
| Provisions                           | 12,899          | 16,812           | <b>16,812</b>   |
| Other                                | ...             | 2,893            | <b>2,893</b>    |
| <b>Total Current Liabilities</b>     | <b>73,502</b>   | <b>59,992</b>    | <b>59,992</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 3,733           | 2,612            | <b>2,612</b>    |
| <b>Total Non Current Liabilities</b> | <b>3,733</b>    | <b>2,612</b>     | <b>2,612</b>    |
| <b>Total Liabilities</b>             | <b>77,235</b>   | <b>62,604</b>    | <b>62,604</b>   |
| <b>NET ASSETS</b>                    | <b>144,219</b>  | <b>169,977</b>   | <b>174,927</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | ...             | 35,635           | <b>35,635</b>   |
| Accumulated funds                    | 144,219         | 134,342          | <b>139,292</b>  |
| <b>TOTAL EQUITY</b>                  | <b>144,219</b>  | <b>169,977</b>   | <b>174,927</b>  |

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**39 DEPARTMENT OF NATURAL RESOURCES**

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**39.1 Natural Resource Management**

**39.1.1 Water Management**

Program Objective(s): The sustainable allocation of New South Wales' water resources among industry, utilities, communities and the environment.

Program Description: Monitoring the State's water resources. Issuing water licences and allocating water among industry, utilities, communities and the environment. Managing the water market framework. Ensuring compliance with water laws. Facilitating water recovery for environmental purposes, through programs such as Cap and Pipe the Bores, The Living Murray and the Snowy initiative.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :  |       |         |         |         |                |
| Water Sharing Plans commenced (under <i>Water Management Act 2000</i> ) | no.   | ...     | 31      | 36      | <b>70</b>      |
| Water licences managed (under <i>Water Act 1912</i> )                   | thous | 98.0    | 88.0    | 20.0    | <b>18.4</b>    |
| Approvals managed (under <i>Water Management Act 2000</i> ):            |       |         |         |         |                |
| Access licences   | thous | ...     | 11.5    | 11.5    | <b>13.2</b>    |
| Works/use approvals   | thous | ...     | 10.5    | 15.0    | <b>20.0</b>    |
| Groundwater bores capped and piped                                      | no.   | 9       | 15      | 55      | <b>80</b>      |
| <u>Average Staffing</u> :   | EFT   | ...     | ...     | 618     | <b>555</b>     |

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|  | —2005-06— |         |                                     |
|--|-----------|---------|-------------------------------------|
|  | Budget    | Revised |                                     |
|  | \$000     | \$000   |                                     |
|  |           |         | <b>2006-07<br/>Budget<br/>\$000</b> |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |        |        |               |
|--|--------|--------|---------------|
| Operating expenses -                                 |        |        |               |
| Employee related                                     | 61,169 | 59,935 | <b>54,946</b> |
| Other operating expenses                             | 13,123 | 29,471 | <b>22,290</b> |
| Depreciation and amortisation                        | 2,854  | 3,730  | <b>3,683</b>  |
| Grants and subsidies                                 |        |        |               |
| Pensioner rate rebates – Country Energy              | 288    | 288    | <b>288</b>    |
| Grants to agencies for recurrent purposes (Wetlands) | 4,390  | 4,390  | <b>9,010</b>  |
| NWI's Living Murray                                  | 23,000 | 23,000 | <b>29,000</b> |

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**39.1 Natural Resource Management**

**39.1.1 Water Management (cont)**

**OPERATING STATEMENT (cont)**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Subsidies to organisations - public trading enterprises | 2,103          | 2,103          | <b>2,039</b>   |
| Groundwater structural adjustment                       | ...            | ...            | <b>101,420</b> |
| Aboriginal Water Trust                                  | 1,960          | 1,960          | <b>1,000</b>   |
| Other expenses  |                |                |                |
| NSW - Queensland Border Rivers Commission               | 900            | 900            | <b>1,050</b>   |
| Murray Darling Basin Commission                         | 26,341         | 26,341         | <b>26,341</b>  |
| Irrigation Areas works - private sector                 | 21,064         | 21,064         | <b>18,119</b>  |
| Rehabilitation of artesian bores                        | 5,538          | 5,538          | <b>5,538</b>   |
| Flood warning systems                                   | 200            | 200            | <b>200</b>     |
| <b>Total Expenses Excluding Losses</b>                  | <b>162,930</b> | <b>178,920</b> | <b>274,924</b> |
| Less:   |                |                |                |
| <b>Retained Revenue -</b>                               |                |                |                |
| Sales of goods and services                             |                |                |                |
| Miscellaneous services                                  | 1,496          | 1,313          | <b>814</b>     |
| Fees for services                                       | 6,302          | 17,302         | <b>31,359</b>  |
| Rental of cottages                                      | 155            | 155            | <b>160</b>     |
| Consulting services                                     | 875            | 875            | <b>905</b>     |
| Solicitors' enquiry fees                                | 323            | 323            | <b>334</b>     |
| Murray Darling Basin Commission fees for service        | 6,152          | 6,038          | <b>6,243</b>   |
| Stock agistment on dam foreshores                       | 52             | 52             | <b>54</b>      |
| Recoupment of administration costs - general            |                |                |                |
| government agencies                                     | 523            | 523            | <b>541</b>     |
| River management agreements                             | 828            | 828            | <b>856</b>     |
| Minor sales of goods and services                       | 2,242          | 2,042          | <b>2,111</b>   |
| Materials to produce goods and services                 | (732)          | (563)          | <b>(300)</b>   |
| Investment income                                       | 467            | 525            | <b>483</b>     |
| Grants and contributions                                | 14,139         | 2,365          | <b>2,721</b>   |
| Other revenue   | 2,982          | 1,351          | <b>1,396</b>   |
| <b>Total Retained Revenue</b>                           | <b>35,804</b>  | <b>33,129</b>  | <b>47,677</b>  |
| Gain/(loss) on disposal of non current assets           | (1,333)        | (1,334)        | <b>(1,368)</b> |
| Other gains/(losses)                                    | (20)           | (730)          | <b>(158)</b>   |
| <b>NET COST OF SERVICES</b>                             | <b>128,479</b> | <b>147,855</b> | <b>228,773</b> |
| <b>CAPITAL EXPENDITURE</b>                              | <b>13,934</b>  | <b>9,869</b>   | <b>8,741</b>   |

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**39 DEPARTMENT OF NATURAL RESOURCES**

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**39.1 Natural Resource Management**

**39.1.2 Soil and Vegetation Management**

Program Objective(s): Maintenance or improvement of the condition of New South Wales' soil and native vegetation and an increase in the extent of native vegetation across the State.

Program Description: Monitoring of the State's soil, land and vegetation resources. Provide technical policy and corporate support and services to the Catchment Management Authorities. Community consultation to develop integrated strategies for soil, land and vegetation and forestry plantations. Managing Western Division sustainability. Ensure compliance with native vegetation laws to stop broadscale clearing and prevent further land degradation.

Units      2003-04    2004-05    2005-06    **2006-07**

Outputs:

|  |     |      |     |     |            |
|--|-----|------|-----|-----|------------|
| Landholders choosing to use Property Vegetation Plans instead of a Development Application for clearing licences | %   | ...  | ... | 90  | <b>91</b>  |
| Licences for plantations administered  | no. | n.a. | 350 | 500 | <b>700</b> |
| <u>Average Staffing</u> :  | EFT | ...  | ... | 423 | <b>380</b> |

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|                   |                |               |
|-------------------|----------------|---------------|
| -----2005-06----- | <b>2006-07</b> |               |
| Budget            | Revised        | <b>Budget</b> |
| \$000             | \$000          | <b>\$000</b>  |

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***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|                               |        |        |               |
|-------------------------------|--------|--------|---------------|
| Operating expenses -          |        |        |               |
| Employee related              | 41,860 | 41,003 | <b>37,591</b> |
| Other operating expenses      | 8,980  | 20,161 | <b>15,248</b> |
| Depreciation and amortisation | 1,953  | 2,552  | <b>2,520</b>  |
| Grants and subsidies          |        |        |               |
| Wild Dog Destruction Board    | 200    | 1,400  | <b>200</b>    |

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**39.1 Natural Resource Management**

**39.1.2 Soil and Vegetation Management (cont)**

**OPERATING STATEMENT (cont)**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Government contribution to State Forests of NSW                     | 350            | 350            | ...            |
| Recurrent grants to non-profit organisations                        | 1,406          | 1,406          | <b>1,810</b>   |
| Grants to Catchment Management Authorities –<br>operating costs     | 37,699         | 37,699         | <b>38,950</b>  |
| Grants to Catchment Management Authorities-<br>program costs        | 142,641        | 142,641        | <b>167,000</b> |
| Brigalow structural adjustment                                      | ...            | 23,200         | <b>6,638</b>   |
| Natural Resources Advisory Council                                  | 2,745          | 2,745          | <b>2,745</b>   |
| Native vegetation structural adjustment                             | ...            | ...            | <b>12,300</b>  |
| Other expenses  |                |                |                |
| Forest industry restructure package                                 | 9,135          | 11,900         | <b>4,139</b>   |
| <b>Total Expenses Excluding Losses</b>                              | <b>246,969</b> | <b>285,057</b> | <b>289,141</b> |
| Less:   |                |                |                |
| <b>Retained Revenue -</b>   |                |                |                |
| Sales of goods and services   |                |                |                |
| Miscellaneous services  | ...            | 898            | <b>557</b>     |
| Consulting services   | 599            | 599            | <b>619</b>     |
| Recoupment of administration costs - general<br>government agencies | 358            | 358            | <b>370</b>     |
| Minor sales of goods and services                                   | 1,197          | 1,397          | <b>1,445</b>   |
| Materials to produce goods and services                             | (501)          | (386)          | <b>(206)</b>   |
| Investment income   | 320            | 360            | <b>330</b>     |
| Grants and contributions  | 1,453          | 1,617          | <b>14,162</b>  |
| Other revenue   | 2,032          | 924            | <b>955</b>     |
| <b>Total Retained Revenue</b>                                       | <b>5,458</b>   | <b>5,767</b>   | <b>18,232</b>  |
| Gain/(loss) on disposal of non current assets                       | (912)          | (912)          | <b>(936)</b>   |
| Other gains/(losses)  | (14)           | (499)          | <b>(108)</b>   |
| <b>NET COST OF SERVICES</b>   | <b>242,437</b> | <b>280,701</b> | <b>271,953</b> |
| <br>  |                |                |                |
| <b>CAPITAL EXPENDITURE</b>  | <b>9,745</b>   | <b>15,733</b>  | <b>6,970</b>   |

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**39.1 Natural Resource Management**

**39.1.3 Coastal and Floodplain Management**

Program Objective(s): The protection of coastal and flood prone areas and improvement of the condition of coastal environments.

Program Description: Provide technical and funding support and training to local government in preparing coastal, estuary and floodplain management plans. Assess and approve rural floodplain levees and other works. Prepare rural floodplain management plans. Provide expert advice under the Coastal Protection Act on coastal developments. Record and maintain coastal and floodplain information.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Rural Floodplain Management Plans gazetted  | no.   | ...     | 17      | 20      | <b>22</b>      |
| Coastal zone management plans implemented by local government                     | %     | ...     | 65      | 67      | <b>70</b>      |
| Local government plans made in coastal zones and on floodplains (incl. estuaries) | no.   | 136     | 155     | 162     | <b>167</b>     |
| Controlled work applications assessed   | no.   | n.a.    | 539     | 550     | <b>600</b>     |
| Controlled works approvals managed  | no.   | n.a.    | 1,120   | 1,255   | <b>1,550</b>   |
| <u>Average Staffing:</u>  | EFT   | ...     | ...     | 134     | <b>120</b>     |

| ———2005-06——— |         | <b>2006-07</b> |
|---------------|---------|----------------|
| Budget        | Revised | <b>Budget</b>  |
| \$000         | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Operating expenses -  |               |               |               |
| Employee related  | 13,244        | 12,977        | <b>11,897</b> |
| Other operating expenses  | 2,841         | 6,378         | <b>4,825</b>  |
| Depreciation and amortisation   | 618           | 808           | <b>797</b>    |
| Grants and subsidies  |               |               |               |
| Construction, repair and restoration of storm and flood damage - Local Councils | 357           | 357           | <b>357</b>    |
| Local Government - capital grants   | 32,923        | 32,923        | <b>30,798</b> |
| <b>Total Expenses Excluding Losses</b>  | <b>49,983</b> | <b>53,443</b> | <b>48,674</b> |

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**39.1 Natural Resource Management**

**39.1.3 Coastal and Floodplain Management (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |               |               |               |
|---|---------------|---------------|---------------|
| Sales of goods and services   |               |               |               |
| Miscellaneous services  | ...           | 285           | <b>176</b>    |
| Consulting services   | 189           | 189           | <b>196</b>    |
| Recoupment of administration costs - general<br>government agencies | 113           | 113           | <b>117</b>    |
| Contributions from Hunter Catchment Management<br>Trust             | 2,500         | 2,500         | <b>2,500</b>  |
| Minor sales of goods and services                                   | 442           | 442           | <b>457</b>    |
| Materials to produce goods and services                             | (158)         | (122)         | <b>(65)</b>   |
| Investment income   | 101           | 115           | <b>105</b>    |
| Grants and contributions  | 444           | 513           | <b>589</b>    |
| Other revenue   | 631           | 3,370         | <b>3,381</b>  |
| <b>Total Retained Revenue</b>                                       | <b>4,262</b>  | <b>7,405</b>  | <b>7,456</b>  |
| Gain/(loss) on disposal of non current assets                       | (289)         | (288)         | <b>(296)</b>  |
| Other gains/(losses)  | (4)           | (158)         | <b>(34)</b>   |
| <b>NET COST OF SERVICES</b>   | <b>46,014</b> | <b>46,484</b> | <b>41,548</b> |
| <br>  |               |               |               |
| <b>CAPITAL EXPENDITURE</b>  | <b>2,912</b>  | <b>2,447</b>  | <b>1,878</b>  |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**40 DEPARTMENT OF PRIMARY INDUSTRIES**

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|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating expenses -                          |                 |                  |                 |
| Employee related                              | 210,800         | 210,571          | <b>216,823</b>  |
| Other operating expenses                      | 79,605          | 98,926           | <b>103,200</b>  |
| Depreciation and amortisation                 | 14,260          | 18,897           | <b>20,123</b>   |
| Grants and subsidies                          | 41,424          | 55,210           | <b>32,782</b>   |
| Finance costs                                 | 1,145           | 1,145            | <b>1,347</b>    |
| Other expenses                                | 12,657          | 14,572           | <b>15,547</b>   |
| <b>Total Expenses Excluding Losses</b>        | <b>359,891</b>  | <b>399,321</b>   | <b>389,822</b>  |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   | 34,812          | 41,355           | <b>52,403</b>   |
| Investment income                             | 1,917           | 2,083            | <b>3,053</b>    |
| Retained taxes, fees and fines                | 8,801           | 10,301           | <b>10,327</b>   |
| Grants and contributions                      | 39,529          | 42,320           | <b>49,106</b>   |
| Other revenue                                 | 155             | 1,075            | <b>177</b>      |
| <b>Total Retained Revenue</b>                 | <b>85,214</b>   | <b>97,134</b>    | <b>115,066</b>  |
| Gain/(loss) on disposal of non current assets | 200             | 638              | <b>6,150</b>    |
| Other gains/(losses)                          | (41)            | ...              | ...             |
| <b>NET COST OF SERVICES</b>                   | <b>274,518</b>  | <b>301,549</b>   | <b>268,606</b>  |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**40 DEPARTMENT OF PRIMARY INDUSTRIES**

|  | 2005-06          |                  | 2006-07          |
|--|------------------|------------------|------------------|
|  | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>CASH FLOW STATEMENT</b>   |                  |                  |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                        |                  |                  |                  |
| <b>Payments</b>  |                  |                  |                  |
| Employee related   | 191,541          | 189,779          | <b>199,791</b>   |
| Grants and subsidies   | 41,424           | 55,210           | <b>32,782</b>    |
| Finance costs  | 1,145            | 1,145            | <b>1,347</b>     |
| Other  | 103,762          | 126,492          | <b>131,747</b>   |
| <b>Total Payments</b>  | <b>337,872</b>   | <b>372,626</b>   | <b>365,667</b>   |
| <b>Receipts</b>  |                  |                  |                  |
| Sale of goods and services   | 34,771           | 38,997           | <b>52,403</b>    |
| Interest   | 1,917            | 1,448            | <b>3,053</b>     |
| Other  | 61,435           | 62,960           | <b>72,610</b>    |
| <b>Total Receipts</b>  | <b>98,123</b>    | <b>103,405</b>   | <b>128,066</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>                    | <b>(239,749)</b> | <b>(269,221)</b> | <b>(237,601)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                        |                  |                  |                  |
| Proceeds from sale of property, plant and equipment                | 2,240            | 8,498            | <b>20,284</b>    |
| Advance repayments received  | ...              | 271              | ...              |
| Purchases of property, plant and equipment                         | (13,334)         | (15,394)         | <b>(19,093)</b>  |
| Other  | ...              | (33)             | <b>(2,169)</b>   |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>                    | <b>(11,094)</b>  | <b>(6,658)</b>   | <b>(978)</b>     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                        |                  |                  |                  |
| Repayment of borrowings and advances                               | (3,500)          | (2,287)          | <b>(6,397)</b>   |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>                    | <b>(3,500)</b>   | <b>(2,287)</b>   | <b>(6,397)</b>   |
| <b>CASH FLOWS FROM GOVERNMENT</b>                                  |                  |                  |                  |
| Recurrent appropriation  | 241,121          | 274,907          | <b>225,141</b>   |
| Capital appropriation  | 8,840            | 8,798            | <b>13,209</b>    |
| Asset sale proceeds transferred to the<br>Consolidated Fund Entity | ...              | ...              | <b>(5,829)</b>   |
| Cash transfers to Consolidated Fund                                | ...              | (2,334)          | ...              |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>                              | <b>249,961</b>   | <b>281,371</b>   | <b>232,521</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                             | <b>(4,382)</b>   | <b>3,205</b>     | <b>(12,455)</b>  |
| Opening Cash and Cash Equivalents                                  | 46,915           | 69,682           | <b>72,887</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>                           | <b>42,533</b>    | <b>72,887</b>    | <b>60,432</b>    |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**40 DEPARTMENT OF PRIMARY INDUSTRIES**

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|  | 2005-06          |                  | 2006-07          |
|--|------------------|------------------|------------------|
|  | Budget           | Revised          | Budget           |
|  | \$000            | \$000            | \$000            |
| <b>CASH FLOW STATEMENT (cont)</b>              |                  |                  |                  |
| <b>CASH FLOW RECONCILIATION</b>                |                  |                  |                  |
| Net cost of services                           | (274,518)        | (301,549)        | <b>(268,606)</b> |
| Non cash items added back                      | 32,769           | 35,815           | <b>37,155</b>    |
| Change in operating assets and liabilities     | 2,000            | (3,487)          | <b>(6,150)</b>   |
| <b>Net cash flow from operating activities</b> | <b>(239,749)</b> | <b>(269,221)</b> | <b>(237,601)</b> |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**40 DEPARTMENT OF PRIMARY INDUSTRIES**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 42,533          | 72,887           | <b>60,432</b>   |
| Receivables                          | 14,331          | 19,844           | <b>19,844</b>   |
| Other financial assets               | 2,327           | ...              | ...             |
| Inventories                          | 7,317           | 7,317            | <b>7,317</b>    |
| Other                                | 2,420           | 2,420            | <b>2,420</b>    |
| <b>Total Current Assets</b>          | <b>68,928</b>   | <b>102,468</b>   | <b>90,013</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Other financial assets               | 3,498           | 527              | <b>527</b>      |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 213,358         | 206,798          | <b>194,235</b>  |
| Plant and equipment                  | 50,837          | 35,429           | <b>36,458</b>   |
| Infrastructure systems               | 45,503          | 44,604           | <b>41,433</b>   |
| Intangibles                          | ...             | 2,464            | <b>4,174</b>    |
| <b>Total Non Current Assets</b>      | <b>313,196</b>  | <b>289,822</b>   | <b>276,827</b>  |
| <b>Total Assets</b>                  | <b>382,124</b>  | <b>392,290</b>   | <b>366,840</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 8,381           | 11,181           | <b>11,181</b>   |
| Borrowings                           | 6,050           | 3,723            | <b>3,723</b>    |
| Provisions                           | 21,810          | 28,088           | <b>28,088</b>   |
| Other                                | 3,017           | 2,217            | <b>2,217</b>    |
| <b>Total Current Liabilities</b>     | <b>39,258</b>   | <b>45,209</b>    | <b>45,209</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | 32,689          | 29,718           | <b>23,321</b>   |
| Provisions                           | 5,506           | 5,506            | <b>5,506</b>    |
| <b>Total Non Current Liabilities</b> | <b>38,195</b>   | <b>35,224</b>    | <b>28,827</b>   |
| <b>Total Liabilities</b>             | <b>77,453</b>   | <b>80,433</b>    | <b>74,036</b>   |
| <b>NET ASSETS</b>                    | <b>304,671</b>  | <b>311,857</b>   | <b>292,804</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 138,489         | 138,388          | <b>138,388</b>  |
| Accumulated funds                    | 166,182         | 173,469          | <b>154,416</b>  |
| <b>TOTAL EQUITY</b>                  | <b>304,671</b>  | <b>311,857</b>   | <b>292,804</b>  |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**40 DEPARTMENT OF PRIMARY INDUSTRIES**

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**40.1 Agriculture and Fisheries**

**40.1.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Crop area sown using reduced tillage technology                 | %     | 50      | 70      | 70      | <b>80</b>      |
| Producers trained in Prograze using improved grazing management | %     | 95      | 95      | 95      | <b>95</b>      |
| Satisfactory test results from pesticide surveys of NSW produce | %     | 99.9    | 99.9    | 99.9    | <b>99.9</b>    |
| Aquatic species protected                                       | no.   | 25      | 27      | 29      | <b>32</b>      |
| Aquatic communities protected                                   | no.   | 38      | 39      | 40      | <b>40</b>      |
| Aquaculture production  | \$m   | 51.1    | 49.9    | 52.0    | <b>57.0</b>    |
| <br><u>Outputs:</u>   |       |         |         |         |                |
| Farmers attending production or farming systems workshops       | no.   | 11,000  | 11,000  | 11,000  | <b>11,000</b>  |
| Animal Welfare Licences issued (research and exhibited animals) | no.   | 441     | 383     | 391     | <b>400</b>     |
| Value of PRIMEX assisted sales and negotiations                 | \$m   | 4.5     | 5.7     | 5.6     | <b>5.7</b>     |
| Lamb traded 'over the hooks'                                    | %     | 25      | 25      | 30      | <b>30</b>      |
| Native fish stocked   | mill  | 2.6     | 2.4     | 2.3     | <b>2.5</b>     |
| Habitat restoration sites                                       | no.   | 131     | 203     | 300     | <b>314</b>     |
| Land-based fish farms   | no.   | 238     | 219     | 230     | <b>225</b>     |
| Areas of submerged lands leased                                 | ha    | 4,338   | 3,982   | 3,982   | <b>3,982</b>   |
| Fishery management strategies completed                         | no.   | 3       | 4       | 6       | <b>8</b>       |
| <u>Average Staffing:</u>  | EFT   | ...     | 758     | 713     | <b>707</b>     |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**40 DEPARTMENT OF PRIMARY INDUSTRIES**

**40.1 Agriculture and Fisheries**

**40.1.1 Agriculture and Fisheries (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                        |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                |                 |                  |                                     |
| Operating expenses -                              |                 |                  |                                     |
| Employee related                                  | 59,369          | 58,682           | <b>59,852</b>                       |
| Other operating expenses                          | 17,320          | 29,318           | <b>29,806</b>                       |
| Depreciation and amortisation                     | 1,996           | 5,251            | <b>5,592</b>                        |
| Grants and subsidies                              |                 |                  |                                     |
| Animal welfare organisations                      | 300             | 300              | <b>300</b>                          |
| Rural financial counsellors                       | 1,100           | 1,100            | <b>1,131</b>                        |
| Government contribution to State Forests of NSW   | 9,557           | 9,557            | <b>9,557</b>                        |
| Research grants                                   | ...             | 407              | ...                                 |
| Recurrent grants to non-profit organisations      | 90              | 993              | <b>832</b>                          |
| Grants to agencies for recurrent purposes         | ...             | 2,000            | ...                                 |
| Finance costs                                     |                 |                  |                                     |
| Interest on public sector borrowings and advances | 1,145           | 1,145            | <b>1,347</b>                        |
| Other expenses                                    |                 |                  |                                     |
| Commercial fisheries buyout                       | ...             | 796              | ...                                 |
| Marine parks commercial fisheries buyout          | 4,427           | 4,427            | <b>10,078</b>                       |
| Australian Standing Committee on Agriculture      | 393             | 150              | <b>52</b>                           |
| <b>Total Expenses Excluding Losses</b>            | <b>95,697</b>   | <b>114,126</b>   | <b>118,547</b>                      |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                         |                 |                  |                                     |
| Sales of goods and services                       |                 |                  |                                     |
| Rents and leases                                  | 400             | 374              | <b>124</b>                          |
| Sale of farm produce                              | 2,000           | 2,141            | <b>2,244</b>                        |
| Miscellaneous services                            | 2,512           | 1,168            | <b>2,547</b>                        |
| Publication sales                                 | 692             | 1,082            | <b>931</b>                          |
| Fees for services                                 | 393             | 1,328            | <b>1,428</b>                        |
| Training charges                                  | 2,199           | 2,156            | <b>2,350</b>                        |
| Consulting services                               | ...             | 66               | <b>70</b>                           |
| Fishery management charges                        | 4,451           | 4,451            | <b>4,962</b>                        |
| Minor sales of goods and services                 | 622             | 586              | <b>250</b>                          |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**40 DEPARTMENT OF PRIMARY INDUSTRIES**

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**40.1 Agriculture and Fisheries**

**40.1.1 Agriculture and Fisheries (cont)**

***OPERATING STATEMENT (cont)***

|   |               |               |               |
|---|---------------|---------------|---------------|
| Investment income                             | 777           | 560           | <b>821</b>    |
| Retained taxes, fees and fines                | 8,801         | 10,301        | <b>10,327</b> |
| Grants and contributions                      | 5,669         | 9,897         | <b>14,147</b> |
| Other revenue                                 | ...           | 121           | <b>15</b>     |
| <b>Total Retained Revenue</b>                 | <b>28,516</b> | <b>34,231</b> | <b>40,216</b> |
| Gain/(loss) on disposal of non current assets | 99            | 638           | <b>6,150</b>  |
| Other gains/(losses)                          | (12)          | ...           | ...           |
| <b>NET COST OF SERVICES</b>                   | <b>67,094</b> | <b>79,257</b> | <b>72,181</b> |
| <br>  |               |               |               |
| <b>CAPITAL EXPENDITURE</b>                    | <b>6,874</b>  | <b>2,444</b>  | <b>4,013</b>  |

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**40 DEPARTMENT OF PRIMARY INDUSTRIES**

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**40.2 Mineral Resources**

**40.2.1 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.

|   | Units           | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-----------------|---------|---------|---------|----------------|
| <u>Outcomes:</u>  |                 |         |         |         |                |
| NSW share of private mineral exploration in Australia             | %               | 8.3     | 7.2     | 8.4     | <b>8.5</b>     |
| Value of NSW mineral production                                   | \$m             | 6,800   | 9,200   | 10,000  | <b>8,500</b>   |
| Royalties collected   | \$m             | 233     | 396     | 485     | <b>501</b>     |
| Lost time injuries  | no.             | 535     | 565     | 560     | <b>560</b>     |
| Fatal injuries  | no.             | 3       | 1       | ...     | ...            |
| Mines operating to agreed Mining Operation Plans                  | %               | 90      | 95      | 95      | <b>95</b>      |
| Environmental security deposits held                              | \$m             | 310     | 473     | 505     | <b>545</b>     |
| <u>Outputs:</u>   |                 |         |         |         |                |
| Coverage of State by new standard series geoscience maps and data | km <sup>2</sup> | 50,000  | 30,000  | 27,000  | <b>27,000</b>  |
| Titles and dealings processed within published time frames        | %               | 90      | 90      | 88      | <b>90</b>      |
| Royalty debt level - % of total royalties                         | %               | 0.50    | 0.20    | 0.25    | <b>0.25</b>    |
| Safety regulation   |                 |         |         |         |                |
| Investigations (safety operations)                                | no.             | n.a.    | 494     | 530     | <b>530</b>     |
| Enforcement actions   | no.             | n.a.    | 394     | 340     | <b>360</b>     |
| Environmental regulation  |                 |         |         |         |                |
| Audits, assessments and reviews                                   | no.             | 650     | 798     | 800     | <b>825</b>     |
| Investigations and enforcements                                   | no.             | 40      | 45      | 50      | <b>60</b>      |
| Rehabilitation of derelict mine sites                             | no.             | 34      | 50      | 45      | <b>40</b>      |
| <u>Average Staffing:</u>  | EFT             | ...     | 288     | 300     | <b>342</b>     |

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**40.2 Mineral Resources**

**40.2.1 Mineral Resources (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                                      |                 |                  |                                     |
| Operating expenses -  |                 |                  |                                     |
| Employee related  | 22,542          | 29,158           | <b>32,672</b>                       |
| Other operating expenses  | 20,185          | 10,916           | <b>16,775</b>                       |
| Depreciation and amortisation   | 3,708           | 2,209            | <b>2,352</b>                        |
| Grants and subsidies  |                 |                  |                                     |
| Recurrent grants to non-profit organisations                            | 80              | 100              | <b>100</b>                          |
| Other expenses  |                 |                  |                                     |
| Remedial works to mined areas   | 1,722           | 1,722            | <b>1,770</b>                        |
| <b>Total Expenses Excluding Losses</b>                                  | <b>48,237</b>   | <b>44,105</b>    | <b>53,669</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>   |                 |                  |                                     |
| Sales of goods and services   |                 |                  |                                     |
| Rents and leases  | 201             | 242              | <b>81</b>                           |
| Miscellaneous services  | ...             | 7,868            | <b>15,382</b>                       |
| Publication sales   | 470             | 80               | ...                                 |
| Fees for services   | ...             | 698              | <b>798</b>                          |
| Consulting services   | 397             | 141              | <b>194</b>                          |
| Recoupment of administration costs - non<br>general government agencies | 865             | 465              | <b>375</b>                          |
| Recoupment of administration costs - general<br>government agencies     | 89              | 250              | ...                                 |
| Geophysical data  | 219             | 219              | ...                                 |
| Investment income   | 235             | 241              | <b>352</b>                          |
| Grants and contributions  | 104             | 7                | <b>5</b>                            |
| Other revenue   | ...             | 220              | <b>72</b>                           |
| <b>Total Retained Revenue</b>   | <b>2,580</b>    | <b>10,431</b>    | <b>17,259</b>                       |
| Other gains/(losses)  | (6)             | ...              | ...                                 |
| <b>NET COST OF SERVICES</b>   | <b>45,663</b>   | <b>33,674</b>    | <b>36,410</b>                       |
| <hr/>   |                 |                  |                                     |
| <b>CAPITAL EXPENDITURE</b>  | <b>1,360</b>    | <b>1,161</b>     | <b>1,971</b>                        |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**40 DEPARTMENT OF PRIMARY INDUSTRIES**

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**40.3 Biosecurity, Compliance and Mine Safety**

**40.3.1 Biosecurity, Compliance and Mine Safety**

Program Objective(s): To provide a biosecurity framework to support and improve domestic and international market access for New South Wales primary industries products. To co-ordinate 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, biosecurity 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 biosecurity.

| <u>Outcomes:</u>  | Units   | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|---------|---------|---------|---------|----------------|
| Persons accredited in emergency response preparedness                               | no.     | 144     | 193     | 340     | <b>300</b>     |
| Compliance rates for recreational fishers   | %       | 89      | 88      | 89      | <b>90</b>      |
| Compliance rates for commercial fishers   | %       | 91      | 91      | 92      | <b>90</b>      |
| Compliance rates for aquaculture  | %       | 40      | 65      | 60      | <b>75</b>      |
| <br><u>Outputs:</u>   |         |         |         |         |                |
| Biosecurity plans to which Department has contributed                               | no.     | 68      | 104     | 227     | <b>234</b>     |
| Training programs for emergency response preparedness                               | no.     | 15      | 15      | 18      | <b>32</b>      |
| Biological control agent releases   | no.     | 264     | 270     | 270     | <b>260</b>     |
| Attendees at workshop seminars relating to health and safety in the mining industry | no.     | 2,400   | 2,400   | 2,650   | <b>2,850</b>   |
| Major investigations (mining)   | no.     | n.a.    | 5       | 5       | <b>5</b>       |
| Prosecutions (mining - Investigation Unit reports)                                  | no.     | n.a.    | 3       | 5       | <b>5</b>       |
| Prosecutions (fisheries)  | no.     | 326     | 460     | 425     | <b>400</b>     |
| SEINS penalty notices (fisheries)   | no.     | 1,660   | 2,500   | 3,000   | <b>2,600</b>   |
| <br><u>Average Staffing:</u>  | <br>EFT | <br>... | <br>491 | <br>475 | <br><b>468</b> |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**40 DEPARTMENT OF PRIMARY INDUSTRIES**

**40.3 Biosecurity, Compliance and Mine Safety**

**40.3.1 Biosecurity, Compliance and Mine Safety (cont)**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                   |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>           |                 |                  |                 |
| Operating expenses -                         |                 |                  |                 |
| Employee related                             | 38,460          | 38,655           | <b>39,892</b>   |
| Other operating expenses                     | 24,718          | 17,614           | <b>17,840</b>   |
| Depreciation and amortisation                | 6,702           | 3,501            | <b>3,728</b>    |
| Grants and subsidies                         |                 |                  |                 |
| Noxious weeds control                        | 7,635           | 7,635            | <b>7,895</b>    |
| Wild Dog Destruction Board                   | 60              | 60               | <b>60</b>       |
| Rural Lands Protection Boards                | 425             | 475              | <b>425</b>      |
| Recurrent grants to non-profit organisations | 80              | 80               | ...             |
| Drought Regional Initiatives Program         | 9,494           | 19,841           | ...             |
| NSW Food Authority grant                     | 12,523          | 12,523           | <b>12,426</b>   |
| Other expenses                               |                 |                  |                 |
| Beekeepers Compensation                      | 50              | 50               | <b>50</b>       |
| Meshing for sharks                           | 752             | 752              | <b>773</b>      |
| Australian Standing Committee on Agriculture | 5,039           | 5,914            | <b>2,792</b>    |
| Legal and other costs                        | ...             | 361              | ...             |
| <b>Total Expenses Excluding Losses</b>       | <b>105,938</b>  | <b>107,461</b>   | <b>85,881</b>   |
| Less:  |                 |                  |                 |
| <b>Retained Revenue -</b>                    |                 |                  |                 |
| Sales of goods and services                  |                 |                  |                 |
| Rents and leases                             | 241             | 283              | <b>95</b>       |
| Miscellaneous services                       | 5,720           | 4,835            | <b>5,935</b>    |
| Fees for services                            | 971             | 838              | <b>958</b>      |
| Training charges                             | ...             | 43               | <b>142</b>      |
| Consulting services                          | ...             | 30               | <b>50</b>       |
| Minor sales of goods and services            | 50              | 181              | <b>45</b>       |
| Investment income                            | 304             | 433              | <b>634</b>      |
| Grants and contributions                     | 21,400          | 2,401            | <b>7,004</b>    |
| Other revenue                                | ...             | 608              | <b>75</b>       |
| <b>Total Retained Revenue</b>                | <b>28,686</b>   | <b>9,652</b>     | <b>14,938</b>   |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**40 DEPARTMENT OF PRIMARY INDUSTRIES**

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**40.3 Biosecurity, Compliance and Mine Safety**

**40.3.1 Biosecurity, Compliance and Mine Safety (cont)**

***OPERATING STATEMENT (cont)***

|   |               |               |               |
|---|---------------|---------------|---------------|
| Gain/(loss) on disposal of non current assets | 38            | ...           | ...           |
| Other gains/(losses)                          | (7)           | ...           | ...           |
| <b>NET COST OF SERVICES</b>                   | <b>77,221</b> | <b>97,809</b> | <b>70,943</b> |
| <hr/>   |               |               |               |
| <b>CAPITAL EXPENDITURE</b>                    | <b>180</b>    | <b>2,151</b>  | <b>3,822</b>  |
| <hr/>   |               |               |               |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**40 DEPARTMENT OF PRIMARY INDUSTRIES**

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**40.4 Science and Research**

**40.4.1 Science and Research**

Program Objective(s): To provide strategic science that enhances growth, sustainability and biosecurity 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 biosecurity policy and implementation.

| <u>Outcomes:</u>   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| New crop/pasture varieties released                            | no.   | 6       | 5       | 8       | <b>10</b>      |
| State market share of varieties developed by the Department    |       |         |         |         |                |
| Wheat  | %     | 31      | 35      | 40      | <b>55</b>      |
| Canola   | %     | 55      | 55      | 40      | <b>45</b>      |
| Soybeans   | %     | 85      | 85      | 85      | <b>85</b>      |
| Chickpeas  | %     | 60      | 65      | 50      | <b>55</b>      |
| Lupins   | %     | 60      | 65      | 60      | <b>70</b>      |
| Lucerne  | %     | 40      | 45      | 35      | <b>40</b>      |
| Formal alliances with universities and other research partners | no.   | 21      | 24      | 31      | <b>34</b>      |
| <br><u>Outputs:</u>  |       |         |         |         |                |
| Scientific and educational publications                        | no.   | 797     | 804     | 1,300   | <b>1,200</b>   |
| Intellectual property arrangements in place                    | no.   | 65      | 68      | 70      | <b>70</b>      |
| Samples processed by departmental laboratories                 | no.   | 409,637 | 420,000 | 270,000 | <b>308,000</b> |
| <u>Average Staffing:</u>                                       | EFT   | ...     | 1,155   | 1,078   | <b>1,069</b>   |

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**40 DEPARTMENT OF PRIMARY INDUSTRIES**

**40.4 Science and Research**

**40.4.1 Science and Research (cont)**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                 |
| Operating expenses -                          |                 |                  |                 |
| Employee related                              | 90,429          | 84,076           | <b>84,407</b>   |
| Other operating expenses                      | 17,382          | 41,078           | <b>38,779</b>   |
| Depreciation and amortisation                 | 1,854           | 7,936            | <b>8,451</b>    |
| Grants and subsidies                          |                 |                  |                 |
| Research grants                               | ...             | 39               | ...             |
| Recurrent grants to non-profit organisations  | 80              | 100              | <b>56</b>       |
| Other expenses                                |                 |                  |                 |
| Australian Standing Committee on Agriculture  | 274             | 400              | <b>32</b>       |
| <b>Total Expenses Excluding Losses</b>        | <b>110,019</b>  | <b>133,629</b>   | <b>131,725</b>  |
| Less:   |                 |                  |                 |
| <b>Retained Revenue -</b>                     |                 |                  |                 |
| Sales of goods and services                   |                 |                  |                 |
| Rents and leases                              | 495             | 438              | <b>147</b>      |
| Sale of farm produce                          | 2,121           | 3,393            | <b>3,624</b>    |
| Miscellaneous services                        | 2,587           | 2,317            | <b>3,857</b>    |
| Fees for services                             | 6,547           | 5,047            | <b>5,347</b>    |
| Consulting services                           | ...             | 160              | <b>217</b>      |
| Minor sales of goods and services             | 570             | 475              | <b>250</b>      |
| Investment income                             | 601             | 849              | <b>1,246</b>    |
| Grants and contributions                      | 12,356          | 30,015           | <b>27,950</b>   |
| Other revenue                                 | 155             | 126              | <b>15</b>       |
| <b>Total Retained Revenue</b>                 | <b>25,432</b>   | <b>42,820</b>    | <b>42,653</b>   |
| Gain/(loss) on disposal of non current assets | 63              | ...              | ...             |
| Other gains/(losses)                          | (16)            | ...              | ...             |
| <b>NET COST OF SERVICES</b>                   | <b>84,540</b>   | <b>90,809</b>    | <b>89,072</b>   |
| <b>CAPITAL EXPENDITURE</b>                    | <b>4,920</b>    | <b>9,671</b>     | <b>11,456</b>   |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**41 RURAL ASSISTANCE AUTHORITY**

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|  | 2005-06       |                | 2006-07       |
|--|---------------|----------------|---------------|
|  | Budget        | Revised        | Budget        |
|  | \$000         | \$000          | \$000         |
| <b>OPERATING STATEMENT</b>             |               |                |               |
| <b>Expenses Excluding Losses -</b>     |               |                |               |
| Operating expenses -                   |               |                |               |
| Employee related                       | 1,570         | 2,658          | <b>2,110</b>  |
| Other operating expenses               | 1,652         | 2,167          | <b>2,378</b>  |
| Depreciation and amortisation          | 18            | 18             | <b>18</b>     |
| Grants and subsidies                   | 30,737        | 197,870        | <b>32,110</b> |
| Finance costs                          | 3,880         | 3,880          | <b>4,036</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>37,857</b> | <b>206,593</b> | <b>40,652</b> |
| Less:                                  |               |                |               |
| <b>Retained Revenue -</b>              |               |                |               |
| Investment income                      | 4,014         | 4,346          | <b>4,257</b>  |
| Grants and contributions               | ...           | 1,089          | <b>1,920</b>  |
| Other revenue                          | 58            | 58             | <b>60</b>     |
| <b>Total Retained Revenue</b>          | <b>4,072</b>  | <b>5,493</b>   | <b>6,237</b>  |
| <b>NET COST OF SERVICES</b>            | <b>33,785</b> | <b>201,100</b> | <b>34,415</b> |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**41 RURAL ASSISTANCE AUTHORITY**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 1,396           | 2,461            | 1,917           |
| Grants and subsidies                            | 30,737          | 197,870          | 32,110          |
| Finance costs                                   | 3,880           | 3,880            | 4,036           |
| Other   | 8,462           | 21,838           | 5,878           |
| <b>Total Payments</b>                           | <b>44,475</b>   | <b>226,049</b>   | <b>43,941</b>   |
| <b>Receipts</b>                                 |                 |                  |                 |
| Interest  | 214             | 417              | 221             |
| Other   | 6,868           | 18,908           | 7,180           |
| <b>Total Receipts</b>                           | <b>7,082</b>    | <b>19,325</b>    | <b>7,401</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(37,393)</b> | <b>(206,724)</b> | <b>(36,540)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Advance repayments received                     | 16,380          | 19,500           | 19,036          |
| Purchases of property, plant and equipment      | (50)            | (25)             | (50)            |
| Advances made                                   | (15,000)        | (15,000)         | (15,000)        |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>1,330</b>    | <b>4,475</b>     | <b>3,986</b>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                 |
| Proceeds from borrowings and advances           | 15,000          | 15,725           | 15,000          |
| Repayment of borrowings and advances            | (12,224)        | (14,645)         | (15,290)        |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>2,776</b>    | <b>1,080</b>     | <b>(290)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 33,629          | 201,659          | 35,743          |
| Capital appropriation                           | 50              | 25               | 50              |
| Cash transfers to Consolidated Fund             | ...             | (1,590)          | ...             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>33,679</b>   | <b>200,094</b>   | <b>35,793</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>392</b>      | <b>(1,075)</b>   | <b>2,949</b>    |
| Opening Cash and Cash Equivalents               | 11,683          | 10,947           | 10,038          |
| Reclassification of Cash Equivalents            | ...             | (166)            | ...             |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>12,075</b>   | <b>10,038</b>    | <b>12,987</b>   |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**41 RURAL ASSISTANCE AUTHORITY**

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget          | Revised          | Budget          |
|  | \$000           | \$000            | \$000           |
| <b>CASH FLOW STATEMENT (cont)</b>              |                 |                  |                 |
| <b>CASH FLOW RECONCILIATION</b>                |                 |                  |                 |
| Net cost of services                           | (33,785)        | (201,100)        | <b>(34,415)</b> |
| Non cash items added back                      | (3,608)         | (3,731)          | <b>(3,882)</b>  |
| Change in operating assets and liabilities     | ...             | (1,893)          | <b>1,757</b>    |
| <b>Net cash flow from operating activities</b> | <b>(37,393)</b> | <b>(206,724)</b> | <b>(36,540)</b> |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**41 RURAL ASSISTANCE AUTHORITY**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 12,075          | 10,038           | <b>12,987</b>   |
| Receivables  | 1,485           | 2,606            | <b>906</b>      |
| Other financial assets                                 | 5,051           | 5,246            | <b>5,246</b>    |
| Other  | 7               | ...              | ...             |
| <b>Total Current Assets</b>                            | <b>18,618</b>   | <b>17,890</b>    | <b>19,139</b>   |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Other financial assets                                 | 79,746          | 80,566           | <b>80,566</b>   |
| Property, plant and equipment -<br>Plant and equipment | 140             | 86               | <b>118</b>      |
| <b>Total Non Current Assets</b>                        | <b>79,886</b>   | <b>80,652</b>    | <b>80,684</b>   |
| <b>Total Assets</b>                                    | <b>98,504</b>   | <b>98,542</b>    | <b>99,823</b>   |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 6,844           | 12,749           | <b>12,749</b>   |
| Borrowings   | 7,100           | 10,790           | <b>10,790</b>   |
| Provisions   | 320             | 320              | <b>377</b>      |
| <b>Total Current Liabilities</b>                       | <b>14,264</b>   | <b>23,859</b>    | <b>23,916</b>   |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Borrowings   | 79,534          | 77,622           | <b>77,332</b>   |
| Provisions   | 47              | 53               | <b>53</b>       |
| <b>Total Non Current Liabilities</b>                   | <b>79,581</b>   | <b>77,675</b>    | <b>77,385</b>   |
| <b>Total Liabilities</b>                               | <b>93,845</b>   | <b>101,534</b>   | <b>101,301</b>  |
| <b>NET ASSETS</b>                                      | <b>4,659</b>    | <b>(2,992)</b>   | <b>(1,478)</b>  |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 4,659           | (2,992)          | <b>(1,478)</b>  |
| <b>TOTAL EQUITY</b>                                    | <b>4,659</b>    | <b>(2,992)</b>   | <b>(1,478)</b>  |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**41 RURAL ASSISTANCE AUTHORITY**

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**41.1 Assistance to Farmers**

**41.1.1 Assistance to Farmers**

Program Objective(s): To support the strong economic performance of primary industries, particularly by assisting farmers to manage farm debt and business risks such as natural disasters and drought. To encourage the sustainable use of natural resources.

Program Description: Provide interest subsidies, loans and grants to farmers and small businesses under various schemes, and farm debt mediation.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :   |       |         |         |         |                |
| Exceptional Circumstances Scheme applications processed          | no.   | 3,553   | 3,722   | 6,000   | <b>1,000</b>   |
| Special Conservation Scheme applications processed               | no.   | 637     | 429     | 300     | <b>500</b>     |
| Natural Disaster Relief Scheme applications processed            | no.   | 135     | 125     | 140     | <b>130</b>     |
| Meetings in rural areas to promote available assistance measures | no.   | 110     | 54      | 35      | <b>30</b>      |
| Farm debt mediation applications determined                      | no.   | 46      | 45      | 55      | <b>60</b>      |
| <u>Average Staffing</u> :  | EFT   | 40      | 38      | 35      | <b>30</b>      |

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |               |                |               |
|---|---------------|----------------|---------------|
| Operating expenses -                              |               |                |               |
| Employee related                                  | 1,570         | 2,658          | <b>2,110</b>  |
| Other operating expenses                          | 1,652         | 2,167          | <b>2,378</b>  |
| Depreciation and amortisation                     | 18            | 18             | <b>18</b>     |
| Grants and subsidies                              |               |                |               |
| Advancing Australian Agriculture (State)          | 3,110         | 18,173         | <b>4,421</b>  |
| Advancing Australian Agriculture (Commonwealth)   | 27,460        | 179,530        | <b>27,579</b> |
| West 2000 Plus program                            | 167           | 167            | <b>110</b>    |
| Finance costs                                     |               |                |               |
| Interest on public sector borrowings and advances | 3,880         | 3,880          | <b>4,036</b>  |
| <b>Total Expenses Excluding Losses</b>            | <b>37,857</b> | <b>206,593</b> | <b>40,652</b> |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
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**41 RURAL ASSISTANCE AUTHORITY**

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**41.1 Assistance to Farmers**

**41.1.1 Assistance to Farmers (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                          |       |       |              |
|--------------------------|-------|-------|--------------|
| Investment income        | 4,014 | 4,346 | <b>4,257</b> |
| Grants and contributions | ...   | 1,089 | <b>1,920</b> |
| Other revenue            | 58    | 58    | <b>60</b>    |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>4,072</b> | <b>5,493</b> | <b>6,237</b> |
|-------------------------------|--------------|--------------|--------------|

|                             |               |                |               |
|-----------------------------|---------------|----------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>33,785</b> | <b>201,100</b> | <b>34,415</b> |
|-----------------------------|---------------|----------------|---------------|

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|                            |           |           |           |
|----------------------------|-----------|-----------|-----------|
| <b>CAPITAL EXPENDITURE</b> | <b>50</b> | <b>25</b> | <b>50</b> |
|----------------------------|-----------|-----------|-----------|

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**42 COAL COMPENSATION BOARD**

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|  | 2005-06      |              | 2006-07      |
|--|--------------|--------------|--------------|
|  | Budget       | Revised      | Budget       |
|  | \$000        | \$000        | \$000        |
| <b>OPERATING STATEMENT</b>             |              |              |              |
| <b>Expenses Excluding Losses -</b>     |              |              |              |
| Operating expenses -                   |              |              |              |
| Employee related                       | 6,264        | 5,618        | <b>4,857</b> |
| Other operating expenses               | 3,187        | 3,228        | <b>2,142</b> |
| Depreciation and amortisation          | 90           | 109          | <b>111</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>9,541</b> | <b>8,955</b> | <b>7,110</b> |
| Less:                                  |              |              |              |
| <b>Retained Revenue -</b>              |              |              |              |
| Sales of goods and services            | 5            | 40           | <b>15</b>    |
| Investment income                      | 5            | 160          | <b>90</b>    |
| <b>Total Retained Revenue</b>          | <b>10</b>    | <b>200</b>   | <b>105</b>   |
| <b>NET COST OF SERVICES</b>            | <b>9,531</b> | <b>8,755</b> | <b>7,005</b> |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**42 COAL COMPENSATION BOARD**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                            |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>           |                 |                  |                 |
| <b>Payments</b>                                       |                 |                  |                 |
| Employee related                                      | 5,583           | 4,929            | <b>4,065</b>    |
| Other   | 45,551          | 44,737           | <b>55,483</b>   |
| <b>Total Payments</b>                                 | <b>51,134</b>   | <b>49,666</b>    | <b>59,548</b>   |
| <b>Receipts</b>                                       |                 |                  |                 |
| Sale of goods and services                            | 5               | 40               | <b>15</b>       |
| Interest  | 5               | 139              | <b>55</b>       |
| Other   | 11              | 113              | <b>18</b>       |
| <b>Total Receipts</b>                                 | <b>21</b>       | <b>292</b>       | <b>88</b>       |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>       | <b>(51,113)</b> | <b>(49,374)</b>  | <b>(59,460)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>           |                 |                  |                 |
| Purchases of property, plant and equipment            | (100)           | (100)            | <b>(50)</b>     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>       | <b>(100)</b>    | <b>(100)</b>     | <b>(50)</b>     |
| <b>CASH FLOWS FROM GOVERNMENT</b>                     |                 |                  |                 |
| Recurrent appropriation                               | 53,800          | 53,800           | <b>55,042</b>   |
| Capital appropriation                                 | 100             | 100              | <b>50</b>       |
| Cash reimbursements from the Consolidated Fund Entity | ...             | ...              | <b>346</b>      |
| Cash transfers to Consolidated Fund                   | ...             | (1,819)          | ...             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>                 | <b>53,900</b>   | <b>52,081</b>    | <b>55,438</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                | <b>2,687</b>    | <b>2,607</b>     | <b>(4,072)</b>  |
| Opening Cash and Cash Equivalents                     | 496             | 1,983            | <b>4,590</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>              | <b>3,183</b>    | <b>4,590</b>     | <b>518</b>      |
| <b>CASH FLOW RECONCILIATION</b>                       |                 |                  |                 |
| Net cost of services                                  | (9,531)         | (8,755)          | <b>(7,005)</b>  |
| Non cash items added back                             | 771             | 809              | <b>767</b>      |
| Change in operating assets and liabilities            | (42,353)        | (41,428)         | <b>(53,222)</b> |
| <b>Net cash flow from operating activities</b>        | <b>(51,113)</b> | <b>(49,374)</b>  | <b>(59,460)</b> |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**42 COAL COMPENSATION BOARD**

|  | —2005-06—       |                 |              |
|--|-----------------|-----------------|--------------|
|  | Budget          | Revised         | 2006-07      |
|  | \$000           | \$000           | Budget       |
|  |                 |                 | \$000        |
| <b>BALANCE SHEET</b>                                   |                 |                 |              |
| <b>ASSETS -</b>  |                 |                 |              |
| <b>Current Assets -</b>                                |                 |                 |              |
| Cash assets  | 3,183           | 4,590           | <b>518</b>   |
| Receivables  | 28              | 141             | <b>182</b>   |
| Other  | 3               | 3               | <b>7</b>     |
| <b>Total Current Assets</b>                            | <b>3,214</b>    | <b>4,734</b>    | <b>707</b>   |
| <b>Non Current Assets -</b>                            |                 |                 |              |
| Property, plant and equipment -<br>Plant and equipment | 568             | 454             | <b>393</b>   |
| <b>Total Non Current Assets</b>                        | <b>568</b>      | <b>454</b>      | <b>393</b>   |
| <b>Total Assets</b>                                    | <b>3,782</b>    | <b>5,188</b>    | <b>1,100</b> |
| <b>LIABILITIES -</b>                                   |                 |                 |              |
| <b>Current Liabilities -</b>                           |                 |                 |              |
| Payables   | 40,929          | 50,979          | <b>312</b>   |
| Provisions   | 2,803           | 2,839           | <b>235</b>   |
| <b>Total Current Liabilities</b>                       | <b>43,732</b>   | <b>53,818</b>   | <b>547</b>   |
| <b>Non Current Liabilities -</b>                       |                 |                 |              |
| Provisions   | 51              | 51              | <b>125</b>   |
| <b>Total Non Current Liabilities</b>                   | <b>51</b>       | <b>51</b>       | <b>125</b>   |
| <b>Total Liabilities</b>                               | <b>43,783</b>   | <b>53,869</b>   | <b>672</b>   |
| <b>NET ASSETS</b>                                      | <b>(40,001)</b> | <b>(48,681)</b> | <b>428</b>   |
| <b>EQUITY</b>  |                 |                 |              |
| Accumulated funds                                      | (40,001)        | (48,681)        | <b>428</b>   |
| <b>TOTAL EQUITY</b>                                    | <b>(40,001)</b> | <b>(48,681)</b> | <b>428</b>   |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**42 COAL COMPENSATION BOARD**

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**42.1 Compensation for Repurchase of Property Rights**

**42.1.1 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 (Reacquisition Arrangements) Order 1997*, and claims for restitution of coal rights under the *Coal Ownership (Restitution) Act 1990*.

| <u>Activities</u> :                        | Average Staffing (EFT) |         |
|--|------------------------|---------|
|  | 2005-06                | 2006-07 |
| Modelling of coal areas                    | 18                     | 10      |
| Assessment of compensation and restitution | 8                      | 5       |
| Executive and managerial support           | 11                     | 6       |
| Legal and administrative services          | 20                     | 12      |
|  | 57                     | 33      |

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 6,264        | 5,618        | <b>4,857</b> |
| Other operating expenses               | 3,187        | 3,228        | <b>2,142</b> |
| Depreciation and amortisation          | 90           | 109          | <b>111</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>9,541</b> | <b>8,955</b> | <b>7,110</b> |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**  
**42 COAL COMPENSATION BOARD**

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**42.1 Compensation for Repurchase of Property Rights**

**42.1.1 Compensation for Repurchase of Property Rights (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                   |   |     |           |
|-----------------------------------|---|-----|-----------|
| Sales of goods and services       | 5 | 40  | <b>15</b> |
| Minor sales of goods and services | 5 | 160 | <b>90</b> |

|                               |           |            |            |
|-------------------------------|-----------|------------|------------|
| <b>Total Retained Revenue</b> | <b>10</b> | <b>200</b> | <b>105</b> |
|-------------------------------|-----------|------------|------------|

|                             |              |              |              |
|-----------------------------|--------------|--------------|--------------|
| <b>NET COST OF SERVICES</b> | <b>9,531</b> | <b>8,755</b> | <b>7,005</b> |
|-----------------------------|--------------|--------------|--------------|

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|                            |            |            |           |
|----------------------------|------------|------------|-----------|
| <b>CAPITAL EXPENDITURE</b> | <b>100</b> | <b>100</b> | <b>50</b> |
|----------------------------|------------|------------|-----------|

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**CATCHMENT MANAGEMENT AUTHORITIES**

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|  | 2005-06        |                | 2006-07         |
|--|----------------|----------------|-----------------|
|  | Budget         | Revised        | Budget          |
|  | \$000          | \$000          | \$000           |
| <b>OPERATING STATEMENT</b>             |                |                |                 |
| <b>Retained Revenue -</b>              |                |                |                 |
| Sales of goods and services            | ...            | 100            | ...             |
| Investment income                      | 2,250          | 6,500          | <b>4,300</b>    |
| Grants and contributions               | 180,340        | 180,340        | <b>205,950</b>  |
| Other revenue                          | 7,500          | 7,500          | <b>7,500</b>    |
| <b>Total Retained Revenue</b>          | <b>190,090</b> | <b>194,440</b> | <b>217,750</b>  |
| Less:                                  |                |                |                 |
| <b>Expenses Excluding Losses -</b>     |                |                |                 |
| Operating Expenses -                   |                |                |                 |
| Employee related                       | 24,734         | 25,420         | <b>27,587</b>   |
| Other operating expenses               | 24,215         | 14,693         | <b>18,563</b>   |
| Depreciation and amortisation          | 386            | 386            | <b>446</b>      |
| Grants and subsidies                   | 142,641        | 112,641        | <b>197,000</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>191,976</b> | <b>153,140</b> | <b>243,596</b>  |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(1,886)</b> | <b>41,300</b>  | <b>(25,846)</b> |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**  
**CATCHMENT MANAGEMENT AUTHORITIES**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | ...             | 100              | ...             |
| Interest  | 2,250           | 6,500            | <b>4,300</b>    |
| Other   | 187,840         | 187,840          | <b>213,450</b>  |
| <b>Total Receipts</b>                           | <b>190,090</b>  | <b>194,440</b>   | <b>217,750</b>  |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 24,734          | 25,420           | <b>27,587</b>   |
| Grants and subsidies                            | 142,641         | 112,641          | <b>197,000</b>  |
| Other   | 24,215          | 14,693           | <b>18,563</b>   |
| <b>Total Payments</b>                           | <b>191,590</b>  | <b>152,754</b>   | <b>243,150</b>  |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(1,500)</b>  | <b>41,686</b>    | <b>(25,400)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (300)           | (300)            | <b>(300)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(300)</b>    | <b>(300)</b>     | <b>(300)</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(1,800)</b>  | <b>41,386</b>    | <b>(25,700)</b> |
| Opening Cash and Cash Equivalents               | 15,284          | 88,110           | <b>129,496</b>  |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>13,484</b>   | <b>129,496</b>   | <b>103,796</b>  |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Surplus/(deficit)                               | (1,886)         | 41,300           | <b>(25,846)</b> |
| Non cash items added back                       | 386             | 386              | <b>446</b>      |
| <b>Net cash flow from operating activities</b>  | <b>(1,500)</b>  | <b>41,686</b>    | <b>(25,400)</b> |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**CATCHMENT MANAGEMENT AUTHORITIES**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 13,484          | 129,496          | <b>103,796</b>  |
| Receivables                          | 3,469           | 4,028            | <b>4,028</b>    |
| Other financial assets               | 4,407           | 1,769            | <b>1,769</b>    |
| Inventories                          | 83              | 71               | <b>71</b>       |
| Other                                | ...             | 10               | <b>10</b>       |
| <b>Total Current Assets</b>          | <b>21,443</b>   | <b>135,374</b>   | <b>109,674</b>  |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 4,130           | 4,287            | <b>4,195</b>    |
| Plant and equipment                  | 753             | 879              | <b>825</b>      |
| <b>Total Non Current Assets</b>      | <b>4,883</b>    | <b>5,166</b>     | <b>5,020</b>    |
| <b>Total Assets</b>                  | <b>26,326</b>   | <b>140,540</b>   | <b>114,694</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 6,862           | 14,911           | <b>14,911</b>   |
| Provisions                           | 184             | 3,258            | <b>3,258</b>    |
| Other                                | 6               | 1,829            | <b>1,829</b>    |
| <b>Total Current Liabilities</b>     | <b>7,052</b>    | <b>19,998</b>    | <b>19,998</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 35              | 314              | <b>314</b>      |
| <b>Total Non Current Liabilities</b> | <b>35</b>       | <b>314</b>       | <b>314</b>      |
| <b>Total Liabilities</b>             | <b>7,087</b>    | <b>20,312</b>    | <b>20,312</b>   |
| <b>NET ASSETS</b>                    | <b>19,239</b>   | <b>120,228</b>   | <b>94,382</b>   |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 204             | 204              | <b>204</b>      |
| Accumulated funds                    | 19,035          | 120,024          | <b>94,178</b>   |
| <b>TOTAL EQUITY</b>                  | <b>19,239</b>   | <b>120,228</b>   | <b>94,382</b>   |

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**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**NSW FOOD AUTHORITY**

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|   | 2005-06       |               | <b>2006-07</b> |
|---|---------------|---------------|----------------|
|   | Budget        | Revised       | <b>Budget</b>  |
|   | \$000         | \$000         | <b>\$000</b>   |
| <b>OPERATING STATEMENT</b>                    |               |               |                |
| <b>Retained Revenue -</b>                     |               |               |                |
| Sales of goods and services                   | 4,704         | 895           | <b>918</b>     |
| Investment income                             | 600           | 819           | <b>615</b>     |
| Retained taxes, fees and fines                | 7,345         | 5,904         | <b>6,052</b>   |
| Grants and contributions                      | 12,523        | 12,523        | <b>12,426</b>  |
| <b>Total Retained Revenue</b>                 | <b>25,172</b> | <b>20,141</b> | <b>20,011</b>  |
| Less:   |               |               |                |
| <b>Expenses Excluding Losses -</b>            |               |               |                |
| Operating Expenses -                          |               |               |                |
| Employee related                              | 14,877        | 12,487        | <b>12,733</b>  |
| Other operating expenses                      | 6,981         | 6,048         | <b>7,639</b>   |
| Depreciation and amortisation                 | 813           | 1,054         | <b>1,560</b>   |
| <b>Total Expenses Excluding Losses</b>        | <b>22,671</b> | <b>19,589</b> | <b>21,932</b>  |
| Gain/(loss) on disposal of non current assets | ...           | (288)         | ...            |
| <b>SURPLUS/(DEFICIT)</b>                      | <b>2,501</b>  | <b>264</b>    | <b>(1,921)</b> |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**NSW FOOD AUTHORITY**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 4,704           | 895              | <b>918</b>      |
| Retained taxes                                      | 1,000           | 1,000            | <b>1,025</b>    |
| Interest  | 600             | 819              | <b>615</b>      |
| Other   | 19,681          | 17,427           | <b>17,965</b>   |
| <b>Total Receipts</b>                               | <b>25,985</b>   | <b>20,141</b>    | <b>20,523</b>   |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 16,029          | 12,590           | <b>11,731</b>   |
| Other   | 7,522           | 6,048            | <b>8,151</b>    |
| <b>Total Payments</b>                               | <b>23,551</b>   | <b>18,638</b>    | <b>19,882</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>2,434</b>    | <b>1,503</b>     | <b>641</b>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | 700             | 974              | <b>600</b>      |
| Purchases of property, plant and equipment          | (2,125)         | (1,681)          | <b>(1,262)</b>  |
| Purchases of investments                            | (1,190)         | ...              | ...             |
| Other   | ...             | (800)            | <b>(1,243)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(2,615)</b>  | <b>(1,507)</b>   | <b>(1,905)</b>  |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(181)</b>    | <b>(4)</b>       | <b>(1,264)</b>  |
| Opening Cash and Cash Equivalents                   | 5,756           | 6,152            | <b>6,148</b>    |
| Reclassification of Cash Equivalents                | (590)           | ...              | ...             |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>6,165</b>    | <b>6,148</b>     | <b>4,884</b>    |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                 |
| Surplus/(deficit)                                   | 813             | 1,054            | <b>1,560</b>    |
| Change in operating assets and liabilities          | (880)           | 185              | <b>1,002</b>    |
| <b>Net cash flow from operating activities</b>      | <b>2,434</b>    | <b>1,503</b>     | <b>641</b>      |

**MINISTER FOR NATURAL RESOURCES, MINISTER FOR PRIMARY  
INDUSTRIES, AND MINISTER FOR MINERAL RESOURCES**

**NSW FOOD AUTHORITY**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 6,165           | 6,148            | 4,884           |
| Receivables                          | 2,413           | 1,226            | 1,226           |
| Other financial assets               | 7,688           | 8,615            | 8,615           |
| Other                                | 95              | 65               | 65              |
| <b>Total Current Assets</b>          | <b>16,361</b>   | <b>16,054</b>    | <b>14,790</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 7,683           | 6,742            | 6,535           |
| Plant and equipment                  | 1,388           | 1,235            | 1,329           |
| Intangibles                          | 1,400           | 809              | 1,267           |
| Other                                | ...             | 1,614            | 1,614           |
| <b>Total Non Current Assets</b>      | <b>10,471</b>   | <b>10,400</b>    | <b>10,745</b>   |
| <b>Total Assets</b>                  | <b>26,832</b>   | <b>26,454</b>    | <b>25,535</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 2,588           | 1,868            | 1,868           |
| Provisions                           | 2,688           | 2,608            | 3,627           |
| Other                                | 1,091           | 1,274            | 1,274           |
| <b>Total Current Liabilities</b>     | <b>6,367</b>    | <b>5,750</b>     | <b>6,769</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 9,618           | 11,890           | 11,873          |
| <b>Total Non Current Liabilities</b> | <b>9,618</b>    | <b>11,890</b>    | <b>11,873</b>   |
| <b>Total Liabilities</b>             | <b>15,985</b>   | <b>17,640</b>    | <b>18,642</b>   |
| <b>NET ASSETS</b>                    | <b>10,847</b>   | <b>8,814</b>     | <b>6,893</b>    |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 140             | ...              | ...             |
| Accumulated funds                    | 10,707          | 8,814            | 6,893           |
| <b>TOTAL EQUITY</b>                  | <b>10,847</b>   | <b>8,814</b>     | <b>6,893</b>    |



**MINISTER FOR PLANNING,  
MINISTER FOR REDFERN WATERLOO,  
AND MINISTER FOR SCIENCE AND  
MEDICAL RESEARCH**

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**OVERVIEW**

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Department of Planning</b>   |                                   |                                   |                        |
| Total Expenses .....  | 89.9                              | 94.0                              | 4.6                    |
| Capital Expenditure .....   | 4.5                               | 4.8                               | 6.0                    |
| <b>Minister administering the Environmental<br/>Planning and Assessment Act</b>   |                                   |                                   |                        |
| Total Expenses .....  | 26.3                              | 47.0                              | 78.5                   |
| Capital Expenditure .....   | 73.0                              | 173.5                             | 137.6                  |
| <b>Growth Centres Commission</b>  |                                   |                                   |                        |
| Total Expenses .....  | 41.4                              | 6.0                               | -85.6                  |
| Capital Expenditure .....   | ...                               | ...                               | ...                    |
| <b>Honeysuckle Development Corporation</b>  |                                   |                                   |                        |
| Total Expenses .....  | 12.5                              | 12.2                              | -2.2                   |
| Capital Expenditure .....   | 0.3                               | ...                               | -100.0                 |
| <b>Redfern-Waterloo Authority</b>   |                                   |                                   |                        |
| Total Expenses .....  | 19.3                              | 16.6                              | -13.9                  |
| Capital Expenditure .....   | ...                               | 34.6                              | n.a.                   |
| <b>Total, Minister for Planning, Minister for Redfern<br/>Waterloo, and Minister for Science and<br/>Medical Research</b> |                                   |                                   |                        |
| Total Expenses .....  | <b>189.4</b>                      | <b>175.8</b>                      | <b>-7.2</b>            |
| Capital Expenditure .....   | <b>77.8</b>                       | <b>212.9</b>                      | <b>173.7</b>           |

In addition to the agencies listed above, the Minister is also supported by the Department of State and Regional Development (Section 2) for the Science and Medical Research portfolio area.

## DEPARTMENT OF PLANNING

The Department of Planning oversees and implements the Government's policies on land use planning and development ensuring the ongoing sustainability of NSW communities, and supporting local government planning functions.

It plays a critical role in key State investment decisions, in its role as lead agency advising the Minister and Government on the approval of major development and infrastructure projects of significance to New South Wales' economy and employment.

The Department leads and co-ordinates State-wide planning strategies to guide growth and development in New South Wales and to inform infrastructure planning, staging and delivery.

The Department's governing legislation is set out in the *Environmental Planning and Assessment Act 1979*, the *Heritage Act 1977* and the *Coastal Protection Act 1979*.

## RESULTS AND SERVICES

In delivering the priorities and objectives of its Acts, the Department works towards a number of results for the community, including:

- ◆ The State has an increased level of capital investment and facilitates job creation.
- ◆ Major projects and infrastructure are assessed effectively and in a timely manner.
- ◆ Residential and employment growth are aligned with infrastructure investment and high value natural resources are protected.
- ◆ A detailed strategic framework guides the priorities for land release, infrastructure and natural resources.
- ◆ Planning instruments and development approvals are aligned with strategies.
- ◆ The community knows, values, and cares for the State's heritage.

Key services provided by the Department to contribute to these results include:

- ◆ assessing and approving major development and infrastructure projects of State importance;

- ◆ reviewing legislation and developing and implementing planning reforms that ensure up-to-date and efficient plan-making; developing and managing planning systems and building systems; managing sections of the building profession; and administering funding programs;
- ◆ developing and implementing State strategic and statutory Plans, policies and planning objectives to facilitate investment and land release for housing and employment; assessing local government statutory Plans; and co-ordinating major projects; and
- ◆ managing the listing of heritage items; promoting local government and community partnerships for heritage management; and monitoring and assisting heritage conservation.

## **RECENT DEVELOPMENTS**

The Department of Planning was established on 29 August 2005. The Heritage Office was integrated as a division into the Department on 3 March 2006.

The Department is implementing major planning reforms legislated in 2005 and 2006 to improve major project development assessment and approval processes, simplify local plan-making, improve strategic planning and diversify the planning contributions system.

The Government's Metropolitan Strategy and draft regional strategies for the Lower Hunter, Far North Coast and South Coast have been delivered and will guide future growth and development. The remaining strategies, including the Mid North Coast, Northern Hunter, Central Coast, Illawarra and Sydney-Canberra Corridor strategies, will be delivered by mid 2006.

The Department continues to assess major development and infrastructure projects delivering economic investment and jobs across New South Wales. In 2005-06, the Department has approved 260 major development and infrastructure projects that have a capital investment of approximately \$5 billion.

The Heritage Office continues to implement business improvement initiatives, including: the introduction of a service costing system and improved financial monitoring; streamlining its business processes; and recovering the costs of its statutory work through fees and charges established under the new *Heritage Regulation 2005*.

## STRATEGIC DIRECTIONS

The focus of the new Department of Planning will be:

- ◆ implementing the Metropolitan Strategy and the sub-regional strategies for Sydney;
- ◆ completing and implementing regional strategies for regional New South Wales;
- ◆ implementing the planning reform legislation and regulatory framework;
- ◆ providing a robust strategic framework and upfront certainty for developers and the community by making plans, policies, processes and practice clearer, and reducing red tape and approval time frames; and
- ◆ instituting and implementing operational improvements to ensure the efficient assessment of major development and infrastructure projects.

The Department will achieve its planned results with the following priorities and continuing activities:

- ◆ plan for land release for residential and employment growth;
- ◆ manage rural lands planning issues;
- ◆ monitor local government performance and, if necessary, appoint Panels or Planning Administrators to undertake certain local government functions;
- ◆ plan for urban renewal including proposals for surplus government land;
- ◆ deliver a Heritage Register that reflects the diversity of New South Wales;
- ◆ improve methods for levying infrastructure contributions for regional infrastructure, services, and the environment; and
- ◆ improve pre-lodgement processes for development proposals to identify and resolve key issues early, to make expectations clear upfront, and to reduce costs and time frames.

## 2006-07 BUDGET

### Total Expenses

Total expenses in 2006-07 are estimated at \$94 million. This compares with a 2005-06 Budget estimate of \$89.9 million. The major areas of expenditure are:

- ◆ \$27.4 million for the strategy and policy development program;
- ◆ \$57.3 million for the major development assessment and strategy implementation program, including grants to local government (\$6.9 million), the Redfern-Waterloo Authority (\$7.2 million), the Growth Centres Commission (\$6 million) and the Minister administering the Environmental Planning and Assessment Act (\$8.5 million); and
- ◆ \$9.3 million for the heritage policy and assistance program.

Key initiatives for 2006-07 include:

- ◆ implementation of the Metropolitan Strategy, particularly sub-regional planning;
- ◆ implementation of the *Cities and Centres* strategy;
- ◆ development and implementation of regional strategies;
- ◆ establishment of an Employment Lands Program;
- ◆ assessment of major project proposals under Part 3A of the *Environmental Planning and Assessment Act 1979*, particularly State significant sites;
- ◆ review of the planning policy for *Seniors Living*;
- ◆ working with local government to introduce the Standard Local Environmental Plan across the State;
- ◆ assessment of proposed Local Environmental Plans (LEP) through the LEP Review Panel early in the process; and
- ◆ the establishment of the Building Professionals Board.

## **Total Revenue**

Total revenue in 2006-07 is estimated at \$23.5 million. This includes the planning reform fee and fees for development assessment services.

## **Capital Expenditure**

The capital expenditure program for 2006-07 is estimated at \$4.8 million including \$3 million for coastal land acquisitions under the Coastal Land Protection Scheme.

## **MINISTER ADMINISTERING THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT**

Most of the activities of the agency are managed through separate funds established under the *Environmental Planning and Assessment Act 1979* and other statutes. The Sydney Region Development Fund (the Fund) was established to acquire land for planning purposes within the Sydney region. This includes land suitable for regional open space, public transport corridors, and land for projects such as the Rouse Hill Regional Centre.

## **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.

Under the agency's transport corridors program, land will be purchased for proposed rail links in the North-West and South-West of Sydney.

The Fund's regional open space acquisition program includes the purchase of lands within the Western Sydney Parklands that will be developed for long term recreation and conservation purposes. Other recent open space purchases include land in the Ropes Creek and South Creek corridors of Western Sydney and sites on the Central Coast.

The Fund plans significant metropolitan open space precincts and contributes to initiatives 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*.

Regional open space is planned in conjunction with Sydney's Metropolitan Strategy. The Fund holds land that is no longer needed for planning purposes as well as fragments that can be aggregated and sold. The proceeds from the sale of such properties are the main source of funding for the Fund's ongoing acquisition program.

The Fund is currently selling surplus sites for major employment lands in Western Sydney. A business park is being developed on land previously owned by the Fund at Eastern Creek. Surplus lands have been identified at Doonside for residential development and Huntingwood West for employment lands. The proceeds from the sale of these sites will assist in funding stage one of the development of the Western Sydney Parklands and regional facilities.

In addition, disposal of land in partnership with Landcom continues at Bonnyrigg, Minto, Willoughby and Menai, and land sales are occurring at Seaforth and South Turramurra.

The Rouse Hill Regional Centre continues to be developed 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.

## **STRATEGIC DIRECTIONS**

The agency has a range of strategies for the future including:

- ◆ prudent financial management to ensure adequate capital funding and to achieve an optimal return on surplus assets;
- ◆ ongoing review and disposal of surplus land and land to be acquired within the Sydney region with the objective of maintaining the self-funding model of the Fund;
- ◆ a focus on implementing the intended outcomes for open space land strategies and lands purchased for other planning purposes; and
- ◆ the ongoing purchase of corridors for the proposed North-West and South-West rail links.

## **2006-07 BUDGET**

### **Total Expenses**

The agency's total recurrent expenses for 2006-07 are estimated at \$47 million, which includes \$3.6 million for grants to improve open space land, \$5 million for lands transferred to other government bodies and \$17 million for borrowing costs. Expenses involved in managing, selling, acquiring and developing land total \$17 million.

### **Total Revenue**

Total revenue for 2006-07 is estimated at \$35.6 million, including contributions from local councils and the Government of \$11 million, net rental income of \$6.9 million and a grant of \$8.5 million from the Government for acquisition of the proposed South-West rail corridor.

### **Capital Expenditure**

The agency purchases land for planning purposes such as regional open space through its capital program. The capital expenditure program now also includes the purchase of land for the proposed South-West and North-West rail links. Expenses associated with land purchase, such as planning studies for redevelopment, are also capitalised.

In 2006-07, acquisition costs are estimated at \$173 million, which includes \$44 million for the purchase of open space and other land for planning purposes, \$34 million for South-West rail corridor land acquisition, and \$95 million for the North-West rail corridor. Asset disposal is estimated at \$33 million.

## **GROWTH CENTRES COMMISSION**

In December 2004, the New South Wales Government announced its new land release plan for the North-West and South-West sectors of Sydney. Up to 181,000 homes will be built in these sectors over the next 30 years.

The Growth Centres Commission was established under the *Growth Centres (Development Corporations) Act 1974* in July 2005 to manage the land release plan. It will ensure that Sydney's growth occurs in a sustainable way and that new infrastructure is appropriately planned, funded and linked to a properly sequenced program of land release.

The Commission is accountable to the Minister for Planning through its independent Board.

The Commission works in partnership with infrastructure agencies, local government, industry, landowners and the community to implement the plans for the growth centres.

## **RECENT DEVELOPMENTS**

Since July 2005, the Commission has worked closely with the Department of Planning to establish the growth centre plans and consult with the community.

The Department exhibited the draft growth centres plan between June and October 2005. After the community's feedback, the Department exhibited the draft *State Environmental Planning Policy* up to March 2006. The Department is finalising the planning policy, which incorporates final sector plans and more detailed assessments of landforms, habitat and environmental factors, together with the community input received.

After the *State Environmental Planning Policy (Sydney Region Growth Centres) 2006* comes into effect the Commission will begin actively managing the growth centres.

## **STRATEGIC DIRECTIONS**

The Growth Centres Commission will develop and administer a plan for the release of land in the North-West and South-West sectors sufficient for the accommodation of up to 181,000 homes together with appropriate infrastructure and services over the next 30 years. This goal will be achieved by:

- ◆ developing and exhibiting precinct plans for each precinct within the North-West and South-West growth centres;
- ◆ recommending new precincts for staged land release to the Minister for Planning;
- ◆ negotiating with government agencies, landowners and industry to ensure development occurs in a sustainable and timely way;
- ◆ developing infrastructure plans to support the growth centres and co-ordinating government agencies' planning and delivery of infrastructure according to the infrastructure plans; and
- ◆ administering the special infrastructure contribution and co-ordinating government spending to ensure the timely delivery and sequencing of infrastructure to support the land release program.

Specific projects for 2006-07 include the acquisition of land for the South-West rail corridor and the upgrade of sections of Camden Valley Way, Narellan Road, Cowpasture Road and Hoxton Park Road. Other projects in the areas adjacent to the growth centres include the upgrade of Windsor Road and Old Windsor Road.

## **2006-07 BUDGET**

### **Total Expenses**

For 2006-07, the Commission will undertake sector planning to the precinct level. The time taken for development from the time of release of land until its delivery to the market will be streamlined. The Commission's expenses include:

- ◆ \$3 million for staff costs; and
- ◆ \$3 million for precinct planning and other operating expenses.

## **HONEYSUCKLE DEVELOPMENT CORPORATION**

The Corporation is focussed on the revitalisation of inner Newcastle. The relevant area is situated adjacent to the Newcastle Central Business District (CBD) and comprises 50 hectares of former industrial land on the shores of Newcastle Harbour.

### **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 \$88.7 million over the life of the project in the form of grants to other organisations, housing, public domain and open space landscaping.

Some 43 sites have been released to the market with 40 settled, two under conditional contract, and another in negotiation. The total end value of works associated with the sites is estimated to be over \$680 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.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for the Corporation for 2006-07 are budgeted at \$12.2 million. The primary components are the cost of selling land and property of \$3.7 million and community contributions of \$5 million.

The variation in expenses between the 2005-06 projection and 2006-07 Budget is approximately \$4.5 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 and an increase in the cost of selling land and property which reflects an increase in commercial sales.

The forecast deficit in 2006-07 is primarily due to community contributions. These are mainly related to works in the Cottage Creek precinct and Hunter Street Park.

### **Capital Expenditure**

In accordance with accounting standards, the Corporation's property development activities are capitalised as inventory not property assets. The Corporation is planning no capital expenditure for 2006-07.

## **REDFERN-WATERLOO AUTHORITY**

The role of the Authority is to encourage and promote the orderly development of the Redfern, Eveleigh, Darlington and Waterloo suburbs. The goal is to transform these suburbs into an active, vibrant and sustainable community displaying greater social cohesion and community safety, and one where the Aboriginal community is supported and respected. Its operational area comprises approximately 350 hectares.

The Authority is a formally constituted statutory authority with a Board reporting directly to the Minister.

### **RECENT DEVELOPMENTS**

The Authority's expenses are expected to increase from around \$15.1 million in 2005-06 to \$16.6 million in 2006-07. Approximately half of the increase relates to the interest cost of Building D in the Australia Technology Park which is scheduled for completion in late 2007.

The Authority undertook a restructure of the operations and staff at the Australian Technology Park during 2005-06. The Park now has an operating surplus of about \$4 million expected in 2005-06. The surplus in 2006-07 is expected to be less than 2005-06 due to the interest cost on Building D.

### **STRATEGIC DIRECTIONS**

The Authority advises and assists the Minister to develop the Redfern-Waterloo Plan which sets the strategic direction of the urban renewal activities to be undertaken by the Authority. The main activities of the Authority are:

- ◆ assisting 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 development proposals;
- ◆ promote and undertake 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;

- ◆ provide and promote housing choices in the operational area, employment opportunities for local residents, commercial opportunities for local businesses and encourage cultural development; and
- ◆ seek community participation and liaise with government agencies to improve delivery planning of human services.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for 2006-07 are estimated at \$16.6 million. The majority of expenditure is for planning, urban renewal, infrastructure expenses, and information technology systems. It also includes place management expenses and costs associated with the running of the conference centre at the Australian Technology Park.

### **Total Capital Expenditure**

The Authority's capital program for 2006-07 is \$34.6 million. Major new infrastructure development includes the preparation of Site B, construction of Building D, and the construction of three roads within the Australian Technology Park.

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|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Employee related                              | 46,757          | 45,410           | <b>42,555</b>                       |
| Other operating expenses                      | 9,238           | 13,743           | <b>12,798</b>                       |
| Depreciation and amortisation                 | 2,115           | 1,100            | <b>554</b>                          |
| Grants and subsidies*                         | 26,761          | 104,336          | <b>33,105</b>                       |
| Other expenses                                | 5,034           | 5,034            | <b>5,034</b>                        |
| <b>Total Expenses Excluding Losses</b>        | <b>89,905</b>   | <b>169,623</b>   | <b>94,046</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 14,315          | 17,943           | <b>15,815</b>                       |
| Investment income                             | 492             | 483              | <b>503</b>                          |
| Grants and contributions                      | 5,889           | 2,598            | <b>5,597</b>                        |
| Other revenue                                 | 2,001           | 1,037            | <b>1,597</b>                        |
| <b>Total Retained Revenue</b>                 | <b>22,697</b>   | <b>22,061</b>    | <b>23,512</b>                       |
| Gain/(loss) on disposal of non current assets | 534             | (1,998)          | <b>600</b>                          |
| Other gains/(losses)                          | (12)            | (13)             | <b>(13)</b>                         |
| <b>NET COST OF SERVICES</b>                   | <b>66,686</b>   | <b>149,573</b>   | <b>69,947</b>                       |

\* Includes a grant of \$79 million in 2005-06 for regional open space in Western Sydney.

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|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                 |
| <b>Payments</b>                                     |                 |                  |                 |
| Employee related                                    | 42,791          | 38,661           | <b>38,424</b>   |
| Grants and subsidies                                | 26,761          | 104,336          | <b>33,105</b>   |
| Other   | 18,891          | 22,780           | <b>18,197</b>   |
| <b>Total Payments</b>                               | <b>88,443</b>   | <b>165,777</b>   | <b>89,726</b>   |
| <b>Receipts</b>                                     |                 |                  |                 |
| Sale of goods and services                          | 19,766          | 17,930           | <b>15,802</b>   |
| Interest  | 492             | 317              | <b>503</b>      |
| Other   | 7,889           | 9,073            | <b>7,634</b>    |
| <b>Total Receipts</b>                               | <b>28,147</b>   | <b>27,320</b>    | <b>23,939</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(60,296)</b> | <b>(138,457)</b> | <b>(65,787)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                 |
| Proceeds from sale of property, plant and equipment | 534             | 534              | <b>600</b>      |
| Advance repayments received                         | ...             | 352              | ...             |
| Purchases of property, plant and equipment          | (4,496)         | (4,908)          | <b>(4,764)</b>  |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(3,962)</b>  | <b>(4,022)</b>   | <b>(4,164)</b>  |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                 |
| Recurrent appropriation                             | 61,136          | 139,214          | <b>65,786</b>   |
| Capital appropriation                               | 4,164           | 4,164            | <b>4,164</b>    |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>65,300</b>   | <b>143,378</b>   | <b>69,950</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>1,042</b>    | <b>899</b>       | <b>(1)</b>      |
| Opening Cash and Cash Equivalents                   | 7,068           | 7,177            | <b>8,076</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>8,110</b>    | <b>8,076</b>     | <b>8,075</b>    |

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget          | Revised          | Budget          |
|  | \$000           | \$000            | \$000           |
| <b>CASH FLOW STATEMENT (cont)</b>              |                 |                  |                 |
| <b>CASH FLOW RECONCILIATION</b>                |                 |                  |                 |
| Net cost of services                           | (66,686)        | (149,573)        | <b>(69,947)</b> |
| Non cash items added back                      | 6,080           | 5,929            | <b>4,760</b>    |
| Change in operating assets and liabilities     | 310             | 5,187            | <b>(600)</b>    |
| <b>Net cash flow from operating activities</b> | <b>(60,296)</b> | <b>(138,457)</b> | <b>(65,787)</b> |

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|                                      | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--------------------------------------|-----------------|------------------|----------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>BALANCE SHEET</b>                 |                 |                  |                            |
| <b>ASSETS -</b>                      |                 |                  |                            |
| <b>Current Assets -</b>              |                 |                  |                            |
| Cash assets                          | 8,110           | 8,076            | <b>8,075</b>               |
| Receivables                          | 6               | 465              | <b>465</b>                 |
| Other financial assets               | 1,232           | 886              | <b>886</b>                 |
| Other                                | 11              | ...              | ...                        |
| <b>Total Current Assets</b>          | <b>9,359</b>    | <b>9,427</b>     | <b>9,426</b>               |
| <b>Non Current Assets -</b>          |                 |                  |                            |
| Other financial assets               | 1,112           | 932              | <b>932</b>                 |
| Property, plant and equipment -      |                 |                  |                            |
| Land and building                    | 27,812          | 27,828           | <b>30,714</b>              |
| Plant and equipment                  | 1,791           | 2,287            | <b>3,611</b>               |
| Infrastructure systems               | 5,312           | 5,376            | <b>5,376</b>               |
| <b>Total Non Current Assets</b>      | <b>36,027</b>   | <b>36,423</b>    | <b>40,633</b>              |
| <b>Total Assets</b>                  | <b>45,386</b>   | <b>45,850</b>    | <b>50,059</b>              |
| <b>LIABILITIES -</b>                 |                 |                  |                            |
| <b>Current Liabilities -</b>         |                 |                  |                            |
| Payables                             | 5,237           | 3,440            | <b>3,440</b>               |
| Borrowings                           | 1,031           | ...              | ...                        |
| Provisions                           | 4,595           | 5,889            | <b>5,889</b>               |
| <b>Total Current Liabilities</b>     | <b>10,863</b>   | <b>9,329</b>     | <b>9,329</b>               |
| <b>Non Current Liabilities -</b>     |                 |                  |                            |
| Borrowings                           | 12,407          | ...              | ...                        |
| Provisions                           | 1,262           | 901              | <b>901</b>                 |
| Other                                | ...             | 3                | <b>3</b>                   |
| <b>Total Non Current Liabilities</b> | <b>13,669</b>   | <b>904</b>       | <b>904</b>                 |
| <b>Total Liabilities</b>             | <b>24,532</b>   | <b>10,233</b>    | <b>10,233</b>              |
| <b>NET ASSETS</b>                    | <b>20,854</b>   | <b>35,617</b>    | <b>39,826</b>              |

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|                                    | 2005-06       |               | 2006-07       |
|------------------------------------|---------------|---------------|---------------|
|                                    | Budget        | Revised       | Budget        |
|                                    | \$000         | \$000         | \$000         |
| <hr/>                              |               |               |               |
| <b><i>BALANCE SHEET (cont)</i></b> |               |               |               |
| <b>EQUITY</b>                      |               |               |               |
| Reserves                           | 1,321         | 1,321         | <b>1,321</b>  |
| Accumulated funds                  | 19,533        | 34,296        | <b>38,505</b> |
| <b>TOTAL EQUITY</b>                | <b>20,854</b> | <b>35,617</b> | <b>39,826</b> |

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**43 DEPARTMENT OF PLANNING**

**43.1 Environmental Planning**

**43.1.1 Strategy 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.

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 services issues. Develop State Environmental Planning Policies, Regional Environmental Plans and other planning policies and strategies. Provide strategic information for government to guide infrastructure investment. Collect, analyse and publish data on transport travel patterns, employment and population.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>   |       |         |         |         |                |
| Planning information and services available online  | %     | 80      | 95      | 95      | <b>95</b>      |
| Circulars and advice to local councils  | no.   | 1       | 9       | 24      | <b>20</b>      |
| Technical and advisory services to industry and the community                             | no.   | 700     | 700     | 700     | <b>700</b>     |
| Regional Environmental Plans and State Environmental Planning Policies prepared / amended | no.   | 18      | 16      | 16      | <b>16</b>      |
| Regulations prepared / amended  | no.   | 6       | 5       | 10      | <b>10</b>      |
| <u>Average Staffing:</u>  | EFT   | ...     | ...     | 212     | <b>212</b>     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                   |               |               |               |
| Employee related                       | 24,324        | 23,518        | <b>21,678</b> |
| Other operating expenses               | 3,752         | 6,167         | <b>5,506</b>  |
| Depreciation and amortisation          | 1,123         | 408           | <b>227</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>29,199</b> | <b>30,093</b> | <b>27,411</b> |

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**43 DEPARTMENT OF PLANNING**

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**43.1 Environmental Planning**

**43.1.1 Strategy and Policy Development (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                               |               |               |               |
|-------------------------------|---------------|---------------|---------------|
| Sales of goods and services   | ...           | 185           | ...           |
| Grants and contributions      | ...           | 333           | ...           |
| Other revenue                 | 1,137         | 515           | <b>904</b>    |
| <b>Total Retained Revenue</b> | <b>1,137</b>  | <b>1,033</b>  | <b>904</b>    |
| Other gains/(losses)          | (6)           | (7)           | (7)           |
| <b>NET COST OF SERVICES</b>   | <b>28,068</b> | <b>29,067</b> | <b>26,514</b> |

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|                            |            |            |            |
|----------------------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>253</b> | <b>326</b> | <b>425</b> |
|----------------------------|------------|------------|------------|

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**43.1 Environmental Planning**

**43.1.2 Major Development Assessment and Strategy Implementation**

Program Objective(s): To facilitate improved economic performance, environmental sustainability and quality of life for New South Wales through better planning policies and practice and improved land use management.

Program Description: Strategic and project level environmental impact assessment. Implement whole-of-government initiatives for major development infrastructure projects. Review 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. Strategic land release for housing and employment. 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 communities in urban and regional New South Wales.

|  | Units  | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|--------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |        |         |         |         |                |
| Environmental Impact Assessment Statements dealt with at post-exhibition stage | no.    | 160     | 130     | 230     | <b>250</b>     |
| Requirements issued regarding Environmental Impact Assessment Statements       | no.    | 235     | 120     | 130     | <b>155</b>     |
| Major development projects assessed  | no.    | 191     | 170     | 300     | <b>310</b>     |
| Coastal zone land acquired (cumulative)  | '000ha | 15      | 15      | 15      | <b>15</b>      |
| NSW Coastline cycleway constructed   | KM.    | 20      | 18      | 11      | <b>15</b>      |
| <u>Average Staffing:</u>   | EFT    | ...     | ...     | 161     | <b>161</b>     |

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**43 DEPARTMENT OF PLANNING**

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**43.1 Environmental Planning**

**43.1.2 Major Development Assessment and Strategy  
Implementation (cont)**

|   | 2005-06       |                | 2006-07       |
|---|---------------|----------------|---------------|
|   | Budget        | Revised        | Budget        |
|   | \$000         | \$000          | \$000         |
| <b>OPERATING STATEMENT</b>                            |               |                |               |
| <b>Expenses Excluding Losses -</b>                    |               |                |               |
| Operating expenses -                                  |               |                |               |
| Employee related                                      | 18,813        | 17,852         | <b>16,837</b> |
| Other operating expenses                              | 3,030         | 4,673          | <b>4,600</b>  |
| Depreciation and amortisation                         | 852           | 312            | <b>173</b>    |
| Grants and subsidies                                  |               |                |               |
| Expenditure on public domain and infrastructure       | 2,024         | 2,024          | <b>2,024</b>  |
| Grants to state agencies                              | 12,600        | 91,030         | <b>21,690</b> |
| Grants to Regatta Centre                              | 1,815         | 768            | ...           |
| Grants to Local Government - capital                  | 1,362         | 1,362          | <b>1,362</b>  |
| Grants to Local Government - recurrent                | 6,500         | 6,500          | <b>5,500</b>  |
| Other grants  | ...           | 192            | <b>69</b>     |
| Other expenses  |               |                |               |
| Contribution to the Sydney Region<br>Development Fund | 5,034         | 5,034          | <b>5,034</b>  |
| <b>Total Expenses Excluding Losses</b>                | <b>52,030</b> | <b>129,747</b> | <b>57,289</b> |

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**43 DEPARTMENT OF PLANNING**

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**43.1 Environmental Planning**

**43.1.2 Major Development Assessment and Strategy  
Implementation (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |               |                |               |
|---|---------------|----------------|---------------|
| Sales of goods and services                   |               |                |               |
| Miscellaneous services                        | 3,000         | 5,000          | <b>3,102</b>  |
| Publication sales                             | 159           | 159            | <b>166</b>    |
| Fees for services                             | 10,000        | 11,275         | <b>10,367</b> |
| Minor sales of goods and services             | 831           | 589            | <b>1,338</b>  |
| Investment income                             | 296           | 296            | <b>307</b>    |
| Grants and contributions                      | 5,826         | 2,202          | <b>5,532</b>  |
| Other revenue                                 | 864           | 387            | <b>686</b>    |
| <b>Total Retained Revenue</b>                 | <b>20,976</b> | <b>19,908</b>  | <b>21,498</b> |
| Gain/(loss) on disposal of non current assets | 534           | (1,998)        | <b>600</b>    |
| Other gains/(losses)                          | (6)           | (6)            | <b>(6)</b>    |
| <b>NET COST OF SERVICES</b>                   | <b>30,526</b> | <b>111,843</b> | <b>35,197</b> |

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|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>4,224</b> | <b>4,563</b> | <b>4,320</b> |
|----------------------------|--------------|--------------|--------------|

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**43 DEPARTMENT OF PLANNING**

**43.2 Heritage Policy and Assistance**

**43.2.1 Heritage Policy and Assistance**

Program Objective(s): Ensure the community knows, values and cares for the heritage of New South Wales.

Program Description: Identify, assess and present the heritage of New South Wales. Provide resources, including skills, funding, innovation, policy and management advice, for heritage conservation, promotion and assistance. Implement the regulatory functions to manage changes to the heritage of New South Wales.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outputs:</u>  |       |         |         |         |                |
| Aboriginal heritage projects completed   | no.   | 6       | 10      | 7       | <b>7</b>       |
| Delegations of certain heritage powers to local government   | no.   | 159     | 159     | 152     | <b>152</b>     |
| Local government, government agencies and community groups trained in State Heritage Inventory software and criteria | no.   | 36      | 25      | 25      | <b>20</b>      |
| Items included in the State Heritage Register  | no.   | 1,470   | 1,520   | 1,530   | <b>1,540</b>   |
| <u>Average Staffing:</u>   | EFT   | ...     | ...     | 43      | <b>43</b>      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                       |              |              |              |
| Employee related                           | 3,620        | 4,040        | <b>4,040</b> |
| Other operating expenses                   | 2,456        | 2,894        | <b>2,692</b> |
| Depreciation and amortisation              | 140          | 380          | <b>154</b>   |
| Grants and subsidies                       |              |              |              |
| Financial assistance for heritage projects | 2,460        | 2,460        | <b>2,460</b> |
| <b>Total Expenses Excluding Losses</b>     | <b>8,676</b> | <b>9,774</b> | <b>9,346</b> |

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**43.2 Heritage Policy and Assistance**

**43.2.1 Heritage Policy and Assistance (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                   |              |              |              |
|-----------------------------------|--------------|--------------|--------------|
| Sales of goods and services       |              |              |              |
| Publication sales                 | 34           | 10           | <b>34</b>    |
| Fees for services                 | 256          | 725          | <b>808</b>   |
| Minor sales of goods and services | 35           | ...          | ...          |
| Investment income                 | 196          | 187          | <b>196</b>   |
| Grants and contributions          | 63           | 63           | <b>65</b>    |
| Other revenue                     | ...          | 135          | <b>7</b>     |
| <b>Total Retained Revenue</b>     | <b>584</b>   | <b>1,120</b> | <b>1,110</b> |
| <b>NET COST OF SERVICES</b>       | <b>8,092</b> | <b>8,654</b> | <b>8,236</b> |

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|                            |           |           |           |
|----------------------------|-----------|-----------|-----------|
| <b>CAPITAL EXPENDITURE</b> | <b>19</b> | <b>19</b> | <b>19</b> |
|----------------------------|-----------|-----------|-----------|

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|   | 2005-06       |                | 2006-07        |
|---|---------------|----------------|----------------|
|   | Budget        | Revised        | Budget         |
|   | \$000         | \$000          | \$000          |
| <b>OPERATING STATEMENT</b>                    |               |                |                |
| <b>Retained Revenue -</b>                     |               |                |                |
| Sales of goods and services                   | 8,959         | 6,800          | <b>6,900</b>   |
| Investment income                             | 300           | 2,800          | <b>2,300</b>   |
| Retained taxes, fees and fines                | 6,180         | 6,180          | <b>6,353</b>   |
| Grants and contributions*                     | 32,734        | 90,819         | <b>13,534</b>  |
| Other revenue                                 | 882           | 1,293          | <b>6,547</b>   |
| <b>Total Retained Revenue</b>                 | <b>49,055</b> | <b>107,892</b> | <b>35,634</b>  |
| Less:   |               |                |                |
| <b>Expenses Excluding Losses -</b>            |               |                |                |
| Operating Expenses -                          |               |                |                |
| Employee related                              | 3,477         | 2,796          | <b>3,573</b>   |
| Other operating expenses                      | 6,291         | 14,664         | <b>13,110</b>  |
| Depreciation and amortisation                 | 1,035         | 700            | <b>143</b>     |
| Grants and subsidies                          | 8,605         | 6,722          | <b>13,570</b>  |
| Finance costs                                 | 6,898         | 7,898          | <b>16,570</b>  |
| <b>Total Expenses Excluding Losses</b>        | <b>26,306</b> | <b>32,780</b>  | <b>46,966</b>  |
| Gain/(loss) on disposal of non current assets | 4,000         | 4,016          | <b>3,323</b>   |
| <b>SURPLUS/(DEFICIT)</b>                      | <b>26,749</b> | <b>79,128</b>  | <b>(8,009)</b> |

\* Includes grants for South West rail corridor and a once-off grant of \$79 million in 2005-06 for regional open space in Western Sydney.

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|   | 2005-06         |                 | 2006-07          |
|---|-----------------|-----------------|------------------|
|   | Budget          | Revised         | Budget           |
|   | \$000           | \$000           | \$000            |
| <b>CASH FLOW STATEMENT</b>                          |                 |                 |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                 |                  |
| <b>Receipts</b>                                     |                 |                 |                  |
| Sale of goods and services                          | 8,959           | 2,833           | <b>9,330</b>     |
| Interest  | 300             | 458             | <b>300</b>       |
| Other   | 40,791          | 99,287          | <b>27,429</b>    |
| <b>Total Receipts</b>                               | <b>50,050</b>   | <b>102,578</b>  | <b>37,059</b>    |
| <b>Payments</b>                                     |                 |                 |                  |
| Employee related                                    | 3,470           | 2,737           | <b>3,563</b>     |
| Grants and subsidies                                | 3,605           | 1,722           | <b>8,570</b>     |
| Finance costs                                       | 6,898           | 7,839           | <b>16,570</b>    |
| Other   | 5,293           | 33,401          | <b>(1,039)</b>   |
| <b>Total Payments</b>                               | <b>19,266</b>   | <b>45,699</b>   | <b>27,664</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>30,784</b>   | <b>56,879</b>   | <b>9,395</b>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                 |                  |
| Proceeds from sale of property, plant and equipment | 40,000          | 85,253          | <b>33,343</b>    |
| Purchases of property, plant and equipment          | (72,998)        | (149,996)       | <b>(173,458)</b> |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(32,998)</b> | <b>(64,743)</b> | <b>(140,115)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                 |                 |                  |
| Proceeds from borrowings and advances*              | ...             | 18,750          | <b>132,174</b>   |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>...</b>      | <b>18,750</b>   | <b>132,174</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(2,214)</b>  | <b>10,886</b>   | <b>1,454</b>     |
| Opening Cash and Cash Equivalents                   | 11,612          | 11,891          | <b>22,777</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>9,398</b>    | <b>22,777</b>   | <b>24,231</b>    |

\* Increase in borrowings to fund rail corridor acquisition.

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|  | —2005-06— |         |                   |
|--|-----------|---------|-------------------|
|  | Budget    | Revised | 2006-07<br>Budget |
|  | \$000     | \$000   | \$000             |

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**CASH FLOW STATEMENT (cont)**

**CASH FLOW RECONCILIATION**

|  |               |               |                |
|--|---------------|---------------|----------------|
| Surplus/(deficit) for year                     | 26,749        | 79,128        | <b>(8,009)</b> |
| Non cash items added back                      | 6,035         | 3,200         | <b>3,143</b>   |
| Change in operating assets and liabilities     | (2,000)       | (25,449)      | <b>14,261</b>  |
| <b>Net cash flow from operating activities</b> | <b>30,784</b> | <b>56,879</b> | <b>9,395</b>   |

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|                                      | 2005-06        |                | 2006-07          |
|--------------------------------------|----------------|----------------|------------------|
|                                      | Budget         | Revised        | Budget           |
|                                      | \$000          | \$000          | \$000            |
| <b>BALANCE SHEET</b>                 |                |                |                  |
| <b>ASSETS -</b>                      |                |                |                  |
| <b>Current Assets -</b>              |                |                |                  |
| Cash assets                          | 9,398          | 22,777         | <b>24,231</b>    |
| Receivables                          | 11,806         | 6,541          | <b>4,001</b>     |
| Other financial assets               | ...            | 20,263         | <b>22,263</b>    |
| Other                                | 2,648          | 500            | <b>500</b>       |
| <b>Total Current Assets</b>          | <b>23,852</b>  | <b>50,081</b>  | <b>50,995</b>    |
| <b>Non Current Assets -</b>          |                |                |                  |
| Property, plant and equipment -      |                |                |                  |
| Land and building                    | 845,980        | 948,683        | <b>1,087,044</b> |
| Plant and equipment                  | 173            | 24             | <b>68</b>        |
| <b>Total Non Current Assets</b>      | <b>846,153</b> | <b>948,707</b> | <b>1,087,112</b> |
| <b>Total Assets</b>                  | <b>870,005</b> | <b>998,788</b> | <b>1,138,107</b> |
| <b>LIABILITIES -</b>                 |                |                |                  |
| <b>Current Liabilities -</b>         |                |                |                  |
| Payables                             | 12,953         | 12,943         | <b>28,087</b>    |
| Borrowings                           | 1,750          | 21,701         | <b>23,875</b>    |
| Provisions                           | 242            | 249            | <b>258</b>       |
| Other                                | ...            | 811            | <b>811</b>       |
| <b>Total Current Liabilities</b>     | <b>14,945</b>  | <b>35,704</b>  | <b>53,031</b>    |
| <b>Non Current Liabilities -</b>     |                |                |                  |
| Borrowings                           | 94,593         | 93,435         | <b>223,435</b>   |
| Provisions                           | 59             | 72             | <b>73</b>        |
| <b>Total Non Current Liabilities</b> | <b>94,652</b>  | <b>93,507</b>  | <b>223,508</b>   |
| <b>Total Liabilities</b>             | <b>109,597</b> | <b>129,211</b> | <b>276,539</b>   |
| <b>NET ASSETS</b>                    | <b>760,408</b> | <b>869,577</b> | <b>861,568</b>   |

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|                             | <hr/> 2005-06 <hr/> |                | <b>2006-07</b> |
|-----------------------------|---------------------|----------------|----------------|
|                             | Budget              | Revised        | <b>Budget</b>  |
|                             | \$000               | \$000          | <b>\$000</b>   |
| <hr/>                       |                     |                |                |
| <b>BALANCE SHEET (cont)</b> |                     |                |                |
| <b>EQUITY</b>               |                     |                |                |
| Reserves                    | 394,163             | 457,140        | <b>457,140</b> |
| Accumulated funds           | 366,245             | 412,437        | <b>404,428</b> |
| <b>TOTAL EQUITY</b>         | <b>760,408</b>      | <b>869,577</b> | <b>861,568</b> |

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**MINISTER FOR PLANNING, MINISTER FOR REDFERN  
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**GROWTH CENTRES COMMISSION**

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|  | 2005-06         |              | 2006-07      |
|--|-----------------|--------------|--------------|
|  | Budget          | Revised      | Budget       |
|  | \$000           | \$000        | \$000        |
| <b>OPERATING STATEMENT</b>             |                 |              |              |
| <b>Retained Revenue -</b>              |                 |              |              |
| Investment income                      | ...             | 50           | <b>50</b>    |
| Grants and contributions               | 20,000          | 6,000        | <b>6,000</b> |
| <b>Total Retained Revenue</b>          | <b>20,000</b>   | <b>6,050</b> | <b>6,050</b> |
| Less:                                  |                 |              |              |
| <b>Expenses Excluding Losses -</b>     |                 |              |              |
| Operating Expenses -                   |                 |              |              |
| Employee related                       | 3,000           | 3,000        | <b>3,000</b> |
| Other operating expenses               | 2,952           | 2,665        | <b>2,952</b> |
| Depreciation and amortisation          | ...             | 10           | <b>10</b>    |
| Grants and subsidies                   | 33,900*         | ...          | ...          |
| Finance costs                          | 1,540           | ...          | ...          |
| <b>Total Expenses Excluding Losses</b> | <b>41,392</b>   | <b>5,675</b> | <b>5,962</b> |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(21,392)</b> | <b>375</b>   | <b>88</b>    |

\* In 2005-06 and 2006-07 funding has been provided to other state agencies for acquisition of the South West Rail Corridor and for preliminary road works.

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**GROWTH CENTRES COMMISSION**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                            |
| <b>Receipts</b>                                 |                 |                  |                            |
| Interest  | ...             | 50               | <b>50</b>                  |
| Other   | 20,000          | 6,000            | <b>6,000</b>               |
| <b>Total Receipts</b>                           | <b>20,000</b>   | <b>6,050</b>     | <b>6,050</b>               |
| <b>Payments</b>                                 |                 |                  |                            |
| Employee related                                | 3,000           | 2,740            | <b>3,000</b>               |
| Grants and subsidies                            | 33,900*         | ...              | ...                        |
| Finance costs                                   | 1,540           | ...              | ...                        |
| Other   | 2,952           | 2,610            | <b>2,952</b>               |
| <b>Total Payments</b>                           | <b>41,392</b>   | <b>5,350</b>     | <b>5,952</b>               |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(21,392)</b> | <b>700</b>       | <b>98</b>                  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                            |
| Purchases of property, plant and equipment      | ...             | (700)            | ...                        |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | ...             | <b>(700)</b>     | ...                        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                            |
| Proceeds from borrowings and advances           | 22,000          | ...              | ...                        |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>22,000</b>   | ...              | ...                        |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>608</b>      | ...              | <b>98</b>                  |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>608</b>      | ...              | <b>98</b>                  |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                            |
| Surplus/(deficit)                               | (21,392)        | 375              | <b>88</b>                  |
| Non cash items added back                       | ...             | 10               | <b>10</b>                  |
| Change in operating assets and liabilities      | ...             | 315              | ...                        |
| <b>Net cash flow from operating activities</b>  | <b>(21,392)</b> | <b>700</b>       | <b>98</b>                  |

\* In 2005-06 and 2006-07 funding has been provided to other state agencies for acquisition of the South West Rail Corridor and for preliminary road works.

**MINISTER FOR PLANNING, MINISTER FOR REDFERN  
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**GROWTH CENTRES COMMISSION**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 608             | ...              | 98              |
| <b>Total Current Assets</b>          | <b>608</b>      | ...              | <b>98</b>       |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment –      |                 |                  |                 |
| Plant and equipment                  | 700             | 590              | 580             |
| Infrastructure systems               | ...             | 100              | 100             |
| <b>Total Non Current Assets</b>      | <b>700</b>      | <b>690</b>       | <b>680</b>      |
| <b>Total Assets</b>                  | <b>1,308</b>    | <b>690</b>       | <b>778</b>      |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | ...             | 78               | 78              |
| Provisions                           | ...             | 61               | 61              |
| Other                                | ...             | 10               | 10              |
| <b>Total Current Liabilities</b>     | ...             | <b>149</b>       | <b>149</b>      |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | 22,000          | ...              | ...             |
| Provisions                           | ...             | 166              | 166             |
| <b>Total Non Current Liabilities</b> | <b>22,000</b>   | <b>166</b>       | <b>166</b>      |
| <b>Total Liabilities</b>             | <b>22,000</b>   | <b>315</b>       | <b>315</b>      |
| <b>NET ASSETS</b>                    | <b>(20,692)</b> | <b>375</b>       | <b>463</b>      |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | (20,692)        | 375              | 463             |
| <b>TOTAL EQUITY</b>                  | <b>(20,692)</b> | <b>375</b>       | <b>463</b>      |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN  
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**HONEYSUCKLE DEVELOPMENT CORPORATION**

|  | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|--|-----------------|------------------|----------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>OPERATING STATEMENT</b>             |                 |                  |                            |
| <b>Retained Revenue -</b>              |                 |                  |                            |
| Sales of goods and services            | 6,692           | 2,456            | <b>8,426</b>               |
| Investment income                      | ...             | 378              | <b>208</b>                 |
| Grants and contributions               | 840             | 43               | <b>997</b>                 |
| <b>Total Retained Revenue</b>          | <b>7,532</b>    | <b>2,877</b>     | <b>9,631</b>               |
| Less:                                  |                 |                  |                            |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                            |
| Operating Expenses -                   |                 |                  |                            |
| Employee related                       | 1,596           | 1,673            | <b>1,694</b>               |
| Other operating expenses               | 5,014           | 2,979            | <b>5,136</b>               |
| Depreciation and amortisation          | 77              | 25               | <b>69</b>                  |
| Grants and subsidies                   | 5,624           | 3,005            | <b>4,984</b>               |
| Finance costs                          | 147             | 37               | <b>304</b>                 |
| <b>Total Expenses Excluding Losses</b> | <b>12,458</b>   | <b>7,719</b>     | <b>12,187</b>              |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(4,926)</b>  | <b>(4,842)</b>   | <b>(2,556)</b>             |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN  
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**HONEYSUCKLE DEVELOPMENT CORPORATION**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                            |
| <b>Receipts</b>                                 |                 |                  |                            |
| Sale of goods and services                      | 6,682           | 2,590            | 8,434                      |
| Interest  | ...             | 603              | 208                        |
| Other   | 840             | 43               | 997                        |
| <b>Total Receipts</b>                           | <b>7,522</b>    | <b>3,236</b>     | <b>9,639</b>               |
| <b>Payments</b>                                 |                 |                  |                            |
| Employee related                                | 1,605           | 1,630            | 1,694                      |
| Grants and subsidies                            | 5,624           | 3,005            | 4,984                      |
| Finance costs                                   | 147             | 37               | 304                        |
| Other   | 2,466           | 5,216            | 3,283                      |
| <b>Total Payments</b>                           | <b>9,842</b>    | <b>9,888</b>     | <b>10,265</b>              |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(2,320)</b>  | <b>(6,652)</b>   | <b>(626)</b>               |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                            |
| Purchases of property, plant and equipment      | (340)           | (642)            | ...                        |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(340)</b>    | <b>(642)</b>     | <b>...</b>                 |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                            |
| Proceeds from borrowings and advances           | 4,650           | 2,351            | 626                        |
| Repayment of borrowings and advances            | (2,150)         | ...              | ...                        |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>2,500</b>    | <b>2,351</b>     | <b>626</b>                 |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(160)</b>    | <b>(4,943)</b>   | <b>...</b>                 |
| Opening Cash and Cash Equivalents               | 424             | 4,997            | 54                         |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>264</b>      | <b>54</b>        | <b>54</b>                  |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                            |
| Surplus/(deficit)                               | (4,926)         | (4,842)          | (2,556)                    |
| Non cash items added back                       | 77              | 25               | 69                         |
| Change in operating assets and liabilities      | 2,529           | (1,835)          | 1,861                      |
| <b>Net cash flow from operating activities</b>  | <b>(2,320)</b>  | <b>(6,652)</b>   | <b>(626)</b>               |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN  
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**HONEYSUCKLE DEVELOPMENT CORPORATION**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 264             | 54               | <b>54</b>       |
| Receivables  | 24              | 68               | <b>60</b>       |
| Inventories  | 1,791           | 3,360            | <b>5,775</b>    |
| Other  | 220             | 30               | <b>30</b>       |
| <b>Total Current Assets</b>                            | <b>2,299</b>    | <b>3,512</b>     | <b>5,919</b>    |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Inventories  | 14,249          | 14,126           | <b>9,514</b>    |
| Property, plant and equipment -<br>Plant and equipment | 284             | 345              | <b>276</b>      |
| <b>Total Non Current Assets</b>                        | <b>14,533</b>   | <b>14,471</b>    | <b>9,790</b>    |
| <b>Total Assets</b>                                    | <b>16,832</b>   | <b>17,983</b>    | <b>15,709</b>   |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 3,943           | 996              | <b>896</b>      |
| Borrowings   | ...             | 2,351            | <b>2,977</b>    |
| Provisions   | 267             | 1,172            | <b>1,172</b>    |
| <b>Total Current Liabilities</b>                       | <b>4,210</b>    | <b>4,519</b>     | <b>5,045</b>    |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Borrowings   | 2,500           | ...              | ...             |
| Other  | 734             | 1,733            | <b>1,489</b>    |
| <b>Total Non Current Liabilities</b>                   | <b>3,234</b>    | <b>1,733</b>     | <b>1,489</b>    |
| <b>Total Liabilities</b>                               | <b>7,444</b>    | <b>6,252</b>     | <b>6,534</b>    |
| <b>NET ASSETS</b>                                      | <b>9,388</b>    | <b>11,731</b>    | <b>9,175</b>    |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 9,388           | 11,731           | <b>9,175</b>    |
| <b>TOTAL EQUITY</b>                                    | <b>9,388</b>    | <b>11,731</b>    | <b>9,175</b>    |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN  
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**REDFERN-WATERLOO AUTHORITY**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 11,391          | 11,196           | <b>11,345</b>                       |
| Grants and contributions               | 3,180           | 7,180            | <b>7,190</b>                        |
| Other revenue                          | ...             | 1,072            | <b>1,040</b>                        |
| <b>Total Retained Revenue</b>          | <b>14,571</b>   | <b>19,448</b>    | <b>19,575</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating Expenses -                   |                 |                  |                                     |
| Employee related                       | 5,761           | 4,472            | <b>4,856</b>                        |
| Other operating expenses               | 10,993          | 9,280            | <b>9,579</b>                        |
| Depreciation and amortisation          | 757             | 828              | <b>946</b>                          |
| Finance costs                          | 1,817           | 528              | <b>1,253</b>                        |
| <b>Total Expenses Excluding Losses</b> | <b>19,328</b>   | <b>15,108</b>    | <b>16,634</b>                       |
| Other gains/(losses)                   | ...             | (21)             | <b>(38)</b>                         |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(4,757)</b>  | <b>4,319</b>     | <b>2,903</b>                        |

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**REDFERN-WATERLOO AUTHORITY**

|   | 2005-06         |                  | 2006-07<br>Budget<br>\$000 |
|---|-----------------|------------------|----------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                            |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                            |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                            |
| <b>Receipts</b>                                 |                 |                  |                            |
| Sale of goods and services                      | 11,391          | 10,687           | 11,154                     |
| Other   | 3,784           | 9,500            | 9,377                      |
| <b>Total Receipts</b>                           | <b>15,175</b>   | <b>20,187</b>    | <b>20,531</b>              |
| <b>Payments</b>                                 |                 |                  |                            |
| Employee related                                | 5,761           | 4,463            | 4,718                      |
| Finance costs                                   | 1,817           | 528              | 1,253                      |
| Other   | 11,597          | 10,536           | 10,680                     |
| <b>Total Payments</b>                           | <b>19,175</b>   | <b>15,527</b>    | <b>16,651</b>              |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(4,000)</b>  | <b>4,660</b>     | <b>3,880</b>               |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                            |
| Purchases of property, plant and equipment      | ...             | (5,528)          | (34,573)                   |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | ...             | <b>(5,528)</b>   | <b>(34,573)</b>            |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                            |
| Proceeds from borrowings and advances           | 4,000           | 3,858            | 26,100                     |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>4,000</b>    | <b>3,858</b>     | <b>26,100</b>              |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | ...             | <b>2,990</b>     | <b>(4,593)</b>             |
| Opening Cash and Cash Equivalents               | 10              | 18,943           | 21,933                     |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>10</b>       | <b>21,933</b>    | <b>17,340</b>              |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                            |
| Surplus/(deficit)                               | (4,757)         | 4,319            | 2,903                      |
| Non cash items added back                       | 757             | 828              | 946                        |
| Change in operating assets and liabilities      | ...             | (487)            | 31                         |
| <b>Net cash flow from operating activities</b>  | <b>(4,000)</b>  | <b>4,660</b>     | <b>3,880</b>               |

**MINISTER FOR PLANNING, MINISTER FOR REDFERN  
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**REDFERN-WATERLOO AUTHORITY**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 10              | 21,933           | <b>17,340</b>   |
| Receivables                          | 765             | 959              | <b>1,100</b>    |
| Other                                | ...             | 381              | <b>150</b>      |
| <b>Total Current Assets</b>          | <b>775</b>      | <b>23,273</b>    | <b>18,590</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 91,487          | 149,070          | <b>182,647</b>  |
| Plant and equipment                  | 110             | 5,038            | <b>5,088</b>    |
| <b>Total Non Current Assets</b>      | <b>91,597</b>   | <b>154,108</b>   | <b>187,735</b>  |
| <b>Total Assets</b>                  | <b>92,372</b>   | <b>177,381</b>   | <b>206,325</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | ...             | 3,490            | <b>3,303</b>    |
| Provisions                           | ...             | 253              | <b>310</b>      |
| <b>Total Current Liabilities</b>     | <b>...</b>      | <b>3,743</b>     | <b>3,613</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | 4,750           | 3,858            | <b>29,958</b>   |
| Provisions                           | ...             | 169              | <b>240</b>      |
| <b>Total Non Current Liabilities</b> | <b>4,750</b>    | <b>4,027</b>     | <b>30,198</b>   |
| <b>Total Liabilities</b>             | <b>4,750</b>    | <b>7,770</b>     | <b>33,811</b>   |
| <b>NET ASSETS</b>                    | <b>87,622</b>   | <b>169,611</b>   | <b>172,514</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 34,343          | ...              | ...             |
| Accumulated funds                    | 53,279          | 169,611          | <b>172,514</b>  |
| <b>TOTAL EQUITY</b>                  | <b>87,622</b>   | <b>169,611</b>   | <b>172,514</b>  |



# MINISTER FOR POLICE

## OVERVIEW

| <i>Agency</i>                           | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Ministry for Police</b>              |                                   |                                   |                        |
| Total Expenses .....                    | 10.2                              | 7.4                               | -27.5                  |
| Capital Expenditure .....               | 0.1                               | 0.1                               | ...                    |
| <b>NSW Police</b>                       |                                   |                                   |                        |
| Total Expenses.....                     | 2,021.4                           | 2,181.0                           | 7.9                    |
| Capital Expenditure .....               | 112.3                             | 111.1                             | -1.1                   |
| <b>New South Wales Crime Commission</b> |                                   |                                   |                        |
| Total Expenses .....                    | 16.9                              | 17.6                              | 3.6                    |
| Capital Expenditure .....               | 2.6                               | 2.6                               | ...                    |
| <b>Police Integrity Commission</b>      |                                   |                                   |                        |
| Total Expenses.....                     | 18.0                              | 18.3                              | 1.9                    |
| Capital Expenditure .....               | 2.5                               | 2.4                               | -6.9                   |
| <b>Total, Minister for Police</b>       |                                   |                                   |                        |
| Total Expenses .....                    | <b>2,066.5</b>                    | <b>2,224.3</b>                    | <b>7.6</b>             |
| Capital Expenditure .....               | <b>117.5</b>                      | <b>116.2</b>                      | <b>-1.1</b>            |

## MINISTRY FOR POLICE

The Ministry provides the Minister for Police with independent advice on issues affecting the Police portfolio and supports the Minister in the performance of Ministerial and Parliamentary functions. The Ministry develops and assists the passage of legislation to statute.

## RESULTS AND SERVICES

The Ministry assists and supports the Minister for Police in achieving the best possible law enforcement outcomes for the people of New South Wales.

The Ministry aims to operate effectively and efficiently within its allocated budget to achieve this mission by working towards the following results:

- ◆ Increased capacity in terms of resources for police to perform their functions.
- ◆ Effective legislative powers for the police to carry out their duties.

Key services provided by the Ministry which contribute to these results include:

- ◆ developing policies and legislation;
- ◆ providing advice to the Minister;
- ◆ overseeing the NSW Police budget to ensure record levels of funding are improving frontline performance;
- ◆ monitoring the deployment and recruitment of police officers; and
- ◆ working towards ensuring legislative tools are practical and applicable to police on the frontline.

## **RECENT DEVELOPMENTS**

Achievements during 2005-06 include:

- ◆ tougher police powers to respond to potential terrorist threats;
- ◆ improving legislation relating to Controlled Operations, car rebirthing and Commercial and Private Inquiry Agents;
- ◆ developing a legislative response to public order disturbances on Sydney's beaches;
- ◆ overseeing the development of new legislation to improve death and disability entitlements for police officers;
- ◆ executing a five year contract with United Group Services to provide improved accommodation and better value for money in the management of police property; and
- ◆ arranging both the construction of several new police stations and major facility upgrades.

As outlined in the Government's Economic and Financial Statement, the Premier's Department initiated a functional review of the Ministry. As a result of that review the size of the Ministry has been reduced to contribute to the funding increase to frontline policing activities.

The Ministry's core business of providing policy advice and support to the Minister will be retained.

## **STRATEGIC DIRECTIONS**

The Ministry is an important source of policy ideas for Government and the portfolio agencies. It supports the Minister's legislative program covering a wide range of issues including police reform, police powers, confiscation of the proceeds of crime, firearms, the security industry and the registration of child sex offenders. The Ministry is also involved in wider policy issues arising from, and impacting on the criminal justice system.

The Ministry's level of direct involvement in police properties matters will decrease following implementation of the new arrangements for the United Group Services to provide property management services for NSW Police.

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.

## **2006-07 BUDGET**

### **Total Expenses**

The Ministry's total expenses are estimated at \$7.4 million in 2006-07, a reduction of \$2.8 million, or 27.5 per cent compared to last year's allocation. This reduction reflects the reform of the Ministry.

The 2006-07 allocation will continue to support the Ministry's core functions of developing policy advice and legislation and monitoring portfolio budgets and management. The Ministry will also continue to support the Office of the Inspector of the Police Integrity Commission.

The Ministry's budget includes \$2 million of Recovered Assets Pool funds that are used to fund police investigations of offenders.

### **Capital Expenditure**

The Ministry will spend \$107,000 on minor equipment in 2006-07, including the ongoing purchase of IT equipment as current leases expire.

## **NSW POLICE**

NSW Police provides community-based policing services from 80 Local Area Commands. The agency's governing legislation is the *Police Act 1990*. A better understanding of policing activities and powers can be gained from the *Law Enforcement (Powers and Responsibilities) Act 2002*.

### **RESULTS AND SERVICES**

NSW Police works to protect the community by reducing violence, crime and fear. NSW Police works towards the following results to achieve its mission:

- ◆ Reduced crime and violence with offenders brought to justice.
- ◆ The community has confidence in police and works with NSW Police to improve personal and public safety.
- ◆ Improved road and public transport user behaviour and reduced trauma.
- ◆ The rights of victims, witnesses and alleged offenders are upheld.

The key services provided by NSW Police which contribute to these results include:

- ◆ responding to crime, emergencies and other calls for assistance;
- ◆ investigating crime, detecting offenders and prosecuting accused persons;
- ◆ patrolling identified crime hot spots, providing a police presence at public events and contributing to the security of critical infrastructure;
- ◆ patrolling roads and public transport corridors, and investigating major traffic accidents; and
- ◆ educating the community on crime prevention and road safety.

### **RECENT DEVELOPMENTS**

Excluding costs associated with Olympics security, total expenses have risen at an average annual growth rate of 8.3 per cent since 2000-01. This increase is primarily due to the increase in police numbers from 13,716 at 30 June 2002 to 14,579 at 28 February 2006.

Other significant recent developments include:

### **Reduced Levels of Crime**

The December 2005 crime statistics released by the NSW Bureau of Crime Statistics and Research (BOCSAR) shows a sustained decrease in most robbery and stealing offences since December 2003.

Over the last two years all other offences have either decreased or remained stable with the exception of vandalism. This increase may, however, have resulted from increasing detection and reporting of such incidents. Special programs are being put in place to reduce the number of incidents.

BOCSAR has also recently examined long term trends in property and violent crime. The analysis showed that robbery with firearm, burglary and car theft are at their lowest level in 15 years. Furthermore, since 1995 the rate of robbery with a firearm is 39 per cent lower, murder 37 per cent lower, motor vehicle theft 44 per cent lower, and break and enter dwelling 26 per cent lower.

### **Taskforces and High Visibility Policing**

NSW Police is continuing its response to community concerns and crime trends through specialised taskforces and high visibility policing, including Vikings operations. High visibility policing is an important strategy, overtly deploying large numbers of police officers in identified crime areas.

In the three years to 30 June 2006, NSW Police will have conducted around 1,348 Viking Operations at a total cost of more than \$10.5 million.

High visibility operations reduce crime and anti-social behaviour, increase community and business confidence, and strengthen relationships between local police and the community.

### **Counter-Terrorism**

The Counter-Terrorism Coordination Command (CTCC) manages intelligence and investigation of potential terrorist activity, dignitary protection, critical infrastructure protection and high level threats. The CTCC, working closely with other state, national and international agencies, has undertaken several high profile counter terrorism operations and investigations.

An increasing emphasis will be given to engaging business and local communities in identifying and responding to potential terrorist threats. Closer ties will be developed with international jurisdictions to exchange intelligence and operational tactics.

## **Police Death and Disability Scheme**

The Government has provided \$145 million over five years to improve support for officers who are injured and the families of those who are killed in the performance of their duty. The new scheme applies to officers employed after 1988 and puts them in a similar position to pre-1988 officers.

## **Corporate Services Efficiency Review**

NSW Police is conducting a Corporate Services Efficiency Review to provide a more focused and cost efficient delivery of corporate services support for front line operational policing. The review aims to provide a consistent and strategic approach to corporate service delivery to maximise resources available for front line policing operations.

## **STRATEGIC DIRECTIONS**

The Government is supporting a number of initiatives to assist NSW Police in achieving its goal of reducing violence, crime and fear. These include:

### **Police Numbers**

The Government recently committed to further increase NSW Police's authorised police numbers by 750 positions. This will result in an authorised strength of 15,206 officers by 2007. These extra officers will strengthen current programs and support new initiatives to reduce crime, violence and community fear.

This initiative continues the Government's record of increasing police strength at a greater rate than population growth. Since 1995, police numbers have increased by 17.8 per cent.

### **Public Order Riot Squad**

In January the Government announced the establishment of a permanent Public Order Riot Squad (PORS) comprising 50 highly trained and specially equipped officers. PORS will be deployed as the first response to any outbreak of public disorder, disturbance and unrest and its officers tasked with maintaining and restoring law and order and ensuring public safety and security.

Officers will be equipped with specialist resources including new riot squad vehicles, a water cannon and riot shields and helmets. A trial of Taser guns as a non-lethal option for controlling offenders is also underway.

## **Middle Eastern Crime Squad**

In January 2006, the Government announced that Task Force Gain, established in October 2003, would become a permanent Middle Eastern Organised Crime (MEOC) Squad making it the 10th specialist squad attached to the State Crime Command.

The MEOC squad will be tasked to focus on Middle Eastern offenders and their associates, targeting those involved in organised crime at all levels. The new squad will comprise 58 permanent positions.

## **Integrity Testing**

The Government has committed \$1 million to implement the recommendations of Operation Abelia, a Police Integrity Commission inquiry into illegal drug use by police officers. Major changes will include:

- ◆ increasing random drug testing to 15 per cent of police per year; and
- ◆ introducing the targeted drug testing of off duty police.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses are expected to increase by \$160 million to almost \$2.2 billion in 2006-07, an increase of 7.9 per cent compared to last year's allocation.

Funding has been provided for a number of new and continuing initiatives within the NSW Police budget. These include:

- ◆ \$48.2 million (\$67.7 million per annum) for the training and deployment of a permanent increase of 750 officers in average authorised police strength;
- ◆ \$21.3 million to meet the ongoing costs of IT infrastructure upgrades;
- ◆ \$5 million to continue the high visibility policing strategy Operation Vikings, which commenced in 2002-03;
- ◆ an additional \$1.8 million towards the maintenance of counter-terrorist activities;
- ◆ \$1.6 million to meet the operating costs of the new permanent Middle Eastern Organised Crime Squad; and
- ◆ \$1 million to expand the drug testing of police officers as recommended by the Police Integrity Commission.

## **Capital Expenditure**

The 2006-07 Budget capital program allows for expenditure of \$111.1 million on asset acquisitions. The NSW Police's capital program aims to:

- ◆ provide functional and cost effective accommodation where it is needed;
- ◆ improve the safety of operational police;
- ◆ equip police to enable them to perform their role effectively; and
- ◆ increase the efficient use of operational and administrative data.

## **Major New Works**

The capital program provides for the commencement of major new works with a total estimated cost of \$85.5 million, of which \$6.3 million is allocated in 2006-07.

The building program provides for the continuation of the State-wide police station upgrade and replacement program. Additional Budget support of \$40 million per annum is being provided to NSW Police for this purpose. In addition, NSW Police will be re-investing the proceeds from asset sales in future new major building works.

The total estimated costs of new building works for which funding has been provided to complete planning in 2006-07 are:

- ◆ Burwood Police Station - \$17.1 million;
- ◆ Kempsey Police Station - \$14.9 million;
- ◆ Wyong Police Station - \$14.7 million;
- ◆ Windsor Police Station - \$12 million;
- ◆ Granville Police Station - \$16.9 million; and
- ◆ Port Stephens Police Station - \$5.1 million.

Pre-planning will also proceed for a new police station for the Lake Illawarra Local Area Command.

An amount of \$0.6 million has been provided towards the replacement of Polair 3, at a total cost of \$2.8 million. This new helicopter will provide updated primary support for covert operations and, with the use of technology, command and control facilities for high profile operations.

An updated Forward Looking Infra-Red (FLIR) system will be purchased at an estimated cost of \$1.5 million. FLIR's variety of sensors and cameras makes it a valuable tool for gathering intelligence and evidence (covertly and overtly) both day and night. FLIR can also successfully locate missing persons and offenders in all terrains and at sea.

To expand the options available to Police for public order maintenance, \$0.5 million has also been provided to purchase a water cannon.

### ***Work-in-Progress***

A total of \$82.1 million has been provided in 2006-07 for works-in-progress, including:

- ◆ \$4.2 million to complete the new police station at Armidale;
- ◆ \$8 million for the new police station at Campsie;
- ◆ \$10 million for the new Dubbo police station;
- ◆ \$7.1 million for the new police station at Lismore;
- ◆ \$5.6 million to complete the new Muswellbrook police station;
- ◆ \$6.1 million for the new police station at St Mary's;
- ◆ \$8.1 million for the new Orange, Wagga Wagga and Fairfield police stations;
- ◆ \$4.9 million for the ongoing Marine Fleet replacement program;
- ◆ \$1 million to complete the Forensic Research and Investigative Science Centre; and
- ◆ \$25.6 million for continuing improvements to NSW Police's information technology systems, including \$14.1 million for the Computer Aided Dispatch System; \$1.9 million for the Alcohol Related Crime Information Exchange; \$3.4 million for Portable Electronic Fingerprint devices; and \$3.2 million for Forensic Services Digital Imaging.

### ***Minor Works***

In addition to funding for the pre-planning of future new police stations and for minor building works, the 2006-07 minor works allocation of \$22.6 million provides for the replacement of counter-terrorism equipment (\$1 million) and additional equipment for the Public Order Riot Squad (\$2.5 million).

Minor works funding has also been allocated for the ongoing replacement of IT equipment as current leases expire.

## **NEW SOUTH WALES CRIME COMMISSION**

The New South Wales Crime Commission combats illegal drug trafficking and organised crime and other serious crime in New South Wales. This involves obtaining evidence for prosecutions and/or the forfeiture of criminal assets.

### **RESULTS AND SERVICES**

The Commission aims to reduce the incidence of drug trafficking and organised crime and its impact on the community by working towards the following results:

- ◆ High-level drug traffickers and other serious criminals are arrested and referred for prosecution.
- ◆ The assets of serious criminals are restrained and confiscated.

Key services provided by the Commission that contribute to these results include:

- ◆ targeting high-level drug traffickers and other serious criminals through the use of the Commission's surveillance and investigative expertise;
- ◆ assembling admissible evidence for the successful prosecution of serious criminals and the confiscation of their assets; and
- ◆ collecting, disseminating and analysing intelligence to advance criminal investigations.

### **RECENT DEVELOPMENTS**

The Commission has an ongoing program of developing and implementing advanced technology to keep pace with changes in the technical environment, especially telecommunications networks.

The Commission has also focussed increased attention on money laundering operations.

The Commission has been very successful in confiscating proceeds of crime. New South Wales set the precedent in enacting this unique piece of legislation enabling the confiscation of proceeds of crime on a civil basis. Other jurisdictions have now adopted, or are adopting, such legislation. The benefits of this model will now be increasingly seen nation-wide.

## **STRATEGIC DIRECTIONS**

Keeping pace with changing technology, particularly in the area of electronic surveillance remains a challenge. 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 will continue to apply its technological resources to investigate new and emerging areas of crime.

As in 2005-06, there is likely to be an increasing demand for witness protection in future years.

## **2006-07 BUDGET**

### **Total Expenses**

The Commission's total expenses are estimated at \$17.6 million in 2006-07. This represents an increase of \$0.6 million, or 3.6 per cent on last year's budget allocation and is primarily related to additional staffing costs.

### **Capital Expenditure**

The Commission's utilisation of technology to combat serious crime continues to evolve. The capital allocation of \$2.6 million for 2006-07 will allow the Commission to keep abreast of changing technologies, especially in the area of electronic surveillance systems.

## **POLICE INTEGRITY COMMISSION**

The Police Integrity Commission is responsible for preventing, detecting and subsequently investigating serious police misconduct. The Commission oversees and manages other agencies involved with the investigation of serious police misconduct. Relevant legislation is the *Police Integrity Commission Act 1996*.

## **RESULTS AND SERVICES**

The Commission seeks to reduce the incidence of serious police misconduct, improve systems and practices supporting ethical behaviour and enhance community confidence in the effective oversight of NSW Police by working towards the following results:

- ◆ Evidence of misconduct is established through effective investigations and hearings.
- ◆ Evidence of serious misconduct is exposed through hearings and reports.

- ◆ Deterrent against misconduct through effective detection and prosecutions.
- ◆ Development of a knowledge base drawing on the results of investigations and research to inform improvements in police systems and practices.
- ◆ Recommendations for reform from findings of investigations and projects.
- ◆ Consultation with NSW Police to support the implementation of recommendations into practice.
- ◆ Participation in education programs to raise awareness of ethical issues among police and non-sworn staff.
- ◆ Evaluation of complaints of serious misconduct against police officers and non-sworn staff at NSW Police for investigation.
- ◆ Public reporting of investigations and outcomes.

The commission achieves these results through the services it provides, including conducting investigations, research and in the management of complaints.

## **RECENT DEVELOPMENTS**

Investigations and resultant public hearings into instances of police misconduct drive the costs of the Commission. The large increase in total expenses in 2005-06 largely related to additional requirements for the protection of witnesses.

The Commission also received a substantial capital enhancement for the replacement of its ageing telecommunications interception systems. This project has been carried over to 2006-07.

Recent achievements include:

- ◆ a joint investigations/research project which exposed evidence of instances of drug use, drug dealing, theft and robbery, provided insight to the use of drugs by some police and contained recommendations to improve and strengthen the NSW Police approach to drug use;
- ◆ an investigation into a case of serious assault by police and an attempted 'cover-up', and demonstrated a capacity to deal with serious police misconduct beyond the Sydney metropolitan area; and
- ◆ an investigation which exposed evidence of corruption including theft, robbery and extortion.

## **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.

Public hearings and public reporting, where appropriate, will continue to reassure the community that there is effective oversight of NSW Police.

## **2006-07 BUDGET**

### **Total Expenses**

The Commission's total expenses are estimated at \$18.3 million in 2006-07. This represents an increase of \$0.3 million, or 1.9 per cent compared to the 2005-06 Budget. It is, however, \$1.7 million higher than forecast expenditure in the current year, which largely reflects the ongoing program of telecommunications interception systems.

### **Capital Expenditure**

In 2006-07, the Commission's is expected to spend a total of \$2.4 million, including \$1.5 million for the replacement of its telecommunications interceptions system. A further \$144,000 will be used to replace IT equipment as current leases expire.

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**MINISTER FOR POLICE**  
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|   | 2005-06       |              | 2006-07      |
|---|---------------|--------------|--------------|
|   | Budget        | Revised      | Budget       |
|   | \$000         | \$000        | \$000        |
| <b>OPERATING STATEMENT</b>                    |               |              |              |
| <b>Expenses Excluding Losses -</b>            |               |              |              |
| Operating expenses -                          |               |              |              |
| Employee related                              | 5,239         | 4,852        | <b>3,608</b> |
| Other operating expenses                      | 2,604         | 2,392        | <b>1,313</b> |
| Depreciation and amortisation                 | 150           | 196          | <b>216</b>   |
| Grants and subsidies                          | 2,200         | 1,950        | <b>2,250</b> |
| <b>Total Expenses Excluding Losses</b>        | <b>10,193</b> | <b>9,390</b> | <b>7,387</b> |
| Less:   |               |              |              |
| <b>Retained Revenue -</b>                     |               |              |              |
| Sales of goods and services                   | 2             | 2            | <b>2</b>     |
| Investment income                             | 41            | 68           | <b>60</b>    |
| <b>Total Retained Revenue</b>                 | <b>43</b>     | <b>70</b>    | <b>62</b>    |
| Gain/(loss) on disposal of non current assets | ...           | (1)          | ...          |
| <b>NET COST OF SERVICES</b>                   | <b>10,150</b> | <b>9,321</b> | <b>7,325</b> |

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|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 4,900           | 4,618            | <b>3,426</b>    |
| Grants and subsidies                            | 2,200           | 1,950            | <b>2,250</b>    |
| Other   | 2,818           | 2,640            | <b>1,528</b>    |
| <b>Total Payments</b>                           | <b>9,918</b>    | <b>9,208</b>     | <b>7,204</b>    |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 2               | 2                | <b>2</b>        |
| Interest  | 41              | 68               | <b>62</b>       |
| Other   | 215             | 254              | <b>215</b>      |
| <b>Total Receipts</b>                           | <b>258</b>      | <b>324</b>       | <b>279</b>      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(9,660)</b>  | <b>(8,884)</b>   | <b>(6,925)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (62)            | (63)             | <b>(107)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(62)</b>     | <b>(63)</b>      | <b>(107)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 9,837           | 9,837            | <b>7,154</b>    |
| Capital appropriation                           | 62              | 62               | <b>107</b>      |
| Cash transfers to Consolidated Fund             | ...             | (1,195)          | ...             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>9,899</b>    | <b>8,704</b>     | <b>7,261</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>177</b>      | <b>(243)</b>     | <b>229</b>      |
| Opening Cash and Cash Equivalents               | 1,548           | 1,321            | <b>1,078</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>1,725</b>    | <b>1,078</b>     | <b>1,307</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (10,150)        | (9,321)          | <b>(7,325)</b>  |
| Non cash items added back                       | 419             | 449              | <b>450</b>      |
| Change in operating assets and liabilities      | 71              | (12)             | <b>(50)</b>     |
| <b>Net cash flow from operating activities</b>  | <b>(9,660)</b>  | <b>(8,884)</b>   | <b>(6,925)</b>  |

**MINISTER FOR POLICE**  
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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                                   |                 |                  |                 |
| <b>ASSETS -</b>  |                 |                  |                 |
| <b>Current Assets -</b>                                |                 |                  |                 |
| Cash assets  | 1,725           | 1,078            | 1,307           |
| Receivables  | 45              | 89               | 88              |
| Other  | 7               | 4                | 4               |
| <b>Total Current Assets</b>                            | <b>1,777</b>    | <b>1,171</b>     | <b>1,399</b>    |
| <b>Non Current Assets -</b>                            |                 |                  |                 |
| Property, plant and equipment -<br>Plant and equipment | 1,643           | 1,224            | 1,138           |
| Intangibles  | ...             | 206              | 183             |
| <b>Total Non Current Assets</b>                        | <b>1,643</b>    | <b>1,430</b>     | <b>1,321</b>    |
| <b>Total Assets</b>                                    | <b>3,420</b>    | <b>2,601</b>     | <b>2,720</b>    |
| <b>LIABILITIES -</b>                                   |                 |                  |                 |
| <b>Current Liabilities -</b>                           |                 |                  |                 |
| Payables   | 122             | 133              | 147             |
| Provisions   | 818             | 447              | 451             |
| <b>Total Current Liabilities</b>                       | <b>940</b>      | <b>580</b>       | <b>598</b>      |
| <b>Non Current Liabilities -</b>                       |                 |                  |                 |
| Provisions   | 58              | 480              | 411             |
| <b>Total Non Current Liabilities</b>                   | <b>58</b>       | <b>480</b>       | <b>411</b>      |
| <b>Total Liabilities</b>                               | <b>998</b>      | <b>1,060</b>     | <b>1,009</b>    |
| <b>NET ASSETS</b>                                      | <b>2,422</b>    | <b>1,541</b>     | <b>1,711</b>    |
| <b>EQUITY</b>  |                 |                  |                 |
| Accumulated funds                                      | 2,422           | 1,541            | 1,711           |
| <b>TOTAL EQUITY</b>                                    | <b>2,422</b>    | <b>1,541</b>     | <b>1,711</b>    |

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**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 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. To provide support to portfolio agencies and the Inspector of the Police Integrity Commission.

| <u>Activities</u> :                   | Average Staffing (EFT) |         |
|---------------------------------------|------------------------|---------|
|                                       | 2005-06                | 2006-07 |
| Policy advice and co-ordination       | 45                     | 31      |
| Police Integrity Commission Inspector | 1                      | 1       |
|                                       | 46                     | 32      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |               |              |              |
|---|---------------|--------------|--------------|
| Operating expenses -                      |               |              |              |
| Employee related                          | 5,239         | 4,852        | <b>3,608</b> |
| Other operating expenses                  | 2,604         | 2,392        | <b>1,313</b> |
| Depreciation and amortisation             | 150           | 196          | <b>216</b>   |
| Grants and subsidies                      |               |              |              |
| Voluntary organisations                   | 100           | 250          | <b>200</b>   |
| Grants to agencies for recurrent purposes | 2,100         | 1,700        | <b>2,050</b> |
| <b>Total Expenses Excluding Losses</b>    | <b>10,193</b> | <b>9,390</b> | <b>7,387</b> |

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**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                             | 41            | 68           | 60           |
| <b>Total Retained Revenue</b>                 | <b>43</b>     | <b>70</b>    | <b>62</b>    |
| Gain/(loss) on disposal of non current assets | ...           | (1)          | ...          |
| <b>NET COST OF SERVICES</b>                   | <b>10,150</b> | <b>9,321</b> | <b>7,325</b> |

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|                            |           |           |            |
|----------------------------|-----------|-----------|------------|
| <b>CAPITAL EXPENDITURE</b> | <b>62</b> | <b>63</b> | <b>107</b> |
|----------------------------|-----------|-----------|------------|

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**MINISTER FOR POLICE**  
**45 NSW POLICE**

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|   | 2005-06          |                  | <b>2006-07</b><br><b>Budget</b><br><b>\$000</b> |
|---|------------------|------------------|---|
|   | Budget<br>\$000  | Revised<br>\$000 |   |
| <b>OPERATING STATEMENT</b>                    |                  |                  |   |
| <b>Expenses Excluding Losses -</b>            |                  |                  |   |
| Operating expenses -                          |                  |                  |   |
| Employee related                              | 1,561,838        | 1,612,602        | <b>1,656,304</b>                                |
| Other operating expenses                      | 362,526          | 382,796          | <b>387,366</b>                                  |
| Depreciation and amortisation                 | 83,134           | 83,378           | <b>82,507</b>                                   |
| Grants and subsidies                          | ...              | 3,150            | <b>3,490</b>                                    |
| Finance costs                                 | 12,083           | 12,704           | <b>12,609</b>                                   |
| Other expenses                                | 1,800            | 8,728            | <b>38,681</b>                                   |
| <b>Total Expenses Excluding Losses</b>        | <b>2,021,381</b> | <b>2,103,358</b> | <b>2,180,957</b>                                |
| Less:   |                  |                  |   |
| <b>Retained Revenue -</b>                     |                  |                  |   |
| Sales of goods and services                   | 19,463           | 21,877           | <b>19,522</b>                                   |
| Investment income                             | 1,449            | 1,030            | <b>1,210</b>                                    |
| Grants and contributions                      | 11,166           | 21,502           | <b>45,517</b>                                   |
| Other revenue                                 | 3,456            | 5,225            | <b>4,679</b>                                    |
| <b>Total Retained Revenue</b>                 | <b>35,534</b>    | <b>49,634</b>    | <b>70,928</b>                                   |
| Gain/(loss) on disposal of non current assets | 14,249           | (368)            | <b>(1,240)</b>                                  |
| Other gains/(losses)                          | (21)             | (25)             | <b>(26)</b>                                     |
| <b>NET COST OF SERVICES</b>                   | <b>1,971,619</b> | <b>2,054,117</b> | <b>2,111,295</b>                                |

**MINISTER FOR POLICE**  
**45 NSW POLICE**

|   | 2005-06            |                    | 2006-07            |
|---|--------------------|--------------------|--------------------|
|   | Budget<br>\$000    | Revised<br>\$000   | Budget<br>\$000    |
| <b>CASH FLOW STATEMENT</b>                          |                    |                    |                    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                    |                    |                    |
| <b>Payments</b>                                     |                    |                    |                    |
| Employee related                                    | 1,415,874          | 1,430,768          | 1,518,635          |
| Grants and subsidies                                | ...                | 3,150              | 3,490              |
| Finance costs                                       | 12,083             | 12,404             | 12,309             |
| Other   | 412,004            | 444,429            | 497,161            |
| <b>Total Payments</b>                               | <b>1,839,961</b>   | <b>1,890,751</b>   | <b>2,031,595</b>   |
| <b>Receipts</b>                                     |                    |                    |                    |
| Sale of goods and services                          | 19,393             | 22,774             | 19,449             |
| Interest  | 1,449              | 1,031              | 1,210              |
| Other   | 62,733             | 83,192             | 106,328            |
| <b>Total Receipts</b>                               | <b>83,575</b>      | <b>106,997</b>     | <b>126,987</b>     |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(1,756,386)</b> | <b>(1,783,754)</b> | <b>(1,904,608)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                    |                    |                    |
| Proceeds from sale of property, plant and equipment | 18,000             | 6,000              | 10,000             |
| Purchases of property, plant and equipment          | (112,281)          | (88,368)           | (111,091)          |
| Other*  | ...                | (31,132)           | ...                |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(94,281)</b>    | <b>(113,500)</b>   | <b>(101,091)</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                    |                    |                    |
| Repayment of borrowings and advances                | (1,447)            | (1,208)            | (1,785)            |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(1,447)</b>     | <b>(1,208)</b>     | <b>(1,785)</b>     |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                    |                    |                    |
| Recurrent appropriation                             | 1,747,115          | 1,801,445          | 1,896,169          |
| Capital appropriation                               | 94,281             | 111,287            | 101,091            |
| Cash transfers to Consolidated Fund                 | ...                | (4,668)            | ...                |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>1,841,396</b>   | <b>1,908,064</b>   | <b>1,997,260</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(10,718)</b>    | <b>9,602</b>       | <b>(10,224)</b>    |

\* Comprises purchase of software intangibles.

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**MINISTER FOR POLICE**  
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|  | 2005-06            |                    | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|--------------------|--------------------|-------------------------------------|
|  | Budget<br>\$000    | Revised<br>\$000   |                                     |
| <b>CASH FLOW STATEMENT (cont)</b>              |                    |                    |                                     |
| Opening Cash and Cash Equivalents              | 27,992             | 24,983             | <b>34,585</b>                       |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>       | <b>17,274</b>      | <b>34,585</b>      | <b>24,361</b>                       |
| <b>CASH FLOW RECONCILIATION</b>                |                    |                    |                                     |
| Net cost of services                           | (1,971,619)        | (2,054,117)        | <b>(2,111,295)</b>                  |
| Non cash items added back                      | 226,087            | 216,176            | <b>216,849</b>                      |
| Change in operating assets and liabilities     | (10,854)           | 54,187             | <b>(10,162)</b>                     |
| <b>Net cash flow from operating activities</b> | <b>(1,756,386)</b> | <b>(1,783,754)</b> | <b>(1,904,608)</b>                  |

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|                                      | 2005-06          |                  | <b>2006-07</b>   |
|--------------------------------------|------------------|------------------|------------------|
|                                      | Budget<br>\$000  | Revised<br>\$000 |                  |
| <b>BALANCE SHEET</b>                 |                  |                  |                  |
| <b>ASSETS -</b>                      |                  |                  |                  |
| <b>Current Assets -</b>              |                  |                  |                  |
| Cash assets                          | 17,274           | 34,585           | <b>24,361</b>    |
| Receivables                          | 12,661           | 14,986           | <b>15,019</b>    |
| Inventories                          | 2,152            | 2,420            | <b>2,420</b>     |
| Assets held for sale                 | ...              | 12,614           | ...              |
| Other                                | 10,151           | 6,747            | <b>6,732</b>     |
| <b>Total Current Assets</b>          | <b>42,238</b>    | <b>71,352</b>    | <b>48,532</b>    |
| <b>Non Current Assets -</b>          |                  |                  |                  |
| Property, plant and equipment -      |                  |                  |                  |
| Land and building                    | 922,851          | 909,291          | <b>966,624</b>   |
| Plant and equipment                  | 301,309          | 220,796          | <b>226,934</b>   |
| Intangibles                          | ...              | 99,690           | <b>93,367</b>    |
| <b>Total Non Current Assets</b>      | <b>1,224,160</b> | <b>1,229,777</b> | <b>1,286,925</b> |
| <b>Total Assets</b>                  | <b>1,266,398</b> | <b>1,301,129</b> | <b>1,335,457</b> |
| <b>LIABILITIES -</b>                 |                  |                  |                  |
| <b>Current Liabilities -</b>         |                  |                  |                  |
| Payables                             | 45,287           | 46,404           | <b>38,406</b>    |
| Borrowings                           | 2,038            | 1,785            | <b>2,385</b>     |
| Provisions                           | 173,666          | 149,036          | <b>149,206</b>   |
| Other                                | 16,890           | 25,911           | <b>17,479</b>    |
| <b>Total Current Liabilities</b>     | <b>237,881</b>   | <b>223,136</b>   | <b>207,476</b>   |
| <b>Non Current Liabilities -</b>     |                  |                  |                  |
| Borrowings                           | 182,558          | 188,311          | <b>185,926</b>   |
| Provisions                           | 62,459           | 122,847          | <b>128,563</b>   |
| Other                                | ...              | 8,562            | <b>7,722</b>     |
| <b>Total Non Current Liabilities</b> | <b>245,017</b>   | <b>319,720</b>   | <b>322,211</b>   |
| <b>Total Liabilities</b>             | <b>482,898</b>   | <b>542,856</b>   | <b>529,687</b>   |
| <b>NET ASSETS</b>                    | <b>783,500</b>   | <b>758,273</b>   | <b>805,770</b>   |
| <b>EQUITY</b>                        |                  |                  |                  |
| Reserves                             | 275,779          | 285,353          | <b>312,544</b>   |
| Accumulated funds                    | 507,721          | 472,920          | <b>493,226</b>   |
| <b>TOTAL EQUITY</b>                  | <b>783,500</b>   | <b>758,273</b>   | <b>805,770</b>   |

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## MINISTER FOR POLICE

### 45 NSW POLICE

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|   | Units | 2003-04 | 2004-05 | 2005-06 | 2006-07       |
|---|-------|---------|---------|---------|---------------|
| <u>Average Staffing across all Programs:</u>          |       |         |         |         |               |
| Total NSW Police (sworn and civilian)                 | EFT   | 18,500  | 18,250  | 18,050  | <b>18,464</b> |
| Total actual police positions at operational Commands | %     | 95      | 95      | 95      | <b>95</b>     |

#### 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 | 2003-04 | 2004-05 | 2005-06 | 2006-07    |
|---|-------|---------|---------|---------|------------|
| <u>Outcomes:</u>  |       |         |         |         |            |
| Reported incidents of crime -<br>Personal crime (Assault and Robbery) | thous | 79      | 80      | 82      | <b>84</b>  |
| Property crime (Break and Enter,<br>Stealing and Vehicle Theft)       | thous | 315     | 282     | 268     | <b>268</b> |

#### Outputs:

|   |      |     |     |     |            |
|---|------|-----|-----|-----|------------|
| Calls for service -<br>Urgent calls                       | mill | 0.1 | 0.1 | 0.1 | <b>0.1</b> |
| Non-urgent calls  | mill | 1.4 | 1.4 | 1.5 | <b>1.5</b> |
| Number of minutes to attend 80% of<br>calls for service - |      |     |     |     |            |
| Urgent calls  | no.  | 11  | 11  | 10  | <b>10</b>  |
| Non-urgent calls  | no.  | 50  | 56  | 60  | <b>60</b>  |

Note: Performance indicators for outcomes and outputs vary from previous Budget Papers due to their revision in line with NSW Police's 2006-07 Results and Services Plan. Historical data may also vary from previously published figures where more accurate information has become available.

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**MINISTER FOR POLICE**  
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**45.1 Policing Services**

**45.1.1 Community Support (cont)**

|  | 2005-06          |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|------------------|------------------|-------------------------------------|
|  | Budget<br>\$000  | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>   |                  |                  |                                     |
| <b>Expenses Excluding Losses -</b>   |                  |                  |                                     |
| Operating expenses -   |                  |                  |                                     |
| Employee related   | 868,382          | 919,182          | <b>944,093</b>                      |
| Other operating expenses   | 201,565          | 218,193          | <b>220,797</b>                      |
| Depreciation and amortisation  | 46,222           | 47,523           | <b>47,031</b>                       |
| Grants and subsidies   |                  |                  |                                     |
| Community youth projects and adolescent support programs                   | ...              | 1,795            | <b>1,990</b>                        |
| Finance costs  |                  |                  |                                     |
| Finance lease interest charges to private sector - raised within Australia | 6,707            | 7,069            | <b>7,016</b>                        |
| Other finance costs  | 11               | 172              | <b>172</b>                          |
| Other expenses   |                  |                  |                                     |
| Witnesses expenses   | ...              | 1,005            | <b>1,005</b>                        |
| APEC 2007 security   | ...              | 6,964            | <b>36,917</b>                       |
| <b>Total Expenses Excluding Losses</b>                                     | <b>1,122,887</b> | <b>1,201,903</b> | <b>1,259,021</b>                    |
| Less:  |                  |                  |                                     |
| <b>Retained Revenue -</b>  |                  |                  |                                     |
| Sales of goods and services  |                  |                  |                                     |
| Rents and leases   | 3,519            | 1,356            | <b>1,642</b>                        |
| Officers on loan   | 3,208            | 3,546            | <b>2,619</b>                        |
| Insurance reports  | ...              | 2,024            | <b>1,326</b>                        |
| Academy operations   | 867              | 973              | <b>811</b>                          |
| Inventory sales to other agencies  | 41               | 11               | <b>12</b>                           |
| Minor sales of goods and services  | 4,281            | 4,560            | <b>4,715</b>                        |
| Investment income  | 806              | 587              | <b>691</b>                          |
| Grants and contributions   | 2,316            | 15,250           | <b>41,818</b>                       |
| Other revenue  | 1,922            | 2,976            | <b>2,667</b>                        |
| <b>Total Retained Revenue</b>  | <b>16,960</b>    | <b>31,283</b>    | <b>56,301</b>                       |

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**MINISTER FOR POLICE**  
**45 NSW POLICE**

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**45.1 Policing Services**

**45.1.1 Community Support (cont)**

***OPERATING STATEMENT (cont)***

|   |       |       |              |
|---|-------|-------|--------------|
| Gain/(loss) on disposal of non current assets | 7,922 | (210) | <b>(707)</b> |
| Other gains/(losses)                          | (13)  | (13)  | <b>(15)</b>  |

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|                             |                  |                  |                  |
|-----------------------------|------------------|------------------|------------------|
| <b>NET COST OF SERVICES</b> | <b>1,098,018</b> | <b>1,170,843</b> | <b>1,203,442</b> |
|-----------------------------|------------------|------------------|------------------|

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>62,428</b> | <b>68,156</b> | <b>63,322</b> |
|----------------------------|---------------|---------------|---------------|

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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 2005-06 Budget and Revised figures are not strictly comparable as the actual deployment of officers varied from earlier Budget projections.

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**MINISTER FOR POLICE**  
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**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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Reported incidents of crime -                                   |       |         |         |         |                |
| Personal crime (Assault and Robbery)                            | thous | 79      | 80      | 82      | <b>84</b>      |
| Property crime (Break and Enter,<br>Stealing and Vehicle Theft) | thous | 315     | 282     | 268     | <b>268</b>     |
| <br><u>Outputs:</u>   |       |         |         |         |                |
| Legal actions (excluding traffic<br>infringements)              | thous | 181     | 191     | 184     | <b>190</b>     |
| Crime scenes forensically examined                              | thous | 100     | 125     | 130     | <b>130</b>     |
| Forensic procedure incidents                                    | thous | 2.8     | 3.3     | 3.4     | <b>3.4</b>     |

Note: Performance indicators for outcomes and outputs vary from previous Budget Papers due to their revision in line with NSW Police's 2006-07 Results and Services Plan. Historical data may also vary from previously published figures where more accurate information has become available.

| —————2005-06————— |         | <b>2006-07</b> |
|-------------------|---------|----------------|
| Budget            | Revised | <b>Budget</b>  |
| \$000             | \$000   | <b>\$000</b>   |

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***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |         |         |                |
|---|---------|---------|----------------|
| Operating expenses -  |         |         |                |
| Employee related  | 401,392 | 425,727 | <b>437,263</b> |
| Other operating expenses                                    | 93,168  | 101,058 | <b>102,265</b> |
| Depreciation and amortisation                               | 21,365  | 22,013  | <b>21,781</b>  |
| Grants and subsidies  |         |         |                |
| Community youth projects and adolescent<br>support programs | ...     | 832     | <b>921</b>     |

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**MINISTER FOR POLICE**  
**45 NSW POLICE**

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**45.1 Policing Services**

**45.1.2 Criminal Investigation (cont)**

***OPERATING STATEMENT (cont)***

|  |                |                |                |
|--|----------------|----------------|----------------|
| Finance costs  |                |                |                |
| Finance lease interest charges to private sector - raised within Australia | 3,100          | 3,275          | <b>3,250</b>   |
| Other finance costs  | 5              | 79             | <b>79</b>      |
| Other expenses   |                |                |                |
| Witnesses expenses   | ...            | 466            | <b>466</b>     |
| <b>Total Expenses Excluding Losses</b>                                     | <b>519,030</b> | <b>553,450</b> | <b>566,025</b> |
| Less:  |                |                |                |
| <b>Retained Revenue -</b>  |                |                |                |
| Sales of goods and services  |                |                |                |
| Rents and leases   | ...            | 629            | <b>761</b>     |
| Officers on loan   | 1,036          | 1,642          | <b>1,214</b>   |
| Insurance reports  | ...            | 937            | <b>614</b>     |
| Academy operations   | 401            | 450            | <b>376</b>     |
| Inventory sales to other agencies  | ...            | 5              | <b>5</b>       |
| Minor sales of goods and services  | 1,979          | 2,112          | <b>2,184</b>   |
| Investment income  | 372            | 272            | <b>319</b>     |
| Grants and contributions   | 1,071          | 3,839          | <b>2,271</b>   |
| Other revenue  | 888            | 1,380          | <b>1,235</b>   |
| <b>Total Retained Revenue</b>  | <b>5,747</b>   | <b>11,266</b>  | <b>8,979</b>   |
| Gain/(loss) on disposal of non current assets                              | 3,662          | (97)           | <b>(327)</b>   |
| Other gains/(losses)   | (5)            | (8)            | <b>(7)</b>     |
| <b>NET COST OF SERVICES</b>  | <b>509,626</b> | <b>542,289</b> | <b>557,380</b> |
| <br>   |                |                |                |
| <b>CAPITAL EXPENDITURE</b>   | <b>28,856</b>  | <b>31,568</b>  | <b>29,328</b>  |

Note: The allocation of costs across individual programs is based on the proportion of time rostered to various designated policing activities. The 2005-06 Budget and Revised figures are not strictly comparable as the actual deployment of officers varied from earlier Budget projections.

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**MINISTER FOR POLICE**  
**45 NSW POLICE**

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**45.1 Policing Services**

**45.1.3 Traffic**

Program Objective(s): To minimise road trauma and promote orderly and safe public transport and road use.

Program Description: Patrolling roads, highways and public transport corridors, investigating major vehicle crashes, detecting traffic and transport offences (particularly those involving alcohol or drugs, and speed), supervising peak traffic flows. Liaising with community and Government bodies concerned with road safety, traffic management and public transport.

| <u>Outcomes</u> :                                 | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Major traffic accidents -                         |       |         |         |         |                |
| Injury incidents                                  | thous | 20.9    | 20.4    | 20.0    | <b>19.5</b>    |
| Fatal incidents                                   | no.   | 484     | 464     | 500     | <b>450</b>     |
| <br><u>Outputs</u> :                              |       |         |         |         |                |
| Random breath tests undertaken                    | mill  | 3.1     | 3.4     | 3.3     | <b>3.3</b>     |
| Prescribed Concentration of Alcohol (PCA) charges | thous | 26.5    | 27.4    | 25.2    | <b>25.0</b>    |
| Traffic infringement notices                      | thous | 567     | 539     | 506     | <b>550</b>     |

Note: Performance indicators for outcomes and outputs vary from previous Budget Papers due to their revision in line with NSW Police's 2006-07 Results and Services Plan. Historical data may also vary from previously published figures where more accurate information has become available.

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |         |         |                |
|--|---------|---------|----------------|
| Operating expenses -                                     |         |         |                |
| Employee related   | 160,870 | 141,909 | <b>145,754</b> |
| Other operating expenses                                 | 37,340  | 33,686  | <b>34,089</b>  |
| Depreciation and amortisation                            | 8,564   | 7,338   | <b>7,261</b>   |
| Grants and subsidies                                     |         |         |                |
| Community youth projects and adolescent support programs | ...     | 277     | <b>307</b>     |

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**MINISTER FOR POLICE**  
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**45.1 Policing Services**

**45.1.3 Traffic (cont)**

***OPERATING STATEMENT (cont)***

|  |                |                |                |
|--|----------------|----------------|----------------|
| Finance costs  |                |                |                |
| Finance lease interest charges to private sector - raised within Australia | 1,243          | 1,092          | <b>1,083</b>   |
| Other finance costs  | 2              | 26             | <b>26</b>      |
| Other expenses   |                |                |                |
| Witnesses expenses   | ...            | 155            | <b>155</b>     |
| <b>Total Expenses Excluding Losses</b>                                     | <b>208,019</b> | <b>184,483</b> | <b>188,675</b> |
| Less:  |                |                |                |
| <b>Retained Revenue -</b>  |                |                |                |
| Sales of goods and services  |                |                |                |
| Rents and leases   | ...            | 210            | <b>254</b>     |
| Officers on loan   | ...            | 547            | <b>405</b>     |
| Insurance reports  | 2,400          | 312            | <b>205</b>     |
| Academy operations   | 161            | 150            | <b>125</b>     |
| Inventory sales to other agencies  | ...            | 2              | <b>2</b>       |
| Minor sales of goods and services  | 793            | 704            | <b>728</b>     |
| Investment income  | 149            | 91             | <b>106</b>     |
| Grants and contributions   | 7,429          | 1,279          | <b>757</b>     |
| Other revenue  | 356            | 461            | <b>412</b>     |
| <b>Total Retained Revenue</b>  | <b>11,288</b>  | <b>3,756</b>   | <b>2,994</b>   |
| Gain/(loss) on disposal of non current assets                              | 1,468          | (32)           | <b>(109)</b>   |
| Other gains/(losses)   | (2)            | (2)            | <b>(2)</b>     |
| <b>NET COST OF SERVICES</b>  | <b>195,265</b> | <b>180,761</b> | <b>185,792</b> |
| <br>   |                |                |                |
| <b>CAPITAL EXPENDITURE</b>   | <b>11,565</b>  | <b>10,523</b>  | <b>9,776</b>   |

Note: The allocation of costs across individual programs is based on the proportion of time rostered to various designated policing activities. The 2005-06 Budget and Revised figures are not strictly comparable as the actual deployment of officers varied from earlier Budget projections.

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**MINISTER FOR POLICE**  
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**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.

|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| <u>Outcomes:</u>   |       |         |         |         |                |
| Offences successfully prosecuted   | thous | 236     | 250     | 233     | <b>243</b>     |
| Offences dismissed   | thous | 19.1    | 20.2    | 20.5    | <b>20.2</b>    |
| <u>Outputs:</u>  |       |         |         |         |                |
| Total legal actions where alleged offenders are proceeded against in Court | thous | 135     | 143     | 137     | <b>140</b>     |
| Juveniles formally diverted from Court                                     | thous | 13.5    | 13.8    | 13.0    | <b>13.5</b>    |
| Juveniles with formal diversions   | %     | 55      | 54      | 50      | <b>51</b>      |

Note: Performance indicators for outcomes and outputs vary from previous Budget Papers due to their revision in line with NSW Police's 2006-07 Results and Services Plan. Historical data may also vary from previously published figures where more accurate information has become available.

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |         |         |                |
|--|---------|---------|----------------|
| Operating expenses -                                     |         |         |                |
| Employee related   | 131,194 | 125,784 | <b>129,194</b> |
| Other operating expenses                                 | 30,453  | 29,859  | <b>30,215</b>  |
| Depreciation and amortisation                            | 6,983   | 6,504   | <b>6,434</b>   |
| Grants and subsidies                                     |         |         |                |
| Community youth projects and adolescent support programs | ...     | 246     | <b>272</b>     |

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**MINISTER FOR POLICE**  
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**45.1 Policing Services**

**45.1.4 Judicial Support (cont)**

***OPERATING STATEMENT (cont)***

|  |                |                |                |
|--|----------------|----------------|----------------|
| Finance costs  |                |                |                |
| Finance lease interest charges to private sector - raised within Australia | 1,013          | 968            | <b>960</b>     |
| Other finance costs  | 2              | 23             | <b>23</b>      |
| Other expenses   |                |                |                |
| Witnesses expenses   | 1,800          | 138            | <b>138</b>     |
| <b>Total Expenses Excluding Losses</b>                                     | <b>171,445</b> | <b>163,522</b> | <b>167,236</b> |
| Less:  |                |                |                |
| <b>Retained Revenue -</b>  |                |                |                |
| Sales of goods and services  |                |                |                |
| Rents and leases   | ...            | 186            | <b>225</b>     |
| Officers on loan   | ...            | 485            | <b>359</b>     |
| Insurance reports  | ...            | 277            | <b>182</b>     |
| Academy operations   | 130            | 133            | <b>111</b>     |
| Inventory sales to other agencies  | ...            | 2              | <b>2</b>       |
| Minor sales of goods and services  | 647            | 624            | <b>645</b>     |
| Investment income  | 122            | 80             | <b>94</b>      |
| Grants and contributions   | 350            | 1,134          | <b>671</b>     |
| Other revenue  | 290            | 408            | <b>365</b>     |
| <b>Total Retained Revenue</b>  | <b>1,539</b>   | <b>3,329</b>   | <b>2,654</b>   |
| Gain/(loss) on disposal of non current assets                              | 1,197          | (29)           | <b>(97)</b>    |
| Other gains/(losses)   | (1)            | (2)            | <b>(2)</b>     |
| <b>NET COST OF SERVICES</b>  | <b>168,710</b> | <b>160,224</b> | <b>164,681</b> |
| <br>   |                |                |                |
| <b>CAPITAL EXPENDITURE</b>   | <b>9,432</b>   | <b>9,326</b>   | <b>8,665</b>   |

Note: The allocation of costs across individual programs is based on the proportion of time rostered to various designated policing activities. The 2005-06 Budget and Revised figures are not strictly comparable as the actual deployment of officers varied from earlier Budget projections.

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**MINISTER FOR POLICE**  
**46 NEW SOUTH WALES CRIME COMMISSION**

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|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating expenses -                   |                 |                  |                                     |
| Employee related                       | 11,118          | 11,295           | <b>11,581</b>                       |
| Other operating expenses               | 4,162           | 3,634            | <b>4,207</b>                        |
| Depreciation and amortisation          | 1,648           | 1,648            | <b>1,333</b>                        |
| Other expenses                         | 19              | 119              | <b>431</b>                          |
| <b>Total Expenses Excluding Losses</b> | <b>16,947</b>   | <b>16,696</b>    | <b>17,552</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 5               | 5                | <b>5</b>                            |
| Investment income                      | 55              | 25               | <b>30</b>                           |
| Other revenue                          | 3,186           | 3,186            | <b>3,362</b>                        |
| <b>Total Retained Revenue</b>          | <b>3,246</b>    | <b>3,216</b>     | <b>3,397</b>                        |
| Other gains/(losses)                   | ...             | (85)             | <b>(3)</b>                          |
| <b>NET COST OF SERVICES</b>            | <b>13,701</b>   | <b>13,565</b>    | <b>14,158</b>                       |

**MINISTER FOR POLICE**  
**46 NEW SOUTH WALES CRIME COMMISSION**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 10,832          | 10,747           | 11,109          |
| Finance costs                                   | ...             | 7                | ...             |
| Other   | 4,574           | 4,230            | 4,952           |
| <b>Total Payments</b>                           | <b>15,406</b>   | <b>14,984</b>    | <b>16,061</b>   |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 5               | 10               | 3               |
| Retained taxes                                  | (3)             | ...              | ...             |
| Interest  | 55              | 3                | 30              |
| Other   | 3,893           | 3,581            | 3,555           |
| <b>Total Receipts</b>                           | <b>3,950</b>    | <b>3,594</b>     | <b>3,588</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(11,456)</b> | <b>(11,390)</b>  | <b>(12,473)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (2,586)         | (1,478)          | (2,461)         |
| Other   | ...             | (108)            | (100)           |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(2,586)</b>  | <b>(1,586)</b>   | <b>(2,561)</b>  |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 11,489          | 11,589           | 12,194          |
| Capital appropriation                           | 2,586           | 1,586            | 2,561           |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>14,075</b>   | <b>13,175</b>    | <b>14,755</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>33</b>       | <b>199</b>       | <b>(279)</b>    |
| Opening Cash and Cash Equivalents               | 134             | 524              | 723             |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>167</b>      | <b>723</b>       | <b>444</b>      |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (13,701)        | (13,565)         | (14,158)        |
| Non cash items added back                       | 2,035           | 2,083            | 1,742           |
| Change in operating assets and liabilities      | 210             | 92               | (57)            |
| <b>Net cash flow from operating activities</b>  | <b>(11,456)</b> | <b>(11,390)</b>  | <b>(12,473)</b> |

**MINISTER FOR POLICE**  
**46 NEW SOUTH WALES CRIME COMMISSION**

|                                      | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--------------------------------------|-----------------|------------------|-------------------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>BALANCE SHEET</b>                 |                 |                  |                                     |
| <b>ASSETS -</b>                      |                 |                  |                                     |
| <b>Current Assets -</b>              |                 |                  |                                     |
| Cash assets                          | 167             | 723              | <b>444</b>                          |
| Receivables                          | 1,283           | 1,718            | <b>1,753</b>                        |
| Other                                | 102             | 120              | <b>120</b>                          |
| <b>Total Current Assets</b>          | <b>1,552</b>    | <b>2,561</b>     | <b>2,317</b>                        |
| <b>Non Current Assets -</b>          |                 |                  |                                     |
| Receivables                          | ...             | ...              | <b>160</b>                          |
| Property, plant and equipment -      |                 |                  |                                     |
| Land and building                    | 12,243          | 13,496           | <b>13,266</b>                       |
| Plant and equipment                  | 5,535           | 4,203            | <b>5,661</b>                        |
| Intangibles                          | ...             | 381              | <b>381</b>                          |
| <b>Total Non Current Assets</b>      | <b>17,778</b>   | <b>18,080</b>    | <b>19,468</b>                       |
| <b>Total Assets</b>                  | <b>19,330</b>   | <b>20,641</b>    | <b>21,785</b>                       |
| <b>LIABILITIES -</b>                 |                 |                  |                                     |
| <b>Current Liabilities -</b>         |                 |                  |                                     |
| Payables                             | 805             | 585              | <b>660</b>                          |
| Borrowings                           | ...             | 413              | <b>413</b>                          |
| Provisions                           | 587             | 717              | <b>780</b>                          |
| <b>Total Current Liabilities</b>     | <b>1,392</b>    | <b>1,715</b>     | <b>1,853</b>                        |
| <b>Non Current Liabilities -</b>     |                 |                  |                                     |
| Borrowings                           | 1,400           | 139              | <b>139</b>                          |
| Provisions                           | 179             | 179              | <b>179</b>                          |
| <b>Total Non Current Liabilities</b> | <b>1,579</b>    | <b>318</b>       | <b>318</b>                          |
| <b>Total Liabilities</b>             | <b>2,971</b>    | <b>2,033</b>     | <b>2,171</b>                        |
| <b>NET ASSETS</b>                    | <b>16,359</b>   | <b>18,608</b>    | <b>19,614</b>                       |
| <b>EQUITY</b>                        |                 |                  |                                     |
| Reserves                             | 6,073           | 7,313            | <b>7,313</b>                        |
| Accumulated funds                    | 10,286          | 11,295           | <b>12,301</b>                       |
| <b>TOTAL EQUITY</b>                  | <b>16,359</b>   | <b>18,608</b>    | <b>19,614</b>                       |

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**MINISTER FOR POLICE**  
**46 NEW SOUTH WALES CRIME COMMISSION**

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**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.

| <u>Activities:</u>          | Average Staffing (EFT) |         |
|-----------------------------|------------------------|---------|
|                             | 2005-06                | 2006-07 |
| Commission                  | 1                      | 1       |
| Operations Division         | 94                     | 94      |
| Operations Support Division | 18                     | 18      |
| Casual Staff                | 46                     | 46      |
|                             | 159                    | 159     |

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                   |               |               |               |
| Employee related                       | 11,118        | 11,295        | <b>11,581</b> |
| Other operating expenses               | 4,162         | 3,634         | <b>4,207</b>  |
| Depreciation and amortisation          | 1,648         | 1,648         | <b>1,333</b>  |
| Other expenses                         |               |               |               |
| Witness protection expenses            | 19            | 119           | <b>431</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>16,947</b> | <b>16,696</b> | <b>17,552</b> |

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**MINISTER FOR POLICE**  
**46 NEW SOUTH WALES CRIME COMMISSION**

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**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             | <b>5</b>      |
| Investment income                 | 55            | 25            | <b>30</b>     |
| Other revenue                     | 3,186         | 3,186         | <b>3,362</b>  |
| <b>Total Retained Revenue</b>     | <b>3,246</b>  | <b>3,216</b>  | <b>3,397</b>  |
| Other gains/(losses)              | ...           | (85)          | <b>(3)</b>    |
| <b>NET COST OF SERVICES</b>       | <b>13,701</b> | <b>13,565</b> | <b>14,158</b> |

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|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>2,586</b> | <b>1,586</b> | <b>2,561</b> |
|----------------------------|--------------|--------------|--------------|

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**MINISTER FOR POLICE**  
**47 POLICE INTEGRITY COMMISSION**

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|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>             |               |               |               |
| <b>Expenses Excluding Losses -</b>     |               |               |               |
| Operating expenses -                   |               |               |               |
| Employee related                       | 11,782        | 11,216        | <b>12,200</b> |
| Other operating expenses               | 4,717         | 4,335         | <b>4,789</b>  |
| Depreciation and amortisation          | 1,473         | 1,014         | <b>1,319</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>17,972</b> | <b>16,565</b> | <b>18,308</b> |
| Less:                                  |               |               |               |
| <b>Retained Revenue -</b>              |               |               |               |
| Investment income                      | 31            | 70            | <b>50</b>     |
| <b>Total Retained Revenue</b>          | <b>31</b>     | <b>70</b>     | <b>50</b>     |
| <b>NET COST OF SERVICES</b>            | <b>17,941</b> | <b>16,495</b> | <b>18,258</b> |

**MINISTER FOR POLICE**  
**47 POLICE INTEGRITY COMMISSION**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 11,166          | 10,700           | <b>11,634</b>   |
| Other   | 5,347           | 5,140            | <b>5,399</b>    |
| <b>Total Payments</b>                           | <b>16,513</b>   | <b>15,840</b>    | <b>17,033</b>   |
| <b>Receipts</b>                                 |                 |                  |                 |
| Interest  | 36              | 53               | <b>53</b>       |
| Other   | 580             | 580              | <b>580</b>      |
| <b>Total Receipts</b>                           | <b>616</b>      | <b>633</b>       | <b>633</b>      |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(15,897)</b> | <b>(15,207)</b>  | <b>(16,400)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (2,549)         | (1,951)          | <b>(2,082)</b>  |
| Other   | ...             | ...              | <b>(290)</b>    |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(2,549)</b>  | <b>(1,951)</b>   | <b>(2,372)</b>  |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 16,116          | 15,372           | <b>16,567</b>   |
| Capital appropriation                           | 2,549           | 1,951            | <b>2,372</b>    |
| Cash transfers to Consolidated Fund             | ...             | (459)            | ...             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>18,665</b>   | <b>16,864</b>    | <b>18,939</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>219</b>      | <b>(294)</b>     | <b>167</b>      |
| Opening Cash and Cash Equivalents               | 753             | 1,263            | <b>969</b>      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>972</b>      | <b>969</b>       | <b>1,136</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (17,941)        | (16,495)         | <b>(18,258)</b> |
| Non cash items added back                       | 2,035           | 1,476            | <b>1,867</b>    |
| Change in operating assets and liabilities      | 9               | (188)            | <b>(9)</b>      |
| <b>Net cash flow from operating activities</b>  | <b>(15,897)</b> | <b>(15,207)</b>  | <b>(16,400)</b> |

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**MINISTER FOR POLICE**  
**47 POLICE INTEGRITY COMMISSION**

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|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 972             | 969              | 1,136           |
| Receivables                          | 171             | 194              | 221             |
| Other                                | 411             | 411              | 411             |
| <b>Total Current Assets</b>          | <b>1,554</b>    | <b>1,574</b>     | <b>1,768</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 94              | 23               | 95              |
| Plant and equipment                  | 3,985           | 3,226            | 4,096           |
| Intangibles                          | 412             | 198              | 309             |
| <b>Total Non Current Assets</b>      | <b>4,491</b>    | <b>3,447</b>     | <b>4,500</b>    |
| <b>Total Assets</b>                  | <b>6,045</b>    | <b>5,021</b>     | <b>6,268</b>    |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 183             | 183              | 189             |
| Provisions                           | 775             | 765              | 777             |
| <b>Total Current Liabilities</b>     | <b>958</b>      | <b>948</b>       | <b>966</b>      |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 135             | 135              | 135             |
| <b>Total Non Current Liabilities</b> | <b>135</b>      | <b>135</b>       | <b>135</b>      |
| <b>Total Liabilities</b>             | <b>1,093</b>    | <b>1,083</b>     | <b>1,101</b>    |
| <b>NET ASSETS</b>                    | <b>4,952</b>    | <b>3,938</b>     | <b>5,167</b>    |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 4,952           | 3,938            | 5,167           |
| <b>TOTAL EQUITY</b>                  | <b>4,952</b>    | <b>3,938</b>     | <b>5,167</b>    |

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**MINISTER FOR POLICE**  
**47 POLICE INTEGRITY COMMISSION**

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**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.

| <u>Activities</u> : | Average Staffing (EFT) |         |
|---------------------|------------------------|---------|
|                     | 2005-06                | 2006-07 |
| Commission          | 3                      | 3       |
| Operations          | 85                     | 86      |
| Support Services    | 25                     | 24      |
|                     | 113                    | 113     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|                               |        |        |               |
|-------------------------------|--------|--------|---------------|
| Operating expenses -          |        |        |               |
| Employee related              | 11,782 | 11,216 | <b>12,200</b> |
| Other operating expenses      | 4,717  | 4,335  | <b>4,789</b>  |
| Depreciation and amortisation | 1,473  | 1,014  | <b>1,319</b>  |

|  |               |               |               |
|--|---------------|---------------|---------------|
| <b>Total Expenses Excluding Losses</b> | <b>17,972</b> | <b>16,565</b> | <b>18,308</b> |
|--|---------------|---------------|---------------|

Less:

**Retained Revenue -**

|                   |    |    |           |
|-------------------|----|----|-----------|
| Investment income | 31 | 70 | <b>50</b> |
|-------------------|----|----|-----------|

|                               |           |           |           |
|-------------------------------|-----------|-----------|-----------|
| <b>Total Retained Revenue</b> | <b>31</b> | <b>70</b> | <b>50</b> |
|-------------------------------|-----------|-----------|-----------|

|                             |               |               |               |
|-----------------------------|---------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>17,941</b> | <b>16,495</b> | <b>18,258</b> |
|-----------------------------|---------------|---------------|---------------|

|                            |              |              |              |
|----------------------------|--------------|--------------|--------------|
| <b>CAPITAL EXPENDITURE</b> | <b>2,549</b> | <b>1,951</b> | <b>2,372</b> |
|----------------------------|--------------|--------------|--------------|

# MINISTER FOR ROADS

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## OVERVIEW

| <i>Agency</i>                      | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|------------------------------------|-----------------------------------|-----------------------------------|------------------------|
| <b>Roads and Traffic Authority</b> |                                   |                                   |                        |
| Total Expenses .....               | 2,308.4                           | 2,350.8                           | 1.8                    |
| Capital Expenditure .....          | 1,191.3                           | 1,594.9                           | 33.9                   |
| <b>Total, Minister for Roads</b>   |                                   |                                   |                        |
| Total Expenses .....               | <b>2,308.4</b>                    | <b>2,350.8</b>                    | <b>1.8</b>             |
| Capital Expenditure .....          | <b>1,191.3</b>                    | <b>1,594.9</b>                    | <b>33.9</b>            |

## ROADS AND TRAFFIC AUTHORITY

The NSW Roads and Traffic Authority's (RTA) focus is to deliver a safe, sustainable and efficient road transport system. It achieves this by managing, maintaining and developing the road network, regulating road use and educating users.

The Roads and Traffic Authority is a New South Wales statutory authority established in 1989 under the *Transport Administration Act 1988*.

## RESULTS AND SERVICES

Since 1995, there are an extra one million vehicles on our roads and an extra 600,000 drivers. There are 4.4 million licensed drivers in New South Wales and the RTA is responsible for managing 20,738 kilometres of roads across the State.

The RTA is committed to delivering the following results:

- ◆ A road transport system which provides reliable and efficient access between commercial, residential and recreational locations.
- ◆ Safer road user behaviour, vehicles and road environment.
- ◆ Minimising impacts on the natural, cultural and built environments.

Key services provided by the RTA to contribute to these results include:

- ◆ planning, designing, scheduling and organising the development of road and bridge works;
- ◆ managing the road network through a program of maintenance and reconstruction works;
- ◆ implementing initiatives to increase safe road use behaviour including licensing and registration; and
- ◆ improving road network performance through traffic control systems, managing incidents and route management strategies.

## **RECENT DEVELOPMENTS**

Total operating expenses for the RTA in 2005-06 are estimated at \$2,260 million. Capital expenditure in 2005-06, including asset acquisitions, is projected to be \$1,359 million with the total Capital and Maintenance Program projected at \$2,420 million.

Expenditure under the M4/M5 Cashback Scheme to reimburse tolls paid is expected to be \$83 million in 2005-06.

## **STRATEGIC DIRECTIONS**

### **Western Sydney**

The north-west is one of Sydney's fastest growing regions. The key projects designed to improve traffic flows are: the implementation of the Sydney Orbital route and associated projects; the continued upgrade of Old Windsor Road and Windsor Road; the North West Transitway; and the upgrade of Cowpasture Road and Camden Valley Way in south-western Sydney.

The \$420 million upgrade of Windsor Road is the largest urban arterial road program undertaken by any state government. It is approximately 28 kilometres in length with upgrades to both Windsor and Old Windsor Roads to provide four lanes between Parramatta and McGraths Hill, together with a high-level Windsor flood evacuation route across South Creek.

The upgrade will reduce traffic congestion and cut travel times from Sydney's North-West to the city and Parramatta, as well as providing a safer road environment for all road users. The flood evacuation route will give Windsor residents additional time to evacuate to safety in the event of a major flood.

## **The Sydney Orbital Network**

The Sydney Orbital network will be completed in 2006-07 at a cost of \$6,000 million, including \$3,300 million of privately funded projects. The Orbital Motorway Strategy is improving road links between key business and residential areas. The Orbital Network connects residents across Sydney to key locations including the city and the airport.

The 40 kilometre Westlink M7 links the M2 at West Baulkham Hills, the M4 at Eastern Creek and the M5/Hume Highway at Prestons.

Westlink M7 bypasses 48 sets of traffic lights, allowing a journey from south of Liverpool to Pennant Hills in less than 30 minutes.

The Westlink M7 is estimated to remove 60,000 vehicles per day, including 10,000 heavy vehicles, off the existing Western Sydney road network.

The Lane Cove Tunnel will be 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. The project also includes the widening of the Gore Hill Freeway to three lanes in each direction.

## **Pacific Highway**

The major program of upgrading the Pacific Highway is continuing between Hexham and the Queensland border. The NSW Government has contributed \$1,660 million or 72 per cent to the \$2,320 million, ten year Pacific Highway program.

In the next three years, the New South Wales and Commonwealth Governments are providing additional funding, with the Pacific Highway upgrading given a \$1,280 million funding boost – this includes the recent New South Wales commitment to an additional \$160 million, matched by the Commonwealth Government.

## **Hume Highway**

The RTA will commence the accelerated program to duplicate the Hume Highway, south of Sturt Highway to Albury in 2006-07.

## **Maintenance Strategy**

The RTA gives priority to managing its road network as a long-term renewable asset to ensure reliability, safety and retained value. The RTA's maintenance strategy focuses on ensuring timely intervention to minimise whole-of-life costs and ensure the ongoing serviceability of its roads. The continual renewal of road and bridge assets is also necessary to ensure structural capacity, safety and sustainability of the asset to meet road user needs. In managing the road network the RTA also looks to minimise inconvenience to road users resulting from maintenance works and incidents on the road network.

## **Integrated Transport**

The focus of 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, in partnership with the reform of bus services being implemented by the Ministry of Transport. Implementation includes new bus lanes, intersection improvements, responsive priority for buses at traffic signals, bus lane enforcement camera systems and bus only Transitways.

The Government has allocated \$170 million in 2006-07 for bus priority measures. This is made up of \$45 million (including an additional \$30 million provided in 2006-07) for strategic bus corridors and \$125 million for the North West Transitway.

Substantial progress on construction of the North West Transitway will continue in 2006-07. When completed in 2007, the Transitway will be in operation between Parramatta and Rouse Hill and Blacktown and Parklea.

## **Electronic tolling**

Electronic tolling is available on all tollways, and tags issued for each system can be used on any Australian tollway. New tollways such as the Lane Cove Tunnel, Westlink M7 and the Cross City Tunnel will operate without cash tollbooths to improve traffic flow on Sydney's Orbital Motorway network.

## **Railway Level Crossings**

The Government will continue its accelerated four year program of railway level crossing improvements. Funding of \$14 million has been committed over the past three years and a further \$7 million will be committed in 2006-07.

## **Road Safety**

Road Safety continues to be a priority issue and the RTA is working in partnership with State agencies, including the NSW Police. Emphasis will be maintained on initiatives to address issues such as speed, fatigue, drink and drug driving, occupant protection, school and youth programs, pedestrians, the police-enhanced enforcement program, motorcyclist and cyclist safety and safety, improvements to the road environment.

The RTA will be addressing a wide range of initiatives for improving the safety, efficiency and compliance of heavy vehicles. These include:

- ◆ implementation of chain of responsibility and speed deeming legislation;
- ◆ enforcement of road use and vehicle requirements and occupational safety;
- ◆ introduction of higher mass limits; and
- ◆ heavy vehicle driver/industry consultation.

## **Customer Service**

There will be a continued focus on providing a more flexible customer service environment through an increasing number of services being available via both the RTA's Call Centre and online service myRTA.com. Customers will be provided with better access to RTA services. This will include further expansion of the e-Safety Check Scheme. The RTA is also providing flexibility in its services so that customers have access to services such as through the internet and the Call Centre. Fundamental to this will be simplified procedures for customers and the use of new technologies.

The Government continues its campaign to combat identity fraud with proof of identity initiatives reducing the risk of fraudulent driver licences. These include systems and processes to enhance customer identification and enrolment procedures and a proof of identity unit.

## **2006-07 BUDGET**

The NSW Government is delivering a record roads budget in 2006-07 of \$3,298 million. The key highlights of the budget include:

- ◆ road safety, licensing and vehicle management strategies;
- ◆ transport management;
- ◆ continuation of the M4/M5 cashback scheme;
- ◆ road maintenance program; and
- ◆ major infrastructure projects in Sydney, regional and rural New South Wales.

### **Total Expenses**

The RTA's total expenditure is estimated at \$2,351 million in 2006-07.

### **Capital Expenditure**

The total Roads Program capital expenditure is estimated at \$1,692 million.

The NSW Government has contributed \$1,660 million to the ten year \$2,320 million Pacific Highway Upgrade Program, with the Commonwealth Government contributing \$660 million. The ten year milestone is reached at the end of June 2006.

Through agreement under the AusLink program, the New South Wales and Commonwealth Governments will each contribute up to \$640 million to further upgrade the Pacific Highway over the next three years – this includes the recent New South Wales commitment to an additional \$160 million, matched by the Commonwealth Government.

Funding in 2006-07 for major works on the Pacific Highway will include:

- ◆ \$100 million to complete the Brunswick Heads to Yelgun project;
- ◆ \$115 million to commence the Bonville Bypass and Karuah to Bulahdelah (sections two and three); and
- ◆ \$20 million to commence pre-loading earthworks for the Ballina Bypass.

The NSW Government will invest \$300 million in 2006-07 in north-western and south-western Sydney roads. Funding for key projects in progress include:

- ◆ \$125 million for the North West Transitway to link Parramatta, Rouse Hill and Blacktown;
- ◆ \$113 million for the widening of Windsor Road and Old Windsor Road between Parramatta and Windsor, linking north-western Sydney to the Sydney Orbital Motorway network and for a Windsor flood evacuation route over South Creek;
- ◆ \$7.5 million for grade separation of the intersection of Old Windsor Road and Norwest Boulevard at Bella Vista; and
- ◆ \$15 million to commence works for the extension of Narellan Road to the Northern Road.

The NSW Government has also committed funds to other major road works within Sydney including:

- ◆ commencement of the widening of The Spit Bridge (\$11 million in 2006-07);
- ◆ commencement of the duplication of Alford's Point Bridge (\$9 million in 2006-07);
- ◆ bus priority works on strategic bus corridors between Liverpool and Bankstown, Parramatta and Sydney CBD, and Castle Hill and Sydney CBD;
- ◆ pedestrian overbridges at Yagoona and Blakehurst; and
- ◆ intersection improvements at Camden Valley Way and Raby Road, Catherine Field.

The 12-year \$460 million program to upgrade the Penrith to Orange route will continue and include:

- ◆ \$6.5 million in 2006-07 to widen the Great Western Highway to four lanes with divided carriageways between Leura and Katoomba; and
- ◆ \$9.5 million in 2006-07 for the Woodford to Hazelbrook upgrade.

In the Hunter and Central Coast major road works to be funded in 2006-07 include:

- ◆ \$9 million to widen Five Islands Road from Booragul to Speers Point;
- ◆ \$6 million to widen Nelson Bay Rd;
- ◆ \$6 million for a new bridge crossing of the Hunter River at Maitland;
- ◆ \$5 million for a new replacement bridge at Tourle St;
- ◆ \$22 million to widen the Pacific Highway between Tuggerah and Wyong and at Ourimbah;
- ◆ \$20 million to widen The Entrance Road, from Terrigal Drive to Carlton Road and from Ocean View Drive to Tumbi Road; and
- ◆ other intersection and pedestrian facilities improvements on The Entrance Road, through Long Jetty and the Pacific Highway, Hexham.

In the Illawarra, South Coast and Southern Highlands the capital works program includes funding:

- ◆ the Government's ten year \$380 million Princes Highway upgrade, by commencing the dual carriageway from Oak Flats to Dunmore (\$8.2 million in 2006-07);
- ◆ the upgrade of Main Road 92 between Nowra and Nerriga (\$22 million in 2006-07);
- ◆ the Wollongong Northern Distributor extension (\$15 million in 2006-07);
- ◆ new ramps at Kiama to/from the Kiama bypass (\$5 million in 2006-07); and
- ◆ a new bridge on the Princes Highway at Pambula (\$7.5 million in 2006-07).

Funding in 2006-07 for work on the AusLink National Network, jointly funded by the New South Wales and the Commonwealth Governments, include:

- ◆ \$40 million for widening the F3 Freeway to six lanes between Mt Colah and Cowan;
- ◆ \$10 million for widening the northbound carriageway of the F5 Hume Highway to four lanes between Brooks Rd and Camden Valley Way at Ingleburn;

- ◆ \$30 million for the Coolac Bypass and the Sheahans Bridge duplication on the Hume Highway;
- ◆ \$135 million for the Albury-Wodonga Hume Freeway Project;
- ◆ \$15 million for the Halcombe Hill realignment on the New England Highway;
- ◆ \$10 million for commencement of Weakleys Drive interchange on the New England Highway;
- ◆ \$10 million for pre-construction works for the F3 to Branxton link; and
- ◆ \$18 million for the Moree Bypass and continuation of Bogan to Coobang realignment on the Newell Highway.

Under the maintenance program, \$145 million is to be spent on capital improvements associated with existing assets. Key areas of expenditure will include:

- ◆ strengthening and widening bridges, including:
  - Morpeth, Kelly's Gully near Warialda and Coombing Creek on the mid Western Highway; and
  - Junction Bridge at Tumut and Croobyar Creek on the Princes Highway.

### **Road Safety**

Key highlights from the Road Safety, Licensing and Vehicle Management 2006-07 program (total expenses estimated at \$446 million) include:

- ◆ campaigns focusing on fatigue, speed, drink driving and motorcycle safety;
- ◆ a focus on heavy vehicle safety and compliance with the implementation of chain of responsibility and speed deeming legislation;
- ◆ improving freight efficiency and compliance through the implementation of higher mass limits and Intelligent Access Program;
- ◆ enhancing the NSW safety around schools program and School Education Program;
- ◆ continuing the State's engineering crash reduction program, including \$11.8 million of road safety projects on the Princes Highway;

- ◆ undertaking research into vehicle safety through the RTA Crash Lab at a cost of \$5.5 million;
- ◆ working in partnership with NSW Police through the enhanced enforcement program;
- ◆ increasing the availability of online services; and
- ◆ continuing to work with other agencies to combat identity fraud.

### ***Traffic Management***

The Transport Management Centre is a state-of-the-art facility which will receive an additional \$44 million in 2006-07 for traffic management operations, including monitoring traffic systems, managing incidents and events, and providing information to road users.

More than 700 closed-circuit television cameras monitor the Sydney CBD, the approaches to Sydney and 800 kilometres of the Pacific Highway to ensure that traffic flows. In addition, cameras are used to increase safety with:

- ◆ 13 bus lane cameras;
- ◆ 27 SafeTCams;
- ◆ 102 Standard Fixed Speed Cameras; and
- ◆ 14 School Zone Cameras.

### ***M4/M5 Cashback***

The M4/M5 Cashback Scheme payments will continue with total program costs estimated at \$92 million in 2006-07. This is an estimated increase of \$9 million on 2005-06.

### ***Road Maintenance***

Maintenance of the existing road network is a key priority, with an estimated \$745 million to be spent in 2006-07 compared to an estimated \$662 million in 2005-06. Some key elements of this expenditure include:

- ◆ maintenance, resurfacing, patching and rehabilitation of road pavements including rest areas, slopes stability, and drainage improvements;
- ◆ maintenance, rehabilitation and painting of bridges; and

- ◆ widening and reconstructing road pavements, for example:
  - Gwydir Highway at Gravesend;
  - Nacka Nacka Creek on the Snowy Mountains Highway; and
  - Tabrabucca on the Castlereagh Highway.

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**PROGRAM SUMMARY**

|                            | 2005-06          |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|----------------------------|------------------|------------------|-------------------------------------|
|                            | Budget<br>\$000  | Revised<br>\$000 |                                     |
| <b>TOTAL ROADS PROGRAM</b> |                  |                  |                                     |
| Operating expenses *       | 1,601,958        | 1,539,760        | 1,605,810                           |
| Capital expenditure        | 1,280,650        | 1,359,464        | 1,691,927                           |
| <b>Total Roads Program</b> | <b>2,882,608</b> | <b>2,899,224</b> | <b>3,297,737</b>                    |

\* (excludes depreciation of infrastructure assets)

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**Consolidated Fund Appropriations to  
the Total Roads Program**

|                                       |                  |                  |                  |
|---------------------------------------|------------------|------------------|------------------|
| Motor vehicle taxation                | 1,046,000        | 1,054,000        | 1,105,100        |
| Consolidated Fund                     | 690,565          | 684,088          | 841,731          |
| Commonwealth road funds               | 471,627          | 493,847          | 694,570          |
| State funded crash related treatments | 25,900           | 25,900           | 26,500           |
| Interstate vehicle registrations      | 25,000           | 25,000           | 26,000           |
| Heavy vehicle overloading fines       | 3,793            | 4,100            | 4,200            |
| M4/M5 cashback                        | 83,000           | 83,000           | 92,000           |
| Untied Commonwealth roads funds       | 144,100          | 144,100          | 147,700          |
| <b>Total</b>                          | <b>2,489,985</b> | <b>2,514,035</b> | <b>2,937,801</b> |

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**SUMMARY OF AVERAGE STAFFING**

|                        | Average Staffing (EFT) |         |
|------------------------|------------------------|---------|
|                        | 2005-06                | 2006-07 |
| <b>AUTHORITY TOTAL</b> | 6,934                  | 6,861   |

(During 2005-06, School Crossing Supervisors became recognised as employees of the RTA, which represents as additional 218 EFTs)

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**MINISTER FOR ROADS**  
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|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>OPERATING STATEMENT</b>                    |                  |                  |                  |
| <b>Expenses Excluding Losses -</b>            |                  |                  |                  |
| Operating expenses -                          |                  |                  |                  |
| Employee related                              | 397,603          | 413,308          | <b>435,474</b>   |
| Other operating expenses                      | 1,044,975        | 1,031,645        | <b>1,093,943</b> |
| Depreciation and amortisation                 | 717,619          | 730,619          | <b>755,427</b>   |
| Grants and subsidies                          | 85,013           | 20,190           | <b>11,199</b>    |
| Finance costs                                 | 62,427           | 63,227           | <b>53,996</b>    |
| Other expenses                                | 771              | 771              | <b>771</b>       |
| <b>Total Expenses Excluding Losses</b>        | <b>2,308,408</b> | <b>2,259,760</b> | <b>2,350,810</b> |
| Less:   |                  |                  |                  |
| <b>Retained Revenue -</b>                     |                  |                  |                  |
| Sales of goods and services                   | 252,939          | 250,288          | <b>254,856</b>   |
| Investment income                             | 10,150           | 3,073            | <b>3,055</b>     |
| Grants and contributions                      | 50,487           | 50,234           | <b>39,659</b>    |
| Other revenue                                 | 71,192           | 81,103           | <b>92,885</b>    |
| <b>Total Retained Revenue</b>                 | <b>384,768</b>   | <b>384,698</b>   | <b>390,455</b>   |
| Gain/(loss) on disposal of non current assets | 64               | 369              | <b>252</b>       |
| Other gains/(losses)                          | (550)            | (1,000)          | <b>(1,000)</b>   |
| <b>NET COST OF SERVICES</b>                   | <b>1,924,126</b> | <b>1,875,693</b> | <b>1,961,103</b> |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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|   | 2005-06            |                    | 2006-07            |
|---|--------------------|--------------------|--------------------|
|   | Budget<br>\$000    | Revised<br>\$000   | Budget<br>\$000    |
| <b>CASH FLOW STATEMENT</b>                          |                    |                    |                    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                    |                    |                    |
| <b>Payments</b>                                     |                    |                    |                    |
| Employee related                                    | 389,875            | 405,580            | 427,553            |
| Grants and subsidies                                | 85,784             | 20,961             | 11,970             |
| Finance costs                                       | 57,600             | 58,343             | 52,391             |
| Other   | 1,230,653          | 1,262,013          | 1,325,312          |
| <b>Total Payments</b>                               | <b>1,763,912</b>   | <b>1,746,897</b>   | <b>1,817,226</b>   |
| <b>Receipts</b>                                     |                    |                    |                    |
| Sale of goods and services                          | 253,493            | 250,392            | 254,988            |
| Interest  | 10,150             | 3,073              | 3,055              |
| Other   | 218,313            | 257,445            | 241,145            |
| <b>Total Receipts</b>                               | <b>481,956</b>     | <b>510,910</b>     | <b>499,188</b>     |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(1,281,956)</b> | <b>(1,235,987)</b> | <b>(1,318,038)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                    |                    |                    |
| Proceeds from sale of property, plant and equipment | 32,624             | 33,421             | 23,102             |
| Advance repayments received                         | ...                | 3,018              | 9,233              |
| Purchases of property, plant and equipment          | (1,203,734)        | (1,351,603)        | (1,608,225)        |
| Advances made                                       | (2,019)            | ...                | ...                |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(1,173,129)</b> | <b>(1,315,164)</b> | <b>(1,575,920)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                    |                    |                    |
| Proceeds from borrowings and advances               | 8,290              | 8,290              | 8,290              |
| Repayment of borrowings and advances                | (82,400)           | (13,174)           | (83,433)           |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(74,110)</b>    | <b>(4,884)</b>     | <b>(75,143)</b>    |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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|  | 2005-06            |                    | 2006-07            |
|--|--------------------|--------------------|--------------------|
|  | Budget             | Revised            | Budget             |
|  | \$000              | \$000              | \$000              |
| <b>CASH FLOW STATEMENT (cont)</b>              |                    |                    |                    |
| <b>CASH FLOWS FROM GOVERNMENT</b>              |                    |                    |                    |
| Recurrent appropriation                        | 1,467,398          | 1,336,085          | <b>1,412,889</b>   |
| Capital appropriation                          | 1,022,587          | 1,177,950          | <b>1,524,912</b>   |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>          | <b>2,489,985</b>   | <b>2,514,035</b>   | <b>2,937,801</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>         | <b>(39,210)</b>    | <b>(42,000)</b>    | <b>(31,300)</b>    |
| Opening Cash and Cash Equivalents              | 250,501            | 185,264            | <b>143,264</b>     |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>       | <b>211,291</b>     | <b>143,264</b>     | <b>111,964</b>     |
| <b>CASH FLOW RECONCILIATION</b>                |                    |                    |                    |
| Net cost of services                           | (1,924,126)        | (1,875,693)        | <b>(1,961,103)</b> |
| Non cash items added back                      | 657,554            | 655,577            | <b>665,099</b>     |
| Change in operating assets and liabilities     | (15,384)           | (15,871)           | <b>(22,034)</b>    |
| <b>Net cash flow from operating activities</b> | <b>(1,281,956)</b> | <b>(1,235,987)</b> | <b>(1,318,038)</b> |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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|                                  | 2005-06           |                   | 2006-07           |
|----------------------------------|-------------------|-------------------|-------------------|
|                                  | Budget<br>\$000   | Revised<br>\$000  | Budget<br>\$000   |
| <b>BALANCE SHEET</b>             |                   |                   |                   |
| <b>ASSETS -</b>                  |                   |                   |                   |
| <b>Current Assets -</b>          |                   |                   |                   |
| Cash assets                      | 211,291           | 143,264           | 111,964           |
| Receivables                      | 117,814           | 133,256           | 133,256           |
| Inventories                      | 6,013             | 6,888             | 6,322             |
| Assets held for sale             | ...               | 37,265            | 37,265            |
| Other                            | 7,142             | 6,273             | 6,273             |
| <b>Total Current Assets</b>      | <b>342,260</b>    | <b>326,946</b>    | <b>295,080</b>    |
| <b>Non Current Assets -</b>      |                   |                   |                   |
| Receivables                      | 2,744             | 2,413             | 2,931             |
| Other financial assets           | 73,327            | 91,305            | 82,072            |
| Property, plant and equipment -  |                   |                   |                   |
| Land and building                | 3,253,412         | 3,393,177         | 3,403,177         |
| Plant and equipment              | 68,700            | 108,875           | 96,383            |
| Infrastructure systems           | 66,763,538        | 70,002,757        | 70,832,964        |
| Other                            | 1,007,866         | 1,038,264         | 1,130,763         |
| <b>Total Non Current Assets</b>  | <b>71,169,587</b> | <b>74,636,791</b> | <b>75,548,290</b> |
| <b>Total Assets</b>              | <b>71,511,847</b> | <b>74,963,737</b> | <b>75,843,370</b> |
| <b>LIABILITIES -</b>             |                   |                   |                   |
| <b>Current Liabilities -</b>     |                   |                   |                   |
| Payables                         | 470,906           | 442,797           | 438,271           |
| Borrowings                       | 28,617            | 160,585           | 160,585           |
| Provisions                       | 95,978            | 75,941            | 83,862            |
| Other                            | 88,593            | 99,155            | 102,847           |
| <b>Total Current Liabilities</b> | <b>684,094</b>    | <b>778,478</b>    | <b>785,565</b>    |

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**MINISTER FOR ROADS  
48 ROADS AND TRAFFIC AUTHORITY**

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|                                      | 2005-06           |                   | 2006-07           |
|--------------------------------------|-------------------|-------------------|-------------------|
|                                      | Budget<br>\$000   | Revised<br>\$000  | Budget<br>\$000   |
| <b>BALANCE SHEET (cont)</b>          |                   |                   |                   |
| <b>Non Current Liabilities -</b>     |                   |                   |                   |
| Borrowings                           | 723,632           | 661,801           | <b>588,263</b>    |
| Provisions                           | 580,262           | 563,645           | <b>563,645</b>    |
| Other                                | 727,169           | 726,611           | <b>695,997</b>    |
| <b>Total Non Current Liabilities</b> | <b>2,031,063</b>  | <b>1,952,057</b>  | <b>1,847,905</b>  |
| <b>Total Liabilities</b>             | <b>2,715,157</b>  | <b>2,730,535</b>  | <b>2,633,470</b>  |
| <b>NET ASSETS</b>                    | <b>68,796,690</b> | <b>72,233,202</b> | <b>73,209,900</b> |
| <b>EQUITY</b>                        |                   |                   |                   |
| Reserves                             | 27,264,603        | 30,564,685        | <b>30,564,685</b> |
| Accumulated funds                    | 41,532,087        | 41,668,517        | <b>42,645,215</b> |
| <b>TOTAL EQUITY</b>                  | <b>68,796,690</b> | <b>72,233,202</b> | <b>73,209,900</b> |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**48.1 Road Network Infrastructure**

**48.1.1 Network Development**

Program Objective(s): To develop the State's road network focusing on strategic routes to improve road safety, promote economic growth, facilitate 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Benefit of development program<br>(excludes private partnerships)           | \$m   | 2,349   | 2,218   | 2,257   | <b>2,900</b>   |
| Community satisfaction with road<br>network development                     | %     | 66      | 66      | 66      | <b>66</b>      |
| <u>Outputs</u> :  |       |         |         |         |                |
| Major works completed within 10% of<br>planned duration after approved date | %     | 86      | 84      | 90      | <b>90</b>      |

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|   |         |         |                |
|---|---------|---------|----------------|
| Operating expenses -  |         |         |                |
| Employee related  | 5,414   | 1,500   | <b>4,500</b>   |
| Other operating expenses  | 56,639  | 43,908  | <b>42,387</b>  |
| Depreciation and amortisation                                     | 707,000 | 720,000 | <b>745,000</b> |
| Grants and subsidies  |         |         |                |
| Local Government - capital grants                                 | 66,600  | ...     | ...            |
| Road safety programs - payments to general<br>government agencies | ...     | 847     | <b>856</b>     |
| Grant to Transport Infrastructure Development<br>Corporation      | 7,300   | 9,000   | ...            |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**48.1 Road Network Infrastructure**

**48.1.1 Network Development (cont)**

***OPERATING STATEMENT (cont)***

|   |                |                  |                  |
|---|----------------|------------------|------------------|
| Finance costs   |                |                  |                  |
| Interest on public sector borrowings and advances           | ...            | 223              | <b>358</b>       |
| Interest on T-Corp loans                                    | 54,600         | 54,496           | <b>48,339</b>    |
| Interest on private sector loans                            | ...            | 104              | <b>98</b>        |
| Guarantee fee payments -paid by general government agencies | 3,000          | 3,000            | <b>3,000</b>     |
| Amortisation of discount on borrowings with T-Corp          | 4,827          | 4,884            | <b>1,605</b>     |
| Other expenses  |                |                  |                  |
| Contribution to the National Transport Commission           | 771            | ...              | ...              |
| <b>Total Expenses Excluding Losses</b>                      | <b>906,151</b> | <b>837,962</b>   | <b>846,143</b>   |
| Less:   |                |                  |                  |
| <b>Retained Revenue -</b>                                   |                |                  |                  |
| Sales of goods and services                                 |                |                  |                  |
| Rents and leases  | 3,105          | 3,105            | <b>3,105</b>     |
| Road tolls  | 28,084         | 33,075           | <b>32,926</b>    |
| Minor sales of goods and services                           | 17,356         | 14,190           | <b>13,953</b>    |
| Investment income   | 5,075          | 1,537            | <b>1,528</b>     |
| Grants and contributions                                    | 45,852         | 39,620           | <b>28,630</b>    |
| Other revenue   | 71,192         | 81,103           | <b>92,885</b>    |
| <b>Total Retained Revenue</b>                               | <b>170,664</b> | <b>172,630</b>   | <b>173,027</b>   |
| Gain/(loss) on disposal of non current assets               | 64             | 369              | <b>252</b>       |
| Other gains/(losses)  | (227)          | (406)            | <b>(410)</b>     |
| <b>NET COST OF SERVICES</b>                                 | <b>735,650</b> | <b>665,369</b>   | <b>673,274</b>   |
| <br>  |                |                  |                  |
| <b>CAPITAL EXPENDITURE</b>                                  | <b>956,107</b> | <b>1,044,569</b> | <b>1,343,127</b> |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**48.1 Road Network Infrastructure**

**48.1.2 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|-----------------------|-------|---------|---------|---------|----------------|
| Pavement durability - |       |         |         |         |                |
| Good                  | %     | 81      | 82      | 82      | <b>82</b>      |
| Fair                  | %     | 14      | 13      | 13      | <b>13</b>      |
| Poor                  | %     | 5       | 5       | 5       | <b>5</b>       |
| Ride Quality -        |       |         |         |         |                |
| Good                  | %     | 90      | 89      | 89      | <b>89</b>      |
| Fair                  | %     | 8       | 8       | 8       | <b>8</b>       |
| Poor                  | %     | 2       | 3       | 3       | <b>3</b>       |

Outputs:

|   |       |    |    |    |           |
|---|-------|----|----|----|-----------|
| Maintenance and reconstruction expenditure on National Highways and State roads |       |    |    |    |           |
| - per kilometre of roadway  | \$000 | 32 | 38 | 36 | <b>38</b> |
| - per million vehicle kilometres travelled                                      | \$000 | 17 | 17 | 16 | <b>17</b> |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**48.1 Road Network Infrastructure**

**48.1.2 Maintenance (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                        |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                |                 |                  |                                     |
| Operating expenses -                              |                 |                  |                                     |
| Employee related                                  | 152,651         | 152,753          | <b>160,571</b>                      |
| Other operating expenses                          | 505,046         | 515,451          | <b>580,652</b>                      |
| Depreciation and amortisation                     | 3,540           | 3,540            | <b>3,476</b>                        |
| Finance costs                                     |                 |                  |                                     |
| Interest on public sector borrowings and advances | ...             | 186              | <b>258</b>                          |
| <b>Total Expenses Excluding Losses</b>            | <b>661,237</b>  | <b>671,930</b>   | <b>744,957</b>                      |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                         |                 |                  |                                     |
| Sales of goods and services                       |                 |                  |                                     |
| Rents and leases                                  | 14,284          | 15,485           | <b>15,088</b>                       |
| Permits   | 800             | 1,074            | <b>1,100</b>                        |
| Road tolls  | 45,561          | 47,876           | <b>51,503</b>                       |
| Minor sales of goods and services                 | 26,033          | 21,285           | <b>20,930</b>                       |
| Investment income                                 | 3,045           | 922              | <b>916</b>                          |
| Grants and contributions                          | 1,879           | 6,050            | <b>5,761</b>                        |
| <b>Total Retained Revenue</b>                     | <b>91,602</b>   | <b>92,692</b>    | <b>95,298</b>                       |
| Other gains/(losses)                              | (177)           | (305)            | <b>(313)</b>                        |
| <b>NET COST OF SERVICES</b>                       | <b>569,812</b>  | <b>579,543</b>   | <b>649,972</b>                      |
| <hr/>   |                 |                  |                                     |
| <b>CAPITAL EXPENDITURE</b>                        | <b>164,635</b>  | <b>200,879</b>   | <b>166,987</b>                      |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**48.2 Road Safety, Licensing and Vehicle Management**

**48.2.1 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Fatalities per 100,000 population                  | no.   | 8.2     | 7.5     | 7.2     | *              |
| Fatalities per 1,000 million vehicle kms travelled | no.   | 9.4     | 8.5     | 8.2     | *              |
| Customers rating service as "good or very good"    | %     | 92      | 94      | 90      | <b>90</b>      |

Outputs:

|  |       |       |       |       |              |
|--|-------|-------|-------|-------|--------------|
| Driver/rider tests                     | thous | 207.8 | 229.3 | 227.0 | <b>242.0</b> |
| New licences issued**                  | thous | 177.6 | 194.8 | 193.7 | <b>218.1</b> |
| Licences on issue (drivers and riders) | mill  | 4.7   | 4.8   | 4.9   | <b>5.0</b>   |
| Registered vehicles                    | mill  | 4.8   | 4.9   | 5.0   | <b>5.1</b>   |
| State funded crash related treatments  | \$m   | 14.5  | 16.5  | 25.9  | <b>26.5</b>  |
| School crossing supervisor sites       | no.   | 637   | 699   | 731   | <b>736</b>   |

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| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|                               |         |         |                |
|-------------------------------|---------|---------|----------------|
| Operating expenses -          |         |         |                |
| Employee related              | 188,500 | 205,837 | <b>215,235</b> |
| Other operating expenses      | 239,854 | 229,543 | <b>214,495</b> |
| Depreciation and amortisation | 6,194   | 6,194   | <b>6,082</b>   |

\* Less than the previous year.

\*\* Method for counting records revised in January 2004, and again in mid 2005. Hence previous 2003-04 figures have been revised.

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**48.2 Road Safety, Licensing and Vehicle Management**

**48.2.1 Road Safety, Licensing and Vehicle Management (cont)**

***OPERATING STATEMENT (cont)***

|  |                |                |                |
|--|----------------|----------------|----------------|
| Grants and subsidies   |                |                |                |
| Road safety programs - payments to general government agencies | 10,313         | 9,496          | <b>9,487</b>   |
| Finance costs  |                |                |                |
| Interest on public sector borrowings and advances              | ...            | 223            | <b>278</b>     |
| <b>Total Expenses Excluding Losses</b>                         | <b>444,861</b> | <b>451,293</b> | <b>445,577</b> |
| Less:  |                |                |                |
| <b>Retained Revenue -</b>                                      |                |                |                |
| Sales of goods and services                                    |                |                |                |
| Plate fees   | 57,006         | 57,574         | <b>59,012</b>  |
| Third party insurance data access fees                         | 11,800         | 12,653         | <b>13,650</b>  |
| Fine default fees - commission                                 | 5,521          | 8,495          | <b>8,707</b>   |
| Minor sales of goods and services                              | 34,711         | 28,380         | <b>27,906</b>  |
| Investment income  | 1,000          | 212            | <b>208</b>     |
| Grants and contributions                                       | 1,879          | 2,500          | <b>3,000</b>   |
| <b>Total Retained Revenue</b>                                  | <b>111,917</b> | <b>109,814</b> | <b>112,483</b> |
| Other gains/(losses)   | (96)           | (179)          | <b>(163)</b>   |
| <b>NET COST OF SERVICES</b>                                    | <b>333,040</b> | <b>341,658</b> | <b>333,257</b> |
| <br>   |                |                |                |
| <b>CAPITAL EXPENDITURE</b>                                     | <b>23,809</b>  | <b>40,176</b>  | <b>27,831</b>  |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**48.3 Traffic and Transport**

**48.3.1 Traffic and Transport**

Program Objective(s): To maximise the efficiency of moving people and goods by better managing the road network and providing alternative facilities for 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| Average peak hour speed on seven major routes in Sydney - |       |         |         |         |                |
| Morning peak  | kmh   | 34      | 31      | 31      | <b>31</b>      |
| Afternoon peak  | kmh   | 41      | 41      | 40      | <b>40</b>      |
| <br><u>Outputs:</u>                                       |       |         |         |         |                |
| Traffic signals in operation                              | no.   | 3,410   | 3,474   | 3,550   | <b>3,630</b>   |
| Pedestrian Access & Mobility Plans*                       | no.   | 54      | 68      | 82      | <b>88</b>      |
| Railway Level Crossings - major upgrades (per annum)      | no.   | 8       | 12      | 9       | <b>10</b>      |
| Cycleway length -   |       |         |         |         |                |
| Off-road cycleways  | km.   | 1,125   | 1,210   | 1,310   | <b>1,400</b>   |
| On-road cycleways   | km.   | 2,135   | 2,235   | 2,380   | <b>2,500</b>   |
| Bus and Transit Lane length -                             |       |         |         |         |                |
| Bus Lanes   | km.   | 76      | 78      | 89      | <b>96</b>      |
| Transit lanes   | km.   | 86      | 86      | 86      | <b>87</b>      |
| T-Way Lanes   | km.   | 31      | 31      | 31      | <b>48</b>      |

\* Local plans for town and suburban precincts developed by local councils with assistance from the RTA, to identify appropriate pedestrian treatments.

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**48.3 Traffic and Transport**

**48.3.1 Traffic and Transport (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                          |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>                  |                 |                  |                                     |
| Operating expenses -                                |                 |                  |                                     |
| Employee related                                    | 51,038          | 53,218           | <b>55,168</b>                       |
| Other operating expenses                            | 160,436         | 159,743          | <b>164,409</b>                      |
| Depreciation and amortisation                       | 885             | 885              | <b>869</b>                          |
| Grants and subsidies                                |                 |                  |                                     |
| Public Transport Infrastructure Improvement Program | 800             | 847              | <b>856</b>                          |
| Finance costs                                       |                 |                  |                                     |
| Interest on public sector borrowings and advances   | ...             | 111              | <b>60</b>                           |
| Other expenses                                      |                 |                  |                                     |
| Contribution to the National Transport Commission   | ...             | 771              | <b>771</b>                          |
| <b>Total Expenses Excluding Losses</b>              | <b>213,159</b>  | <b>215,575</b>   | <b>222,133</b>                      |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                           |                 |                  |                                     |
| Sales of goods and services                         |                 |                  |                                     |
| Minor sales of goods and services                   | 8,678           | 7,096            | <b>6,976</b>                        |
| Investment income                                   | 1,030           | 402              | <b>403</b>                          |
| Grants and contributions                            | 877             | 2,064            | <b>2,268</b>                        |
| <b>Total Retained Revenue</b>                       | <b>10,585</b>   | <b>9,562</b>     | <b>9,647</b>                        |
| Other gains/(losses)                                | (50)            | (110)            | <b>(114)</b>                        |
| <b>NET COST OF SERVICES</b>                         | <b>202,624</b>  | <b>206,123</b>   | <b>212,600</b>                      |
| <hr/>   |                 |                  |                                     |
| <b>CAPITAL EXPENDITURE</b>                          | <b>46,771</b>   | <b>53,567</b>    | <b>56,954</b>                       |

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**MINISTER FOR ROADS**  
**48 ROADS AND TRAFFIC AUTHORITY**

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**48.4 M4/M5 Cashback Scheme**

**48.4.1 M4/M5 Cashback Rebates**

Program Objective(s): 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 | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|----------------------------|-------|---------|---------|---------|----------------|
| <u>Outputs</u> :           |       |         |         |         |                |
| M4/M5 cashback claims paid | no.   | 410,000 | 500,000 | 550,000 | <b>600,000</b> |

|  | 2005-06 |         | <b>2006-07</b> |
|--|---------|---------|----------------|
|  | Budget  | Revised | <b>Budget</b>  |
|  | \$000   | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

Operating expenses -

Other operating expenses

|        |        |               |
|--------|--------|---------------|
| 83,000 | 83,000 | <b>92,000</b> |
|--------|--------|---------------|

**Total Expenses Excluding Losses**

|               |               |               |
|---------------|---------------|---------------|
| <b>83,000</b> | <b>83,000</b> | <b>92,000</b> |
|---------------|---------------|---------------|

**NET COST OF SERVICES**

|               |               |               |
|---------------|---------------|---------------|
| <b>83,000</b> | <b>83,000</b> | <b>92,000</b> |
|---------------|---------------|---------------|

# MINISTER FOR ROADS

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## OVERVIEW

| <i>Agency</i>                      | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|------------------------------------|-----------------------------------|-----------------------------------|------------------------|
| <b>Roads and Traffic Authority</b> |                                   |                                   |                        |
| Total Expenses .....               | 2,308.4                           | 2,350.8                           | 1.8                    |
| Capital Expenditure .....          | 1,191.3                           | 1,594.9                           | 33.9                   |
| <b>Total, Minister for Roads</b>   |                                   |                                   |                        |
| Total Expenses .....               | <b>2,308.4</b>                    | <b>2,350.8</b>                    | <b>1.8</b>             |
| Capital Expenditure .....          | <b>1,191.3</b>                    | <b>1,594.9</b>                    | <b>33.9</b>            |

## ROADS AND TRAFFIC AUTHORITY

The NSW Roads and Traffic Authority's (RTA) focus is to deliver a safe, sustainable and efficient road transport system. It achieves this by managing, maintaining and developing the road network, regulating road use and educating users.

The Roads and Traffic Authority is a New South Wales statutory authority established in 1989 under the *Transport Administration Act 1988*.

## RESULTS AND SERVICES

Since 1995, there are an extra one million vehicles on our roads and an extra 600,000 drivers. There are 4.4 million licensed drivers in New South Wales and the RTA is responsible for managing 20,738 kilometres of roads across the State.

The RTA is committed to delivering the following results:

- ◆ A road transport system which provides reliable and efficient access between commercial, residential and recreational locations.
- ◆ Safer road user behaviour, vehicles and road environment.
- ◆ Minimising impacts on the natural, cultural and built environments.

Key services provided by the RTA to contribute to these results include:

- ◆ planning, designing, scheduling and organising the development of road and bridge works;
- ◆ managing the road network through a program of maintenance and reconstruction works;
- ◆ implementing initiatives to increase safe road use behaviour including licensing and registration; and
- ◆ improving road network performance through traffic control systems, managing incidents and route management strategies.

## **RECENT DEVELOPMENTS**

Total operating expenses for the RTA in 2005-06 are estimated at \$2,260 million. Capital expenditure in 2005-06, including asset acquisitions, is projected to be \$1,359 million with the total Capital and Maintenance Program projected at \$2,420 million.

Expenditure under the M4/M5 Cashback Scheme to reimburse tolls paid is expected to be \$83 million in 2005-06.

## **STRATEGIC DIRECTIONS**

### **Western Sydney**

The north-west is one of Sydney's fastest growing regions. The key projects designed to improve traffic flows are: the implementation of the Sydney Orbital route and associated projects; the continued upgrade of Old Windsor Road and Windsor Road; the North West Transitway; and the upgrade of Cowpasture Road and Camden Valley Way in south-western Sydney.

The \$420 million upgrade of Windsor Road is the largest urban arterial road program undertaken by any state government. It is approximately 28 kilometres in length with upgrades to both Windsor and Old Windsor Roads to provide four lanes between Parramatta and McGraths Hill, together with a high-level Windsor flood evacuation route across South Creek.

The upgrade will reduce traffic congestion and cut travel times from Sydney's North-West to the city and Parramatta, as well as providing a safer road environment for all road users. The flood evacuation route will give Windsor residents additional time to evacuate to safety in the event of a major flood.

## **The Sydney Orbital Network**

The Sydney Orbital network will be completed in 2006-07 at a cost of \$6,000 million, including \$3,300 million of privately funded projects. The Orbital Motorway Strategy is improving road links between key business and residential areas. The Orbital Network connects residents across Sydney to key locations including the city and the airport.

The 40 kilometre Westlink M7 links the M2 at West Baulkham Hills, the M4 at Eastern Creek and the M5/Hume Highway at Prestons.

Westlink M7 bypasses 48 sets of traffic lights, allowing a journey from south of Liverpool to Pennant Hills in less than 30 minutes.

The Westlink M7 is estimated to remove 60,000 vehicles per day, including 10,000 heavy vehicles, off the existing Western Sydney road network.

The Lane Cove Tunnel will be 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. The project also includes the widening of the Gore Hill Freeway to three lanes in each direction.

## **Pacific Highway**

The major program of upgrading the Pacific Highway is continuing between Hexham and the Queensland border. The NSW Government has contributed \$1,660 million or 72 per cent to the \$2,320 million, ten year Pacific Highway program.

In the next three years, the New South Wales and Commonwealth Governments are providing additional funding, with the Pacific Highway upgrading given a \$1,280 million funding boost – this includes the recent New South Wales commitment to an additional \$160 million, matched by the Commonwealth Government.

## **Hume Highway**

The RTA will commence the accelerated program to duplicate the Hume Highway, south of Sturt Highway to Albury in 2006-07.

## **Maintenance Strategy**

The RTA gives priority to managing its road network as a long-term renewable asset to ensure reliability, safety and retained value. The RTA's maintenance strategy focuses on ensuring timely intervention to minimise whole-of-life costs and ensure the ongoing serviceability of its roads. The continual renewal of road and bridge assets is also necessary to ensure structural capacity, safety and sustainability of the asset to meet road user needs. In managing the road network the RTA also looks to minimise inconvenience to road users resulting from maintenance works and incidents on the road network.

## **Integrated Transport**

The focus of 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, in partnership with the reform of bus services being implemented by the Ministry of Transport. Implementation includes new bus lanes, intersection improvements, responsive priority for buses at traffic signals, bus lane enforcement camera systems and bus only Transitways.

The Government has allocated \$170 million in 2006-07 for bus priority measures. This is made up of \$45 million (including an additional \$30 million provided in 2006-07) for strategic bus corridors and \$125 million for the North West Transitway.

Substantial progress on construction of the North West Transitway will continue in 2006-07. When completed in 2007, the Transitway will be in operation between Parramatta and Rouse Hill and Blacktown and Parklea.

## **Electronic tolling**

Electronic tolling is available on all tollways, and tags issued for each system can be used on any Australian tollway. New tollways such as the Lane Cove Tunnel, Westlink M7 and the Cross City Tunnel will operate without cash tollbooths to improve traffic flow on Sydney's Orbital Motorway network.

## **Railway Level Crossings**

The Government will continue its accelerated four year program of railway level crossing improvements. Funding of \$14 million has been committed over the past three years and a further \$7 million will be committed in 2006-07.

## **Road Safety**

Road Safety continues to be a priority issue and the RTA is working in partnership with State agencies, including the NSW Police. Emphasis will be maintained on initiatives to address issues such as speed, fatigue, drink and drug driving, occupant protection, school and youth programs, pedestrians, the police-enhanced enforcement program, motorcyclist and cyclist safety and safety, improvements to the road environment.

The RTA will be addressing a wide range of initiatives for improving the safety, efficiency and compliance of heavy vehicles. These include:

- ◆ implementation of chain of responsibility and speed deeming legislation;
- ◆ enforcement of road use and vehicle requirements and occupational safety;
- ◆ introduction of higher mass limits; and
- ◆ heavy vehicle driver/industry consultation.

## **Customer Service**

There will be a continued focus on providing a more flexible customer service environment through an increasing number of services being available via both the RTA's Call Centre and online service myRTA.com. Customers will be provided with better access to RTA services. This will include further expansion of the e-Safety Check Scheme. The RTA is also providing flexibility in its services so that customers have access to services such as through the internet and the Call Centre. Fundamental to this will be simplified procedures for customers and the use of new technologies.

The Government continues its campaign to combat identity fraud with proof of identity initiatives reducing the risk of fraudulent driver licences. These include systems and processes to enhance customer identification and enrolment procedures and a proof of identity unit.

## **2006-07 BUDGET**

The NSW Government is delivering a record roads budget in 2006-07 of \$3,298 million. The key highlights of the budget include:

- ◆ road safety, licensing and vehicle management strategies;
- ◆ transport management;
- ◆ continuation of the M4/M5 cashback scheme;
- ◆ road maintenance program; and
- ◆ major infrastructure projects in Sydney, regional and rural New South Wales.

### **Total Expenses**

The RTA's total expenditure is estimated at \$2,351 million in 2006-07.

### **Capital Expenditure**

The total Roads Program capital expenditure is estimated at \$1,692 million.

The NSW Government has contributed \$1,660 million to the ten year \$2,320 million Pacific Highway Upgrade Program, with the Commonwealth Government contributing \$660 million. The ten year milestone is reached at the end of June 2006.

Through agreement under the AusLink program, the New South Wales and Commonwealth Governments will each contribute up to \$640 million to further upgrade the Pacific Highway over the next three years – this includes the recent New South Wales commitment to an additional \$160 million, matched by the Commonwealth Government.

Funding in 2006-07 for major works on the Pacific Highway will include:

- ◆ \$100 million to complete the Brunswick Heads to Yelgun project;
- ◆ \$115 million to commence the Bonville Bypass and Karuah to Bulahdelah (sections two and three); and
- ◆ \$20 million to commence pre-loading earthworks for the Ballina Bypass.

The NSW Government will invest \$300 million in 2006-07 in north-western and south-western Sydney roads. Funding for key projects in progress include:

- ◆ \$125 million for the North West Transitway to link Parramatta, Rouse Hill and Blacktown;
- ◆ \$113 million for the widening of Windsor Road and Old Windsor Road between Parramatta and Windsor, linking north-western Sydney to the Sydney Orbital Motorway network and for a Windsor flood evacuation route over South Creek;
- ◆ \$7.5 million for grade separation of the intersection of Old Windsor Road and Norwest Boulevard at Bella Vista; and
- ◆ \$15 million to commence works for the extension of Narellan Road to the Northern Road.

The NSW Government has also committed funds to other major road works within Sydney including:

- ◆ commencement of the widening of The Spit Bridge (\$11 million in 2006-07);
- ◆ commencement of the duplication of Alford's Point Bridge (\$9 million in 2006-07);
- ◆ bus priority works on strategic bus corridors between Liverpool and Bankstown, Parramatta and Sydney CBD, and Castle Hill and Sydney CBD;
- ◆ pedestrian overbridges at Yagoona and Blakehurst; and
- ◆ intersection improvements at Camden Valley Way and Raby Road, Catherine Field.

The 12-year \$460 million program to upgrade the Penrith to Orange route will continue and include:

- ◆ \$6.5 million in 2006-07 to widen the Great Western Highway to four lanes with divided carriageways between Leura and Katoomba; and
- ◆ \$9.5 million in 2006-07 for the Woodford to Hazelbrook upgrade.

In the Hunter and Central Coast major road works to be funded in 2006-07 include:

- ◆ \$9 million to widen Five Islands Road from Booragul to Speers Point;
- ◆ \$6 million to widen Nelson Bay Rd;
- ◆ \$6 million for a new bridge crossing of the Hunter River at Maitland;
- ◆ \$5 million for a new replacement bridge at Tourle St;
- ◆ \$22 million to widen the Pacific Highway between Tuggerah and Wyong and at Ourimbah;
- ◆ \$20 million to widen The Entrance Road, from Terrigal Drive to Carlton Road and from Ocean View Drive to Tumbi Road; and
- ◆ other intersection and pedestrian facilities improvements on The Entrance Road, through Long Jetty and the Pacific Highway, Hexham.

In the Illawarra, South Coast and Southern Highlands the capital works program includes funding:

- ◆ the Government's ten year \$380 million Princes Highway upgrade, by commencing the dual carriageway from Oak Flats to Dunmore (\$8.2 million in 2006-07);
- ◆ the upgrade of Main Road 92 between Nowra and Nerriga (\$22 million in 2006-07);
- ◆ the Wollongong Northern Distributor extension (\$15 million in 2006-07);
- ◆ new ramps at Kiama to/from the Kiama bypass (\$5 million in 2006-07); and
- ◆ a new bridge on the Princes Highway at Pambula (\$7.5 million in 2006-07).

Funding in 2006-07 for work on the AusLink National Network, jointly funded by the New South Wales and the Commonwealth Governments, include:

- ◆ \$40 million for widening the F3 Freeway to six lanes between Mt Colah and Cowan;
- ◆ \$10 million for widening the northbound carriageway of the F5 Hume Highway to four lanes between Brooks Rd and Camden Valley Way at Ingleburn;

- ◆ \$30 million for the Coolac Bypass and the Sheahans Bridge duplication on the Hume Highway;
- ◆ \$135 million for the Albury-Wodonga Hume Freeway Project;
- ◆ \$15 million for the Halcombe Hill realignment on the New England Highway;
- ◆ \$10 million for commencement of Weakleys Drive interchange on the New England Highway;
- ◆ \$10 million for pre-construction works for the F3 to Branxton link; and
- ◆ \$18 million for the Moree Bypass and continuation of Bogan to Coobang realignment on the Newell Highway.

Under the maintenance program, \$145 million is to be spent on capital improvements associated with existing assets. Key areas of expenditure will include:

- ◆ strengthening and widening bridges, including:
  - Morpeth, Kelly's Gully near Warialda and Coombing Creek on the mid Western Highway; and
  - Junction Bridge at Tumut and Croobyar Creek on the Princes Highway.

### **Road Safety**

Key highlights from the Road Safety, Licensing and Vehicle Management 2006-07 program (total expenses estimated at \$446 million) include:

- ◆ campaigns focusing on fatigue, speed, drink driving and motorcycle safety;
- ◆ a focus on heavy vehicle safety and compliance with the implementation of chain of responsibility and speed deeming legislation;
- ◆ improving freight efficiency and compliance through the implementation of higher mass limits and Intelligent Access Program;
- ◆ enhancing the NSW safety around schools program and School Education Program;
- ◆ continuing the State's engineering crash reduction program, including \$11.8 million of road safety projects on the Princes Highway;

- ◆ undertaking research into vehicle safety through the RTA Crash Lab at a cost of \$5.5 million;
- ◆ working in partnership with NSW Police through the enhanced enforcement program;
- ◆ increasing the availability of online services; and
- ◆ continuing to work with other agencies to combat identity fraud.

### ***Traffic Management***

The Transport Management Centre is a state-of-the-art facility which will receive an additional \$44 million in 2006-07 for traffic management operations, including monitoring traffic systems, managing incidents and events, and providing information to road users.

More than 700 closed-circuit television cameras monitor the Sydney CBD, the approaches to Sydney and 800 kilometres of the Pacific Highway to ensure that traffic flows. In addition, cameras are used to increase safety with:

- ◆ 13 bus lane cameras;
- ◆ 27 SafeTCams;
- ◆ 102 Standard Fixed Speed Cameras; and
- ◆ 14 School Zone Cameras.

### ***M4/M5 Cashback***

The M4/M5 Cashback Scheme payments will continue with total program costs estimated at \$92 million in 2006-07. This is an estimated increase of \$9 million on 2005-06.

### ***Road Maintenance***

Maintenance of the existing road network is a key priority, with an estimated \$745 million to be spent in 2006-07 compared to an estimated \$662 million in 2005-06. Some key elements of this expenditure include:

- ◆ maintenance, resurfacing, patching and rehabilitation of road pavements including rest areas, slopes stability, and drainage improvements;
- ◆ maintenance, rehabilitation and painting of bridges; and

- ◆ widening and reconstructing road pavements, for example:
  - Gwydir Highway at Gravesend;
  - Nacka Nacka Creek on the Snowy Mountains Highway; and
  - Tabrabucca on the Castlereagh Highway.

# MINISTER FOR TOURISM AND SPORT AND RECREATION, AND MINISTER FOR WOMEN

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## OVERVIEW

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Sydney Olympic Park Authority</b>  |                                   |                                   |                        |
| Total Expenses .....  | 88.7                              | 94.1                              | 6.1                    |
| Capital Expenditure .....   | 26.5                              | 24.1                              | -9.3                   |
| <b>Centennial Park and Moore Park Trust</b>   |                                   |                                   |                        |
| Total Expenses .....  | 18.9                              | 22.8                              | 20.8                   |
| Capital Expenditure .....   | 8.2                               | 8.2                               | ...                    |
| <b>Luna Park Reserve Trust</b>  |                                   |                                   |                        |
| Total Expenses .....  | 1.4                               | 0.8                               | -40.7                  |
| Capital Expenditure .....   | ...                               | ...                               | ...                    |
| <b>State Sports Centre Trust</b>  |                                   |                                   |                        |
| Total Expenses .....  | 4.5                               | 4.8                               | 6.4                    |
| Capital Expenditure .....   | 0.1                               | 0.4                               | 794.0                  |
| <b>Total, Minister for Tourism and Sport and Recreation, and Minister for Women</b> |                                   |                                   |                        |
| Total Expenses .....  | <b>113.5</b>                      | <b>122.5</b>                      | <b>7.9</b>             |
| Capital Expenditure .....   | <b>34.8</b>                       | <b>32.7</b>                       | <b>-6.0</b>            |

In addition to the agencies listed above, the Minister is also supported by the following agencies:

- ◆ Department of State and Regional Development (Section 2) for the Tourism portfolio area;
- ◆ Department of the Arts, Sport and Recreation (Section 3) for the Sport and Recreation portfolio area; and
- ◆ Premier's Department (Section 2) for the Women's portfolio area.

## **SYDNEY OLYMPIC PARK AUTHORITY**

The Sydney Olympic Park Authority (SOPA) operates under the *Sydney Olympic Park Authority Act 2001* to manage the long-term future of Sydney Olympic Park.

In this role SOPA is responsible for the management and economic development and use of Sydney Olympic Park and for the promotion and co-ordination of sporting, educational, recreational, cultural, commercial and tourist activities.

### **RESULTS AND SERVICES**

The Authority contributes to delivering returns (financial, economic and social) on the Government's investment in Sydney Olympic Park and achieving a lasting Olympic legacy; establishing the Park as a national centre for health, leisure and well-being; and establishing a sustainable community. Key result areas include:

- ◆ Improving Government's financial return on investment within the Park.
- ◆ Increasing visitation and use of the Park.
- ◆ Creating a world-class urban parkland in central Sydney.
- ◆ Achieving sustainable urban development outcomes.

Results for the Authority are achieved through services covering: maintenance of parklands, public infrastructure, and government owned sports venues within the Park; managing property and car park operations; marketing, advertising and events management; urban planning and approvals; and environmental management and monitoring.

Achievements over the past year include: \$100 million in precinct land sale transactions, including commercial office developments and agreement to develop a five-star hotel; a 16.9 per cent increase in visitation to the Park; and recognition of the Sydney SuperDome as a successful indoor entertainment arena.

### **RECENT DEVELOPMENTS**

The Sydney Olympic Park township is expected to attract approximately 40,000 workers and residents over the next 20 years. A viable economy will be built around six themes of sport; education; health, leisure and well-being; 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 the Park.

The private sector will develop the first phase of new residential and commercial development on four sites over the next five years. The cost to the private sector is approximately \$470 million and confirms confidence in the unique living and working environment the Park offers.

A Plan of Management has been prepared for the 430 hectares of surrounding parklands and capital works are continuing for improvement of this open space.

SOPA is responsible for the budget funding of Government owned sports venues within the Park, and is the custodian of funds for the maintenance of the Sydney Showground.

Under the terms entered into by the NSW Government with the private sector, Telstra Stadium and the Sydney SuperDome are subject to long-term leases until 2031. SOPA progressively recognises ownership of these assets until the end of the lease period, at which time they revert to the Government.

Investment properties relating to the Royal Agricultural Society were transferred to the Society to correctly recognise the nature of these assets, resulting in reduced net assets for SOPA.

## **STRATEGIC DIRECTIONS**

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.

A Parklands Foundation, established as a subsidiary corporation of SOPA, will commence operations during 2006-07. It will attract individual and corporate sponsors and focus on enhancing management of the Parklands and boosting visitation to the Park.

## **2006-07 BUDGET**

### **Total Expenses**

Operating expenses in 2006-07 are estimated at \$94.1 million, with depreciation accounting for \$33.6 million of this amount. Government funding of the operating budget is \$36.9 million.

The majority of expenses relate to maintaining the venues, parklands, and common areas within the Park.

### **Capital Expenditure**

The Authority's 2006-07 capital program is \$24.1 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 including landscaping, picnic facilities, shade structures, cycleways, 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 Entertainment Quarter, 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 and leisure use, protection of parklands, financial sustainability, and equity of access.

### **RESULTS AND SERVICES**

Centennial Parklands aims to deliver a diverse range of leisure experiences by balancing opportunities to participate in recreational activities and maintaining sustainable open space. Services provided by the Trust which contribute to these results include:

- ◆ protecting and enhancing of the Parklands;
- ◆ providing high quality recreation and cultural opportunities; and
- ◆ improving safety and accessibility.

## **RECENT DEVELOPMENTS**

Total expenses for the Trust have increased during the last five years from \$16.7 million in 2001-02 to around \$20.9 million in 2005-06. This reflects additional costs associated with the Trust gaining responsibility for additional assets including Fox Studios, Entertainment Quarter, Hordern Pavilion, Royal Hall of Industries in 1998 and the facilities at Moore Park Golf Course in 2004. Other cost impacts relate to improvements to the maintenance of the Parklands, the introduction of services to address environmental and public safety issues and a range of business activities to improve financial viability.

A seven year program commenced in 2002-03 for improvements and maintenance of building and infrastructure assets in the Parklands. Achievements in 2005-06 include:

- ◆ upgrade of 3.6 kilometre Grand Drive footpath, replacement of water main under path and replacement of three toilet amenities in Centennial Park;
- ◆ upgrade of tennis and netball surfaces and lighting in Moore Park;
- ◆ repairs to built assets such as the Hordern Pavilion roof, golf course facilities and utility services; and
- ◆ restoration of high use/visibility assets through 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. Priority areas for the Trust in 2006-07 include:

- ◆ aligning strategic planning and asset management with the objectives of the Parklands;
- ◆ increasing recognition for the positioning and direction of the Parklands;
- ◆ targeting additional leisure related markets and products; and
- ◆ developing new businesses in the Parklands and build up existing businesses.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are estimated at \$22.8 million. Included in this amount is \$4.8 million for depreciation and \$0.5 million for asset maintenance of buildings and infrastructure in the Parklands.

### **Capital Expenditure**

The Trust's capital program for 2006-07 is \$8.2 million. It is the fifth year of the planned seven year Park Improvement Plan estimated at \$49.5 million. Major works for 2006-07 include \$4.1 million for Visitor Information and Services and \$1.9 million for Transport and Access.

## **LUNA PARK RESERVE TRUST**

The role of the Luna Park Reserve Trust is to manage the land and other assets of Luna Park Reserve.

### **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 other 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 \$1.1 million in 2006-07, slightly below the \$1.3 million budgeted in 2005-06.

## **2006-07 BUDGET**

### **Total Expenses**

The Trust's expenses are expected to be \$0.8 million in 2006-07, compared to \$1.4 million budgeted in 2005-06. This reduction reflects a decrease in depreciation following the recognition of certain assets as investment properties under Australian Equivalents to International Reporting Standards. Apart from maintenance contributions to the Heritage Infrastructure Fund, 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. The Trust is mostly self-funded and balances the need to give sporting groups priority access to its facilities with the need to generate a commercial return on the venues and assets it controls.

### **RECENT DEVELOPMENTS**

The Trust's key financial challenge is to increase revenues from its commercial activities at a rate equivalent to the growth in expenses. To achieve this objective, the Trust has developed a diversity of product offerings for the commercial event market. The Trust has also grown revenues by increasing participation in sport and recreation programs run within its venues.

### **STRATEGIC DIRECTIONS**

The Trust will endeavour to enhance the quality of events staged in its venues through continual improvement of the venues and a range of value added services such as video production, in-house display, recording and broadcast of events. The long term objective is to attract larger audiences as well as tapping new sources of revenue for both venue hirers and itself. The Trust is also exploring ways to make better use of idle capacity at off-peak times by offering competitive packages to users who can offer a strategic fit with the venues. The enhancement of the Trust's function spaces planned for 2006-07 will increase the yield from commercial functions staged within the Sydney Olympic Park Sports Centre.

### **2006-07 BUDGET**

#### **Total Expenses**

Total Trust expenses, estimated at \$4.8 million in 2006-07, will be used to operate and maintain the Centre's sporting facilities and facilitate increased usage wherever possible.

#### **Capital Expenditure**

In 2006-07, the Trust will spend up to \$447,000 on a facilities upgrade and the replacement of sporting equipment.

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|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Employee related                              | 15,284          | 15,157           | <b>15,154</b>                       |
| Other operating expenses                      | 38,916          | 42,271           | <b>40,075</b>                       |
| Depreciation and amortisation                 | 31,073          | 34,424           | <b>33,604</b>                       |
| Grants and subsidies                          | 2,990           | 3,865            | <b>5,088</b>                        |
| Finance costs                                 | 474             | ...              | <b>226</b>                          |
| <b>Total Expenses Excluding Losses</b>        | <b>88,737</b>   | <b>95,717</b>    | <b>94,147</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 17,758          | 17,455           | <b>17,889</b>                       |
| Investment income                             | 2,673           | 5,628            | <b>5,233</b>                        |
| Retained taxes, fees and fines                | 300             | 516              | <b>300</b>                          |
| Grants and contributions                      | 957             | 1,383            | <b>832</b>                          |
| Other revenue                                 | 10,420          | 18,308           | <b>17,523</b>                       |
| <b>Total Retained Revenue</b>                 | <b>32,108</b>   | <b>43,290</b>    | <b>41,777</b>                       |
| Gain/(loss) on disposal of non current assets | 2,867           | 4,367            | <b>6,713</b>                        |
| Other gains/(losses)                          | (1,897)         | (2,193)          | <b>(2,475)</b>                      |
| <b>NET COST OF SERVICES</b>                   | <b>55,659</b>   | <b>50,253</b>    | <b>48,132</b>                       |

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>   |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                        |                 |                  |                 |
| <b>Payments</b>  |                 |                  |                 |
| Employee related   | 14,425          | 14,306           | <b>14,275</b>   |
| Grants and subsidies   | 2,990           | 3,865            | <b>5,088</b>    |
| Finance costs  | 474             | ...              | <b>226</b>      |
| Other  | 51,333          | 57,793           | <b>49,072</b>   |
| <b>Total Payments</b>  | <b>69,222</b>   | <b>75,964</b>    | <b>68,661</b>   |
| <b>Receipts</b>  |                 |                  |                 |
| Sale of goods and services   | 17,883          | 17,699           | <b>18,061</b>   |
| Interest   | 2,776           | 4,018            | <b>3,574</b>    |
| Other  | 13,754          | 15,738           | <b>10,548</b>   |
| <b>Total Receipts</b>  | <b>34,413</b>   | <b>37,455</b>    | <b>32,183</b>   |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>                    | <b>(34,809)</b> | <b>(38,509)</b>  | <b>(36,478)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                        |                 |                  |                 |
| Proceeds from sale of property, plant and equipment                | 19,020          | 20,520           | <b>23,762</b>   |
| Purchases of property, plant and equipment                         | (25,926)        | (13,712)         | <b>(23,947)</b> |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>                    | <b>(6,906)</b>  | <b>6,808</b>     | <b>(185)</b>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                        |                 |                  |                 |
| Proceeds from borrowings and advances                              | 10,000          | ...              | <b>10,000</b>   |
| Repayment of borrowings and advances                               | (935)           | ...              | <b>(4,924)</b>  |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>                    | <b>9,065</b>    | <b>...</b>       | <b>5,076</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>                                  |                 |                  |                 |
| Recurrent appropriation  | 37,027          | 37,027           | <b>36,871</b>   |
| Capital appropriation  | 12,611          | 12,611           | <b>13,111</b>   |
| Asset sale proceeds transferred to the<br>Consolidated Fund Entity | (19,020)        | (19,020)         | <b>(21,387)</b> |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>                              | <b>30,618</b>   | <b>30,618</b>    | <b>28,595</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                             | <b>(2,032)</b>  | <b>(1,083)</b>   | <b>(2,992)</b>  |

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|  | 2005-06         |                 | 2006-07         |
|--|-----------------|-----------------|-----------------|
|  | Budget          | Revised         | Budget          |
|  | \$000           | \$000           | \$000           |
| <b>CASH FLOW STATEMENT (cont)</b>              |                 |                 |                 |
| Opening Cash and Cash Equivalents              | 22,092          | 31,762          | <b>30,679</b>   |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>       | <b>20,060</b>   | <b>30,679</b>   | <b>27,687</b>   |
| <b>CASH FLOW RECONCILIATION</b>                |                 |                 |                 |
| Net cost of services                           | (55,659)        | (50,253)        | <b>(48,132)</b> |
| Non cash items added back                      | 23,812          | 19,187          | <b>17,179</b>   |
| Change in operating assets and liabilities     | (2,962)         | (7,443)         | <b>(5,525)</b>  |
| <b>Net cash flow from operating activities</b> | <b>(34,809)</b> | <b>(38,509)</b> | <b>(36,478)</b> |

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|   | 2005-06          |                  | 2006-07          |
|---|------------------|------------------|------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>BALANCE SHEET</b>                              |                  |                  |                  |
| <b>ASSETS -</b>                                   |                  |                  |                  |
| <b>Current Assets -</b>                           |                  |                  |                  |
| Cash assets                                       | 20,060           | 30,679           | <b>27,687</b>    |
| Receivables                                       | 24,712           | 19,067           | <b>19,844</b>    |
| Inventories                                       | 100              | 107              | <b>107</b>       |
| Other   | ...              | 224              | <b>224</b>       |
| <b>Total Current Assets</b>                       | <b>44,872</b>    | <b>50,077</b>    | <b>47,862</b>    |
| <b>Non Current Assets -</b>                       |                  |                  |                  |
| Receivables                                       | 18,000           | 18,000           | ...              |
| Investments accounted for using the equity method | ...              | 1,976            | <b>2,964</b>     |
| Inventories                                       | 15,579           | 15,371           | <b>14,395</b>    |
| Investment properties                             | 423,985          | 18,637           | <b>18,637</b>    |
| Property, plant and equipment -                   |                  |                  |                  |
| Land and building                                 | 758,921          | 753,260          | <b>760,395</b>   |
| Plant and equipment                               | 38,917           | 43,643           | <b>40,011</b>    |
| Infrastructure systems                            | 349,825          | 375,600          | <b>362,043</b>   |
| Intangibles                                       | 12               | ...              | ...              |
| Other   | 505,599          | 304,327          | <b>320,644</b>   |
| <b>Total Non Current Assets</b>                   | <b>2,110,838</b> | <b>1,530,814</b> | <b>1,519,089</b> |
| <b>Total Assets</b>                               | <b>2,155,710</b> | <b>1,580,891</b> | <b>1,566,951</b> |
| <b>LIABILITIES -</b>                              |                  |                  |                  |
| <b>Current Liabilities -</b>                      |                  |                  |                  |
| Payables  | 6,448            | 6,459            | <b>6,576</b>     |
| Borrowings  | 3,246            | ...              | <b>3,069</b>     |
| Provisions  | 1,175            | 1,319            | <b>1,318</b>     |
| Other   | 1,843            | 1,951            | <b>1,476</b>     |
| <b>Total Current Liabilities</b>                  | <b>12,712</b>    | <b>9,729</b>     | <b>12,439</b>    |

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|                                      | 2005-06          |                  | 2006-07          |
|--------------------------------------|------------------|------------------|------------------|
|                                      | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b><i>BALANCE SHEET (cont)</i></b>   |                  |                  |                  |
| <b>Non Current Liabilities -</b>     |                  |                  |                  |
| Borrowings                           | 5,819            | ...              | 2,007            |
| Provisions                           | 177              | 222              | 222              |
| <b>Total Non Current Liabilities</b> | <b>5,996</b>     | <b>222</b>       | <b>2,229</b>     |
| <b>Total Liabilities</b>             | <b>18,708</b>    | <b>9,951</b>     | <b>14,668</b>    |
| <b>NET ASSETS</b>                    | <b>2,137,002</b> | <b>1,570,940</b> | <b>1,552,283</b> |
| <b>EQUITY</b>                        |                  |                  |                  |
| Reserves                             | 243,371          | 270,854          | 270,854          |
| Accumulated funds                    | 1,893,631        | 1,300,086        | 1,281,429        |
| <b>TOTAL EQUITY</b>                  | <b>2,137,002</b> | <b>1,570,940</b> | <b>1,552,283</b> |

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MINISTER FOR WOMEN**

**49 SYDNEY OLYMPIC PARK AUTHORITY**

**49.1 Sydney Olympic Park Authority**

**49.1.1 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) |         |
|-----------------------------------|------------------------|---------|
|                                   | 2005-06                | 2006-07 |
| Property                          | 4                      | 4       |
| Marketing and Communications      | 19                     | 20      |
| Corporate and Commercial Services | 41                     | 41      |
| Place Management                  | 55                     | 47      |
| Business Development              | 5                      | 9       |
| Sustainability and Capital Works  | 19                     | 15      |
|                                   | 143                    | 136     |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Operating expenses -                                       |               |               |               |
| Employee related   | 15,284        | 15,157        | <b>15,154</b> |
| Other operating expenses                                   | 38,916        | 42,271        | <b>40,075</b> |
| Depreciation and amortisation                              | 31,073        | 34,424        | <b>33,604</b> |
| Grants and subsidies                                       |               |               |               |
| State Sports Centre  | 800           | 800           | <b>800</b>    |
| Sydney Aquatic and Athletic Centres -<br>operating subsidy | 2,190         | 2,565         | <b>3,088</b>  |
| Grant to Parklands Foundation                              | ...           | 500           | <b>1,200</b>  |
| Finance costs  |               |               |               |
| Interest on public sector borrowings and advances          | 474           | ...           | <b>226</b>    |
| <b>Total Expenses Excluding Losses</b>                     | <b>88,737</b> | <b>95,717</b> | <b>94,147</b> |

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**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**49 SYDNEY OLYMPIC PARK AUTHORITY**

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**49.1 Sydney Olympic Park Authority**

**49.1.1 Sydney Olympic Park Authority (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|   |               |               |                |
|---|---------------|---------------|----------------|
| Sales of goods and services                   |               |               |                |
| Rents and leases                              | 8,115         | 7,430         | <b>7,503</b>   |
| Carparking                                    | 8,000         | 8,205         | <b>8,550</b>   |
| Minor sales of goods and services             | 1,643         | 1,820         | <b>1,836</b>   |
| Investment income                             | 2,673         | 5,628         | <b>5,233</b>   |
| Retained taxes, fees and fines                | 300           | 516           | <b>300</b>     |
| Grants and contributions                      | 957           | 1,383         | <b>832</b>     |
| Other revenue                                 | 10,420        | 18,308        | <b>17,523</b>  |
| <b>Total Retained Revenue</b>                 | <b>32,108</b> | <b>43,290</b> | <b>41,777</b>  |
| Gain/(loss) on disposal of non current assets | 2,867         | 4,367         | <b>6,713</b>   |
| Other gains/(losses)                          | (1,897)       | (2,193)       | <b>(2,475)</b> |
| <b>NET COST OF SERVICES</b>                   | <b>55,659</b> | <b>50,253</b> | <b>48,132</b>  |

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>26,518</b> | <b>13,611</b> | <b>24,050</b> |
|----------------------------|---------------|---------------|---------------|

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**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**CENTENNIAL PARK AND MOORE PARK TRUST**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Sales of goods and services            | 12,048          | 14,937           | <b>15,329</b>                       |
| Investment income                      | 329             | 346              | <b>302</b>                          |
| Retained taxes, fees and fines         | 207             | 220              | <b>220</b>                          |
| Grants and contributions -             |                 |                  |                                     |
| Recurrent Grants*                      | 2,328           | 2,328            | <b>2,215</b>                        |
| Capital Grants*                        | 4,516           | 4,516            | <b>4,707</b>                        |
| Other Grants                           | 4,747           | 3,782            | <b>5,331</b>                        |
| Other revenue                          | 202             | 315              | <b>250</b>                          |
| <b>Total Retained Revenue</b>          | <b>24,377</b>   | <b>26,444</b>    | <b>28,354</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating Expenses -                   |                 |                  |                                     |
| Employee related                       | 4,709           | 4,849            | <b>5,070</b>                        |
| Other operating expenses               | 9,473           | 11,400           | <b>12,909</b>                       |
| Depreciation and amortisation          | 4,680           | 4,680            | <b>4,799</b>                        |
| <b>Total Expenses Excluding Losses</b> | <b>18,862</b>   | <b>20,929</b>    | <b>22,778</b>                       |
| <b>SURPLUS/(DEFICIT)</b>               | <b>5,515</b>    | <b>5,515</b>     | <b>5,576</b>                        |

\* In 2005-06 recurrent and capital funding was appropriated directly to the agency from the Consolidated Fund.

**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**CENTENNIAL PARK AND MOORE PARK TRUST**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                         |
| <b>Receipts</b>                                 |                 |                  |                         |
| Sale of goods and services                      | 12,048          | 13,749           | <b>14,929</b>           |
| Interest  | 135             | 152              | <b>102</b>              |
| Other   | 14,441          | 14,536           | <b>15,025</b>           |
| <b>Total Receipts</b>                           | <b>26,624</b>   | <b>28,437</b>    | <b>30,056</b>           |
| <b>Payments</b>                                 |                 |                  |                         |
| Employee related                                | 4,438           | 4,379            | <b>4,855</b>            |
| Other   | 12,765          | 16,497           | <b>15,975</b>           |
| <b>Total Payments</b>                           | <b>17,203</b>   | <b>20,876</b>    | <b>20,830</b>           |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>9,421</b>    | <b>7,561</b>     | <b>9,226</b>            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                         |
| Purchases of property, plant and equipment      | (8,182)         | (8,144)          | <b>(8,215)</b>          |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(8,182)</b>  | <b>(8,144)</b>   | <b>(8,215)</b>          |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>1,239</b>    | <b>(583)</b>     | <b>1,011</b>            |
| Opening Cash and Cash Equivalents               | 3,049           | 1,082            | <b>521</b>              |
| Reclassification of Cash Equivalents            | (22)            | (22)             | <b>(21)</b>             |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>4,310</b>    | <b>521</b>       | <b>1,553</b>            |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                         |
| Surplus/(deficit)                               | 5,515           | 5,515            | <b>5,576</b>            |
| Non cash items added back                       | 4,486           | 4,486            | <b>4,599</b>            |
| Change in operating assets and liabilities      | (580)           | (2,440)          | <b>(949)</b>            |
| <b>Net cash flow from operating activities</b>  | <b>9,421</b>    | <b>7,561</b>     | <b>9,226</b>            |

**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**CENTENNIAL PARK AND MOORE PARK TRUST**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 4,310           | 521              | 1,553           |
| Receivables                          | 1,479           | 1,802            | 2,261           |
| Other financial assets               | 4,463           | 4,584            | 4,763           |
| Inventories                          | 120             | 223              | 223             |
| Other                                | 15              | 100              | 100             |
| <b>Total Current Assets</b>          | <b>10,387</b>   | <b>7,230</b>     | <b>8,900</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Investment properties                | ...             | 79,731           | 79,731          |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 420,484         | 374,976          | 375,975         |
| Plant and equipment                  | 1,800           | 1,262            | 1,253           |
| Infrastructure systems               | 188,630         | 200,700          | 203,126         |
| Intangibles                          | 112             | 112              | 112             |
| Other                                | 109             | 124              | 115             |
| <b>Total Non Current Assets</b>      | <b>611,135</b>  | <b>656,905</b>   | <b>660,312</b>  |
| <b>Total Assets</b>                  | <b>621,522</b>  | <b>664,135</b>   | <b>669,212</b>  |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 3,499           | 1,417            | 1,508           |
| Provisions                           | 335             | 336              | 336             |
| Other                                | 590             | 123              | 123             |
| <b>Total Current Liabilities</b>     | <b>4,424</b>    | <b>1,876</b>     | <b>1,967</b>    |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Provisions                           | 35              | 54               | 54              |
| Other                                | 7,345           | 7,147            | 6,557           |
| <b>Total Non Current Liabilities</b> | <b>7,380</b>    | <b>7,201</b>     | <b>6,611</b>    |
| <b>Total Liabilities</b>             | <b>11,804</b>   | <b>9,077</b>     | <b>8,578</b>    |
| <b>NET ASSETS</b>                    | <b>609,718</b>  | <b>655,058</b>   | <b>660,634</b>  |
| <b>EQUITY</b>                        |                 |                  |                 |
| Reserves                             | 71,412          | 107,982          | 107,982         |
| Accumulated funds                    | 538,306         | 547,076          | 552,652         |
| <b>TOTAL EQUITY</b>                  | <b>609,718</b>  | <b>655,058</b>   | <b>660,634</b>  |

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**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**LUNA PARK RESERVE TRUST**

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Sales of goods and services            | 1,266           | 1,111            | <b>1,144</b>    |
| Investment income                      | 28              | 36               | <b>37</b>       |
| <b>Total Retained Revenue</b>          | <b>1,294</b>    | <b>1,147</b>     | <b>1,181</b>    |
| Less:                                  |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating Expenses -                   |                 |                  |                 |
| Employee related                       | 10              | 10               | <b>10</b>       |
| Other operating expenses               | 902             | 779              | <b>799</b>      |
| Depreciation and amortisation          | 452             | ...              | ...             |
| <b>Total Expenses Excluding Losses</b> | <b>1,364</b>    | <b>789</b>       | <b>809</b>      |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(70)</b>     | <b>358</b>       | <b>372</b>      |

**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**LUNA PARK RESERVE TRUST**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 1,266           | 1,111            | 1,144           |
| Interest  | 28              | 36               | 37              |
| Other   | ...             | 608              | 611             |
| <b>Total Receipts</b>                           | <b>1,294</b>    | <b>1,755</b>     | <b>1,792</b>    |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 10              | 10               | 10              |
| Other   | 903             | 1,377            | 1,410           |
| <b>Total Payments</b>                           | <b>913</b>      | <b>1,387</b>     | <b>1,420</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>381</b>      | <b>368</b>       | <b>372</b>      |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>381</b>      | <b>368</b>       | <b>372</b>      |
| Opening Cash and Cash Equivalents               | 1,284           | 810              | 1,178           |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>1,665</b>    | <b>1,178</b>     | <b>1,550</b>    |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Surplus/(deficit)                               | (70)            | 358              | 372             |
| Non cash items added back                       | 452             | ...              | ...             |
| Change in operating assets and liabilities      | (1)             | 10               | ...             |
| <b>Net cash flow from operating activities</b>  | <b>381</b>      | <b>368</b>       | <b>372</b>      |

**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**LUNA PARK RESERVE TRUST**

|                                      | ———2005-06——— |               |                |
|--------------------------------------|---------------|---------------|----------------|
|                                      | Budget        | Revised       | <b>2006-07</b> |
|                                      | \$000         | \$000         | <b>Budget</b>  |
|                                      |               |               | <b>\$000</b>   |
| <b>BALANCE SHEET</b>                 |               |               |                |
| <b>ASSETS -</b>                      |               |               |                |
| <b>Current Assets -</b>              |               |               |                |
| Cash assets                          | 1,665         | 1,178         | <b>1,550</b>   |
| Receivables                          | 323           | 612           | <b>615</b>     |
| <b>Total Current Assets</b>          | <b>1,988</b>  | <b>1,790</b>  | <b>2,165</b>   |
| <b>Non Current Assets -</b>          |               |               |                |
| Receivables                          | ...           | 3,588         | <b>3,088</b>   |
| Investment properties                | ...           | 26,073        | <b>26,073</b>  |
| Property, plant and equipment -      |               |               |                |
| Land and building                    | 16,940        | ...           | ...            |
| Plant and equipment                  | 12            | 14            | <b>14</b>      |
| Infrastructure systems               | 8,233         | ...           | ...            |
| <b>Total Non Current Assets</b>      | <b>25,185</b> | <b>29,675</b> | <b>29,175</b>  |
| <b>Total Assets</b>                  | <b>27,173</b> | <b>31,465</b> | <b>31,340</b>  |
| <b>LIABILITIES -</b>                 |               |               |                |
| <b>Current Liabilities -</b>         |               |               |                |
| Payables                             | 35            | 607           | <b>610</b>     |
| <b>Total Current Liabilities</b>     | <b>35</b>     | <b>607</b>    | <b>610</b>     |
| <b>Non Current Liabilities -</b>     |               |               |                |
| Other                                | ...           | 3,588         | <b>3,088</b>   |
| <b>Total Non Current Liabilities</b> | <b>...</b>    | <b>3,588</b>  | <b>3,088</b>   |
| <b>Total Liabilities</b>             | <b>35</b>     | <b>4,195</b>  | <b>3,698</b>   |
| <b>NET ASSETS</b>                    | <b>27,138</b> | <b>27,270</b> | <b>27,642</b>  |
| <b>EQUITY</b>                        |               |               |                |
| Reserves                             | 14,235        | ...           | ...            |
| Accumulated funds                    | 12,903        | 27,270        | <b>27,642</b>  |
| <b>TOTAL EQUITY</b>                  | <b>27,138</b> | <b>27,270</b> | <b>27,642</b>  |

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**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**STATE SPORTS CENTRE TRUST**

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Sales of goods and services            | 3,082           | 3,198            | <b>3,276</b>    |
| Investment income                      | 48              | 69               | <b>49</b>       |
| Grants and contributions               | 1,090           | 1,117            | <b>1,306</b>    |
| Other revenue                          | 39              | 38               | <b>40</b>       |
| <b>Total Retained Revenue</b>          | <b>4,259</b>    | <b>4,422</b>     | <b>4,671</b>    |
| Less:                                  |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating Expenses -                   |                 |                  |                 |
| Employee related                       | 2,126           | 2,219            | <b>2,288</b>    |
| Other operating expenses               | 2,050           | 1,980            | <b>2,102</b>    |
| Depreciation and amortisation          | 359             | 466              | <b>433</b>      |
| <b>Total Expenses Excluding Losses</b> | <b>4,535</b>    | <b>4,665</b>     | <b>4,823</b>    |
| <b>SURPLUS/(DEFICIT)</b>               | <b>(276)</b>    | <b>(243)</b>     | <b>(152)</b>    |

**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**STATE SPORTS CENTRE TRUST**

|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                      |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | 3,076           | 3,160            | <b>3,268</b>    |
| Interest  | 48              | 71               | <b>49</b>       |
| Other   | 1,409           | 1,268            | <b>1,438</b>    |
| <b>Total Receipts</b>                           | <b>4,533</b>    | <b>4,499</b>     | <b>4,755</b>    |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 2,061           | 2,114            | <b>2,175</b>    |
| Other   | 2,319           | 2,116            | <b>2,179</b>    |
| <b>Total Payments</b>                           | <b>4,380</b>    | <b>4,230</b>     | <b>4,354</b>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>153</b>      | <b>269</b>       | <b>401</b>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Advance repayments received                     | ...             | 120              | ...             |
| Purchases of property, plant and equipment      | (50)            | (432)            | <b>(447)</b>    |
| Purchases of investments                        | (1)             | ...              | <b>(1)</b>      |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(51)</b>     | <b>(312)</b>     | <b>(448)</b>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                 |                  |                 |
| Repayment of borrowings and advances            | ...             | (12)             | <b>(11)</b>     |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>...</b>      | <b>(12)</b>      | <b>(11)</b>     |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>102</b>      | <b>(55)</b>      | <b>(58)</b>     |
| Opening Cash and Cash Equivalents               | 568             | 684              | <b>629</b>      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>670</b>      | <b>629</b>       | <b>571</b>      |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Surplus/(deficit)                               | (276)           | (243)            | <b>(152)</b>    |
| Non cash items added back                       | 349             | 456              | <b>418</b>      |
| Change in operating assets and liabilities      | 80              | 56               | <b>135</b>      |
| <b>Net cash flow from operating activities</b>  | <b>153</b>      | <b>269</b>       | <b>401</b>      |

**MINISTER FOR TOURISM AND SPORT AND RECREATION, AND  
MINISTER FOR WOMEN**

**STATE SPORTS CENTRE TRUST**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 670             | 629              | 571             |
| Receivables                          | 227             | 228              | 239             |
| Other financial assets               | 425             | 425              | 426             |
| Inventories                          | 20              | 10               | 11              |
| Other                                | 52              | 52               | 52              |
| <b>Total Current Assets</b>          | <b>1,394</b>    | <b>1,344</b>     | <b>1,299</b>    |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 111             | 222              | 305             |
| Plant and equipment                  | 928             | 1,256            | 1,187           |
| Other                                | 250             | 178              | 80              |
| <b>Total Non Current Assets</b>      | <b>1,289</b>    | <b>1,656</b>     | <b>1,572</b>    |
| <b>Total Assets</b>                  | <b>2,683</b>    | <b>3,000</b>     | <b>2,871</b>    |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 485             | 356              | 374             |
| Provisions                           | 123             | 123              | 127             |
| Other                                | 173             | 167              | 169             |
| <b>Total Current Liabilities</b>     | <b>781</b>      | <b>646</b>       | <b>670</b>      |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | 48              | 26               | 15              |
| Provisions                           | 293             | 362              | 372             |
| <b>Total Non Current Liabilities</b> | <b>341</b>      | <b>388</b>       | <b>387</b>      |
| <b>Total Liabilities</b>             | <b>1,122</b>    | <b>1,034</b>     | <b>1,057</b>    |
| <b>NET ASSETS</b>                    | <b>1,561</b>    | <b>1,966</b>     | <b>1,814</b>    |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 1,561           | 1,966            | 1,814           |
| <b>TOTAL EQUITY</b>                  | <b>1,561</b>    | <b>1,966</b>     | <b>1,814</b>    |



# MINISTER FOR TRANSPORT

## OVERVIEW

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Ministry of Transport</b>                                      |                                   |                                   |                        |
| Total Expenses .....  | 2,993.7                           | 3,427.1                           | 14.5                   |
| Capital Expenditure .....   | 11.2                              | 11.3                              | 0.8                    |
| <b>Independent Transport Safety and Reliability<br/>Regulator</b> |                                   |                                   |                        |
| Total Expenses .....  | 17.4                              | 16.7                              | -4.1                   |
| Capital Expenditure .....   | 0.7                               | 0.5                               | -23.1                  |
| <b>Office of Transport Safety Investigation</b>                   |                                   |                                   |                        |
| Total Expenses .....  | ...                               | 2.4                               | n.a.                   |
| Capital Expenditure .....   | ...                               | ...                               | ...                    |
| <b>Total, Minister for Transport</b>                              |                                   |                                   |                        |
| Total Expenses .....  | <b>3,011.1</b>                    | <b>3,446.2</b>                    | <b>14.4</b>            |
| Capital Expenditure .....   | <b>11.9</b>                       | <b>11.8</b>                       | <b>-0.8</b>            |

## TRANSPORT

The transport portfolio includes the Ministry of Transport, the Independent Transport Safety and Reliability Regulator (ITSRR), the Office of Transport Safety Investigation (OTSI), the State owned transport service providers - Rail Corporation New South Wales (RailCorp), State Rail Authority (SRA), Rail Infrastructure Corporation (RIC), Sydney Ferries and State Transit Authority (STA) and the Transport Infrastructure Development Corporation (TIDC). The Office of Transport Safety Investigation, formerly a part of ITSRR, was established as an independent office from 1 July 2005.

The Ministry of Transport, ITSRR and OTSI are funded directly by Budget appropriations. Transport service providers are funded in part from their own source revenues and borrowings but are predominately funded from the Budget by way of grants and service payments from the Ministry.

## **MINISTRY OF TRANSPORT**

The Ministry of Transport is a lead agency of the transport portfolio. The Ministry funds passenger service agencies and specific infrastructure programs and regulates the private bus, taxi and hire car industries. In addition, the Ministry is a direct purchaser of bus services in New South Wales and provides independent policy advice to the Minister.

### **RESULTS AND SERVICES**

The Ministry's key focus is oversighting transport service providers to ensure that Government objectives to upgrade and enhance transport within New South Wales are achieved. Driving transport reform and improving the performance of transport providers is designed to result in transport services that are more capable, competitive and sustainable and meet customer expectations for safe, reliable and clean services.

Key services provided by the Ministry include:

- ◆ regulating bus, taxi and hire car services through accreditation, compliance and performance audit programs;
- ◆ providing independent policy advice on rail, bus, ferry, freight and aviation reforms;
- ◆ purchasing public passenger transport services and funding transport concessions provided by operators;
- ◆ managing community-based transport programs including the School Student Transport Scheme, the Private Vehicle Conveyancing Scheme and Community Transport Programs;
- ◆ supporting local initiatives to improve transport options in rural and regional areas;
- ◆ implementating taxi reforms; and
- ◆ co-ordinating whole-of-Government approaches to transport security and counter-terrorism including Central Business District security and evacuation planning.

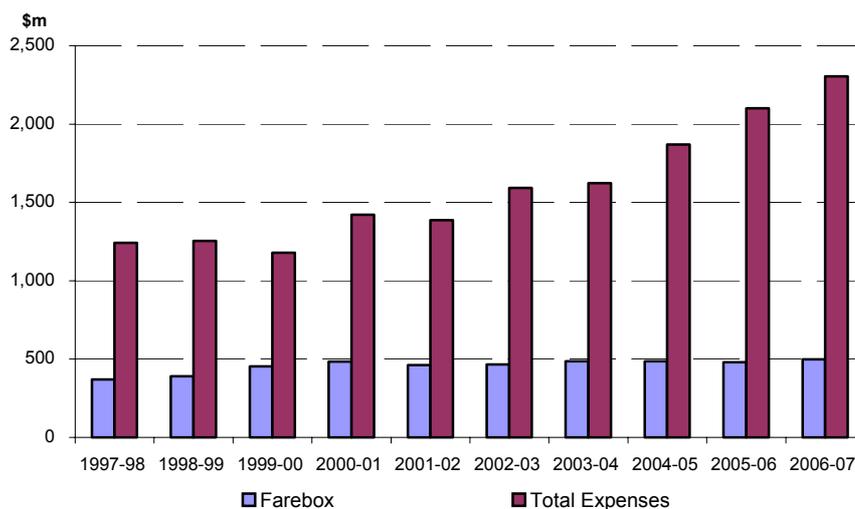
## RECENT DEVELOPMENTS

Budget funded expenditure on transport has grown over the past four years. Forecast total expenses for 2005-06 of \$3.3 billion represent an increase of over \$1 billion (or 46 per cent) over the level in 2001-02.

### Rail Services

Budget support for CityRail and CountryLink passenger rail services, for both operations and capital investment, has doubled since 2001-02, from just over \$1 billion to a forecast \$2 billion in 2006-07. This reflects major spending initiatives to improve safety and reliability, including increased maintenance of rollingstock, track and signalling systems, improved security and infrastructure upgrades and improvements to public safety and security, including recruitment of 600 transit officers. Fare revenues, regulated by the Independent Pricing and Regulatory Tribunal (IPART), grew modestly over the same period, which means that rail services are now increasingly dependent on the Budget to meet both operating expenses and capital investment. In 2005-06 farebox recovers an estimated 21.6 per cent of CityRail expenses, compared with 30.3 per cent in 2001-02.

**Chart 19.1: CityRail Expenses and Farebox**



With a focus on service improvement, a number of major initiatives have been delivered or are being planned, including:

- ◆ the new CityRail timetable, introduced in September 2005, which reflects a safer operating environment and improved reliability, particularly during peak periods. Since introduction of the new timetable in September 2005 up to end April 2006, around 91.5 per cent of peak services have been on time;
- ◆ a record 1,412 train drivers on the network at April 2006, with a further 202 in training;
- ◆ the new \$105 million Parramatta Transport Interchange, opened in February 2006, which provides commuters with significantly enhanced access and amenity for both rail and bus services. The interchange was complemented by \$25.5 million in essential rail systems and track infrastructure and \$24.5 million for associated roadworks to support the bus interchange; and
- ◆ other major infrastructure improvements in progress or planned also include:
  - the \$1.5 billion Rail Clearways program, which will increase peak hour capacity and reliability across the network. Already commuters are benefiting from these works. Completion of the turnback at Bondi Junction enabled a new timetable for the Illawarra, Eastern Suburbs and South Coast lines to be introduced on 28 May 2006, with capacity for more services. A new platform at Berowra is due to open later this year. The remaining 12 projects will be progressively completed over the next four years;
  - the purchase of approximately 600 new carriages for the suburban rail network under a Public Private Partnership, as well as 122 new Outer Suburban carriages for the intercity lines and 14 Hunter Valley carriages as part of a massive rollingstock investment program worth more than \$2.5 billion;
  - the \$2 billion Epping to Chatswood Rail Line which will run passenger services from mid 2008 via three new underground stations;
  - further network extension plans to cater for urban residential growth in the North West and South West sectors and increased capacity in the Central Business District;

- major upgrades and improved amenities at North Sydney, Chatswood and the recently completed Parramatta station. Investigations are also underway on a proposed redevelopment of Town Hall station; and
- a rail safety improvement plan resulting from the Special Commission of Inquiry into the Waterfall rail accident. Key components of the plan include a new rail communications system and train overspeed protection systems.

Additional funding has also been provided for major upgrades to the country regional rail network, including lines managed by the Australian Rail Track Corporation (ARTC) and lines servicing the grain industry. Nearly \$60 million extra will be spent on major maintenance works up to June 2008 on grain lines across western and south western New South Wales. Options to facilitate rail freight movements through metropolitan Sydney and improve access to major terminals and ports are also being reviewed in conjunction with the ARTC.

## **Bus Services**

Implementing the Government's plan to revitalise and enhance bus services is a key priority for the Ministry, and follows from recommendations of 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.

New bus contracts will provide for a sustainable and viable bus industry, and result in better services for commuters and better value from Budget support. All 15 new contracts for metropolitan services, worth \$2.8 billion over the next seven years, were finalised by November 2005. Contracts for outer metropolitan services in the Lower Hunter, Newcastle, Central Coast, the Illawarra and the Blue Mountains are expected to be completed by the end of 2006.

The new contract arrangements underpin progressive implementation of service and operational improvements, including:

- ◆ consistent fares for any given distance, whether on State Transit or private buses. This includes extension of the \$2.50 Pensioner Excursion Ticket, which is now available on both Government and private bus services across Sydney and, since September 2005, was extended to the outer metropolitan areas of the Central Coast, Newcastle, Lower Hunter, Blue Mountains and Illawarra;

- ◆ a three-year \$135 million bus priority program, which commenced in 2005-06, to provide traffic priority for buses on key strategic corridors. Work has commenced on corridors between Miranda and Hurstville, Miranda and Bankstown, Liverpool and Bankstown, and Bankstown and Burwood;
- ◆ improved delivery and planning of Transitway services. Patronage on the Liverpool-Parramatta Transitway has tripled since opening three years ago. Integrated service plans are also being developed for the North West Transitway, due to open in 2007;
- ◆ introduction of a comprehensive community consultation process to develop bus networks that are better targeted to community needs; and
- ◆ enhanced bus standards to ensure all new buses are air-conditioned.

### **Other Services**

The existing team of Regional Transport Co-ordinators has expanded to include two metropolitan transport co-ordinators to further improve the utilisation and effectiveness of existing transport resources.

The co-ordination of transport services to major events has seen an increase in the use of public transport services by 19 per cent since 2001. In 2005 over 941,000 people took advantage of special “integrated ticketing” to travel to major and special events, which represented more than 70 per cent of patrons of those venues.

## **STRATEGIC DIRECTIONS AND REFORM INITIATIVES**

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 new Epping to Chatswood Rail Line and the Rail Clearways Program and the acquisition of new rail carriages for the metropolitan, outer suburban and Hunter networks;
- ◆ more frequent and direct bus services on “strategic corridors” linking key centres across Sydney, supported by an expanded bus priority program. The new bus contracting and funding arrangements are to be extended to outer metropolitan areas by the end of 2006 and to rural and regional areas by 2008; and
- ◆ development of a smart card integrated ticketing system for all public transport operators in the Greater Sydney region. The new system will provide a common ticket for train, bus and ferry travel and improve the convenience and attraction of using public transport.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are estimated at \$3.4 billion, an increase of \$433 million, or 14.5 per cent on the 2005-06 Budget.

### ***Safe, Reliable and Clean Rail Services***

In 2006-07 Budget support for rail services, including funding for concessions, is \$2.4 billion, an increase of \$367 million or 18.2 per cent on the 2005-06 Budget. Increased funding will support operating expenditures, including maintenance of track and rollingstock and major investment in infrastructure enhancements.

In 2006-07 the Government through the Ministry will provide:

- ◆ \$1.5 billion in recurrent grants to RailCorp to fund CityRail and CountryLink rail services;
- ◆ capital grants to RailCorp of \$500 million;
- ◆ \$20 million for rail transport improvements in the Lower Hunter; and
- ◆ \$157 million in grants to the Transport Infrastructure Development Corporation for the Epping to Chatswood Rail Line.

RailCorp's total capital expenditure program in 2006-07 is \$830 million, an increase of \$243 million or more than 40 per cent on last year. The program is funded by \$500 million in grants, with the balance being from borrowings. 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 \$1.5 billion Rail Clearways Program will untangle the existing 14 lines into five independent clearways to deliver more reliable services, to remove bottlenecks and minimise delays on the metropolitan network. Works have already been completed on the \$17 million Macdonaldtown turnback and the \$77 million Bondi Junction turnback.

In 2006-07, \$207.8 million will be available for works that include:

- ◆ completion of an extra platform and passenger access facilities at Berowra, costing \$9 million and stabling yards at Macdonaldtown, costing \$42 million;
- ◆ continuation of works on duplication of the Cronulla line. When completed by the end of 2008, the \$231 million project will provide upgraded facilities at Sutherland, Kirrawee, Woolooware and Cronulla stations and significantly improve the peak hour capacity of Cronulla trains; and
- ◆ continuation of works on turnbacks at Homebush, Lidcombe and Revesby, including an Easy Access upgrade at Revesby station, as well as an additional platform at Hornsby.

### *Rollingstock*

The Government is purchasing under a Public Private Partnership approximately 600 new carriages for the suburban rail network. The purchase will allow replacement of 498 non air-conditioned carriages and provide additional carriages to cater for patronage growth being experienced across the network.

Other key rollingstock projects for 2006-07 include:

- ◆ \$11.4 million for 41 Outer Suburban cars the first of which will enter service later in 2006;
- ◆ \$142 million to continue with the second tranche of 81 Outer Suburban cars, at a total cost of \$267.9 million to meet forecast growth on the system;
- ◆ \$8.5 million as a first stage of train over-speed protection measures;
- ◆ \$6.9 million to continue refurbishment of the XPT and intercity fleets; and
- ◆ \$13.6 million for safety upgrades of the electric fleet including traction interlocking, vigilance control and foot pedal upgrades.

## *Rail Infrastructure*

In 2006-07 the program includes:

- ◆ continuation of the Easy Access station upgrades program at Auburn, Bulli, Helensburgh, Lakemba, Meadowbank, Merrylands, Mortdale, North Wollongong, Penshurst and Werrington;
- ◆ commencement, including planning and design, of new Easy Access upgrades at Belmore, Bowral, Broadmeadow, Burwood, Carlton, Eastwood, Seven Hills and Turrumurra as well as \$200,000 for scoping and design for an Easy Access upgrade at Newtown station. A total of \$49.2 million is available in 2006-07 for Easy Access works;
- ◆ \$15 million for development and roll-out of new station passenger information systems and \$3 million for further development of a new train radio network;
- ◆ \$79.5 million for various infrastructure upgrades to improve both network safety and system reliability;
- ◆ \$16.7 million for continuation of the \$50.5 million resignalling of the Illawarra line between Oatley and Cronulla;
- ◆ \$18.5 million on upgrading the Newcastle rail corridor, \$500,000 to progress planning for a new rail/transport interchange at Glendale and \$500,000 to progress work on an Easy Access upgrade at Broadmeadow as part of the \$20 million improvement program for rail transport in the Lower Hunter; and
- ◆ \$20 million for works to provide for the Southern Sydney Freight Line which will improve movement of both passenger and freight traffic through the metropolitan rail corridor.

Works will continue on the \$58.2 million upgrade of North Sydney station, with \$19.8 million to be spent in 2006-07. Funds will also be available to investigate redevelopment of Town Hall and Hurstville stations and \$2.5 million for the development of a new station at North Warnervale.

### ***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 \$327 million will be available in 2006-07 for continuation of works on the rail line. The \$2 billion project is due for completion in mid 2008 and will increase the long term capacity of the CityRail network and provide a major transport improvement for Sydney.

### ***Rail Infrastructure Corporation***

The Corporation manages arrangements with the Australian Rail Track Corporation to ensure consistent, safe and reliable rail services are provided to rural New South Wales. In 2006-07, \$189.5 million will be available to meet ongoing business activities, including \$130 million specifically for maintenance of the country regional network and dedicated grain lines. The Corporation is undertaking a \$32 million program to upgrade, over three years, signalling infrastructure and to introduce new train control systems.

### ***Safe, Reliable and Clean Bus Services***

The Ministry funds, under contract, bus services operated by the State Transit Authority and private operators. From November 2005 all metropolitan bus operators, including the State Transit Authority, are subject to new contract arrangements aimed at improving the viability of the bus industry and providing better services for commuters.

### ***Bus Priority***

New metropolitan bus contracts will provide for more frequent and direct bus services on “strategic bus corridors” linking key centres across Sydney. In 2006-07, \$170 million has been allocated for bus priority measures on these corridors, including:

- ◆ \$45 million for strategic bus corridors (including \$30 million of a new three-year \$90 million program commenced in 2005-06); and
- ◆ \$125 million for the North West Transitway, to be completed in 2007.

These initiatives will reduce bus travel times for customers and improve service reliability.

Priority measures on strategic bus corridors include new “transit”, “no stopping” and dedicated (red) bus lanes, intersection improvements, responsive priority for buses at traffic signals (including “B” signals) and bus lane enforcement camera systems. Projects planned for 2006-07 include work on strategic bus corridors between Liverpool and Bankstown, Parramatta and Sydney Central Business District, and Castle Hill and Sydney Central Business District.

### *State Transit Bus Services*

In 2006-07 budget grants and contractual payments to the State Transit Authority are estimated at \$267.6 million including \$37.1 million for services in Newcastle. This is a \$10.5 million increase on 2005-06.

The State Transit Authority’s \$89.5 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.

Expenditure on key projects for 2006-07 includes:

- ◆ \$36 million for the first stage of a \$254 million program to replace 505 buses in the Sydney and Newcastle networks. In 2006-07, 61 standard Compressed Natural Gas and ‘Euro 5’ diesel buses are planned for delivery;
- ◆ \$7.8 million for the remaining 25 high capacity buses (total contract is for 80 buses);
- ◆ \$10 million for Leichhardt Depot redevelopment and \$3.5 million for redevelopment of Brookvale Depot; and
- ◆ \$12.4 million for passenger and driver security on-board buses.

### *Private Bus Services*

Under new contracting arrangements, funding for private metropolitan bus operators in 2006-07 is expected to total \$171.3 million. This will ensure service viability and enable operators to purchase an expected 151 new buses, worth about \$60 million. All new buses will be air conditioned and low-floor for easy access and faster boarding.

Funding for outer-metropolitan and regional bus services will total \$383.2 million in 2006-07. Operators of these services will progressively be transferred to new contracts similar to metropolitan bus service contracts.

## **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.

New ticketing systems are being introduced to more accurately measure the numbers of students actually utilising public transport for the journey to and from school and college. The reduction in scheme costs in 2005-06 partly reflects improved scheme management, as well as the impact of fare harmonisation between government and private bus operators, which lowered fares on private buses thus reducing SSTS payments.

School Student Transport Scheme payments in 2006-07 are estimated at \$446.2 million. The six-year costs and trends under this scheme are as follows:

### **School Student Transport Scheme Costs**

|                              |      | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06<br>Revised | 2006-07<br>Projection |
|------------------------------|------|---------|---------|---------|---------|--------------------|-----------------------|
| Beneficiaries <sup>(a)</sup> | '000 | 674.8   | 649.8   | 660.1   | 660.5   | 661.2              | 662.9                 |
| Total costs <sup>(b)</sup>   | \$m  | 406.1   | 431.5   | 451.3   | 456.3   | 434.5              | 446.2                 |
| Total cost per beneficiary   | \$   | 601.8   | 663.9   | 683.7   | 690.8   | 657.2              | 673.1                 |

(a) Improved analysis of eligibility data has resulted in lower beneficiary numbers from 2002-03.

(b) Inclusive of payments to RailCorp and STA. From 2005-06 SSTS costs are determined on a revised methodology linked to new bus contracts and are not comparable to prior years.

## **Safe Reliable and Clean Ferry Services**

In 2006-07, Sydney Ferries will continue its focus on improving safety and customer service 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 \$44.3 million in 2006-07, an increase \$11.6 million on the 2005-06 Budget.

Sydney Ferries' \$10.6 million capital works program now fully funded from borrowings includes a number of initiatives designed to improve the Corporation's safety and service reliability performance. Key projects for 2006-07 include:

- ◆ \$3.3 million for new engines for First Fleet and RiverCat vessels to improve safety, reliability and fuel efficiency;
- ◆ \$3.2 million for safety initiatives including installation of a vessel management system on all vessels, CCTV installation and upgrade of control systems on the Manly ferry "Collaroy"; and
- ◆ \$0.9 million for refurbishment of the wharves at Balmain Shipyard and upgrade of the liquid handling systems to comply with environmental standards.

### **Integrated Ticketing Project**

Development of the "Tcard", an integrated smartcard based ticketing system for all public transport operators in the Greater Sydney region, is progressing. Management of the ticketing system will be the responsibility of the Public Transport Ticketing Corporation.

The Tcard system is based on smartcard technology and will provide users with the convenience of a single ticketing system for travel on all Government and privately operated rail, bus and ferry services. In 2006-07 capital expenditure on system development and implementation is projected at \$85.7 million. Already some 330,000 school cards are in use daily for students using private bus services.

### **Community Groups and Other Transport Subsidy Schemes**

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 community groups are estimated at \$50 million in 2006-07.

In early 2006, the Ministry of Transport employed two Metropolitan Transport Coordinators for a two-year period. The Metropolitan Coordinators have been tasked with researching and providing advice on transport disadvantage issues in a range of targeted areas across Sydney. Co-ordinators will continue to work closely with the Ministry's service planning team to design new bus networks which better meet the needs of local communities.

In 2005-06 the Country Passenger Transport Infrastructure Grant Scheme (CPTIGS) funded 40 projects in 26 towns. This \$1.5 million initiative assists local councils in rural and regional areas to improve public transport facilities for commuters through better bus and taxi shelters, improved seating, lighting and signage.

### **Transport Infrastructure Improvement**

The Transport Infrastructure Improvement Program, funded from the Parking Space Levy, will continue during 2006-07. The Program provides for the construction of interchanges and commuter car parks and other transport infrastructure to improve access to and encourage the use of public transport.

Projects continuing in 2006-07 include:

- ◆ \$21.2 million for bus stations on the North West Transitway, linking Mungerie Park, Blacktown and Parramatta;
- ◆ Wentworthville carpark; and
- ◆ interchanges and carpark improvements at Woy Woy and Tuggerah.

### **Capital Expenditure**

The Ministry of Transport's capital program includes provision of \$361,000 to continue information technology upgrades.

## **INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR**

The Independent Transport Safety and Reliability Regulator (ITSRR), established under the *Transport Administration Act 1988*, regulates safety on the rail network and monitors and reports on reliability issues affecting publicly funded rail, bus and ferry services.

### **RESULTS AND SERVICES**

ITSRR works in partnership with transport operators and other transport safety regulators towards the following results:

- ◆ Rail operators have effective safety management systems and have a continuously improving safety culture.

- ◆ The NSW Government, operators and the community are aware of service reliability and sustainability issues and results for rail, bus and ferry services.
- ◆ Improvements are made by NSW public transport regulators to safety regulatory frameworks for rail, bus and ferry services.

Key services provided by ITSRR which contribute to these results include:

- ◆ regulating rail safety by accrediting, auditing and enforcing compliance. ITSRR also has a leadership role in national rail safety reform;
- ◆ facilitating NSW public transport regulators to work together to improve safety regulatory frameworks across the rail, bus and ferry transport modes; and
- ◆ advising on transport service reliability by conducting research and reporting on the reliability and sustainability of publicly funded rail, bus and ferry services.

## **RECENT DEVELOPMENTS**

ITSRR has taken a lead role in fostering safety and reliability enhancements:

- ◆ reports quarterly to the Minister for Transport on the progress of implementation of the NSW Government's response to the Final Report of the Special Commission of Inquiry into the Waterfall accident. These reports are tabled in Parliament;
- ◆ published an independent survey of CityRail customers. The purpose of the surveys is to measure changes over time in the quality of CityRail services from a customer perspective;
- ◆ developed new rail operator accreditation standards in New South Wales to heighten safety controls. This will have national implication; and
- ◆ promoted higher standards of safety and consistency across States through participation and leadership in the national legislative reform process. This includes consideration of reducing unnecessary regulation for industry.

Responsibility for Transport Safety Investigations was transferred to the Office of Transport Safety Investigations from 1 July 2005.

## **STRATEGIC DIRECTIONS**

Key priorities for ITSRR in 2006-07 include:

- ◆ ensuring rail operators in New South Wales implement effective safety management systems through new accreditation requirements, as well as through the development of national legislation which ITSRR is actively guiding;
- ◆ ongoing implementation of the recommendations of the Special Commission of Inquiry into the Waterfall accident;
- ◆ facilitating the NSW transport regulators forum to identify and implement improvements to rail, bus and ferry safety regulation; and
- ◆ informing government and the community with independent advice on the reliability and sustainability of publicly funded transport.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for ITSRR are estimated at \$16.7 million in 2006-07 including:

- ◆ \$14.7 million for conducting safety audits and compliance investigations. Additionally, ITSRR will prepare and implement a National Accreditation Package for industry setting out new standards for rail safety management systems, including education and liaison with industry and other regulators;
- ◆ \$1.8 million to report on reliability issues, primarily for the rail network, to the government and the public; and
- ◆ \$200,000 to facilitate improvements to transport safety regulatory frameworks.

### **Capital Expenditure**

Capital expenditure of \$500,000 in 2006-07 will further develop ITSRR's management reporting system required for safety regulation.

## OFFICE OF TRANSPORT SAFETY INVESTIGATIONS

The Office of Transport Investigations (OTSI), formerly part of the Independent Transport Safety and Reliability Regulator, was established as an independent office from 1 July 2005.

OTSI's primary responsibility under the *Transport Administration Act 1988* and *Rail Safety Act 2002* is to investigate rail and passenger transport accidents and incidents.

### RESULTS AND SERVICES

The purpose of OTSI's investigations is to identify the contributory factors to rail and passenger transport accidents and incidents and determine remedial safety actions designed to prevent recurrence.

Key services provided by OTSI include:

- ◆ providing a 24 hour Confidential Safety Information Reporting Scheme (CSIRS) to report on safety issues that require remedial action;
- ◆ providing a 24 hour investigation response team to immediately deploy to an accident or incident site to undertake investigations; and
- ◆ producing Transport Safety Investigation Reports for government, industry and public use.

### STRATEGIC DIRECTIONS

Key priorities for the Office in 2006–07 are to conduct investigations within the context of a 'just culture', where blame is not apportioned. This encourages reporting of accidents or incidents and an open approach to finding the cause. OTSI will also undertake systemic investigations to assist transport operators in the identification of risk factors within individual transport modes.

### 2006-07 BUDGET

#### Total Expenses

Total expenses for the Office of the Chief Investigator are estimated at \$2.4 million in 2006-07.

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**MINISTER FOR TRANSPORT**  
**50 MINISTRY OF TRANSPORT**

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|  | 2005-06          |                  | 2006-07          |
|--|------------------|------------------|------------------|
|  | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000  |
| <b>OPERATING STATEMENT</b>             |                  |                  |                  |
| <b>Expenses Excluding Losses -</b>     |                  |                  |                  |
| Operating expenses -                   |                  |                  |                  |
| Employee related                       | 30,527           | 33,678           | <b>33,978</b>    |
| Other operating expenses               | 10,004           | 17,277           | <b>11,757</b>    |
| Depreciation and amortisation          | 3,375            | 5,428            | <b>3,356</b>     |
| Grants and subsidies                   | 2,932,066        | 3,266,735        | <b>3,360,066</b> |
| Finance costs                          | ...              | 1,886            | ...              |
| Other expenses                         | 17,725           | 17,987           | <b>17,938</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>2,993,697</b> | <b>3,342,991</b> | <b>3,427,095</b> |
| Less:                                  |                  |                  |                  |
| <b>Retained Revenue -</b>              |                  |                  |                  |
| Sales of goods and services            | 6,895            | 10,419           | <b>5,621</b>     |
| Investment income                      | 1,242            | 2,578            | <b>1,284</b>     |
| Retained taxes, fees and fines         | 1,833            | 1,699            | <b>1,895</b>     |
| Grants and contributions               | 28,704           | 36,247           | <b>37,499</b>    |
| Other revenue                          | 4,513            | 4,442            | <b>4,513</b>     |
| <b>Total Retained Revenue</b>          | <b>43,187</b>    | <b>55,385</b>    | <b>50,812</b>    |
| <b>NET COST OF SERVICES</b>            | <b>2,950,510</b> | <b>3,287,606</b> | <b>3,376,283</b> |

**MINISTER FOR TRANSPORT**  
**50 MINISTRY OF TRANSPORT**

|   | 2005-06            |                    | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|--------------------|--------------------|-------------------------------------|
|   | Budget<br>\$000    | Revised<br>\$000   |                                     |
| <b>CASH FLOW STATEMENT</b>                      |                    |                    |                                     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                    |                    |                                     |
| <b>Payments</b>                                 |                    |                    |                                     |
| Employee related                                | 28,479             | 32,977             | <b>31,850</b>                       |
| Grants and subsidies                            | 2,921,096          | 3,250,965          | <b>3,349,096</b>                    |
| Finance costs                                   | ...                | 1,886              | ...                                 |
| Other   | 70,020             | 78,630             | <b>81,202</b>                       |
| <b>Total Payments</b>                           | <b>3,019,595</b>   | <b>3,364,458</b>   | <b>3,462,148</b>                    |
| <b>Receipts</b>                                 |                    |                    |                                     |
| Sale of goods and services                      | 6,895              | 10,419             | <b>5,621</b>                        |
| Interest  | 1,242              | 2,414              | <b>1,284</b>                        |
| Other   | 73,569             | 79,158             | <b>82,311</b>                       |
| <b>Total Receipts</b>                           | <b>81,706</b>      | <b>91,991</b>      | <b>89,216</b>                       |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(2,937,889)</b> | <b>(3,272,467)</b> | <b>(3,372,932)</b>                  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                    |                    |                                     |
| Purchases of property, plant and equipment      | (11,244)           | (9,314)            | <b>(11,331)</b>                     |
| Other   | ...                | (18,560)           | <b>(14,386)</b>                     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(11,244)</b>    | <b>(27,874)</b>    | <b>(25,717)</b>                     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>     |                    |                    |                                     |
| Proceeds from borrowings and advances           | ...                | 15,258             | ...                                 |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b> | <b>...</b>         | <b>15,258</b>      | <b>...</b>                          |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                    |                    |                                     |
| Recurrent appropriation                         | 2,930,414          | 3,257,539          | <b>3,340,386</b>                    |
| Capital appropriation                           | 11,244             | 11,244             | <b>11,331</b>                       |
| Cash transfers to Consolidated Fund             | ...                | (3,025)            | ...                                 |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>2,941,658</b>   | <b>3,265,758</b>   | <b>3,351,717</b>                    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>(7,475)</b>     | <b>(19,325)</b>    | <b>(46,932)</b>                     |

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**MINISTER FOR TRANSPORT**  
**50 MINISTRY OF TRANSPORT**

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|  | 2005-06            |                    | 2006-07            |
|--|--------------------|--------------------|--------------------|
|  | Budget<br>\$000    | Revised<br>\$000   | Budget<br>\$000    |
| <b>CASH FLOW STATEMENT (cont)</b>              |                    |                    |                    |
| Opening Cash and Cash Equivalents              | 51,024             | 83,270             | <b>63,945</b>      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>       | <b>43,549</b>      | <b>63,945</b>      | <b>17,013</b>      |
| <b>CASH FLOW RECONCILIATION</b>                |                    |                    |                    |
| Net cost of services                           | (2,950,510)        | (3,287,606)        | <b>(3,376,283)</b> |
| Non cash items added back                      | 11,830             | 18,093             | <b>11,891</b>      |
| Change in operating assets and liabilities     | 791                | (2,954)            | <b>(8,540)</b>     |
| <b>Net cash flow from operating activities</b> | <b>(2,937,889)</b> | <b>(3,272,467)</b> | <b>(3,372,932)</b> |

**MINISTER FOR TRANSPORT**  
**50 MINISTRY OF TRANSPORT**

|                                      | 2005-06         |                  | 2006-07         |
|--------------------------------------|-----------------|------------------|-----------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>                 |                 |                  |                 |
| <b>ASSETS -</b>                      |                 |                  |                 |
| <b>Current Assets -</b>              |                 |                  |                 |
| Cash assets                          | 43,549          | 63,945           | 17,013          |
| Receivables                          | 11,623          | 11,783           | 11,443          |
| Other                                | 6,782           | 2,886            | 6,804           |
| <b>Total Current Assets</b>          | <b>61,954</b>   | <b>78,614</b>    | <b>35,260</b>   |
| <b>Non Current Assets -</b>          |                 |                  |                 |
| Receivables                          | 1,114           | 302              | 725             |
| Property, plant and equipment -      |                 |                  |                 |
| Land and building                    | 307             | 762              | 420             |
| Plant and equipment                  | 1,285           | 4,198            | 808             |
| Infrastructure systems               | 41,293          | 44,052           | 48,556          |
| Intangibles                          | 6,673           | 59,899           | 6,773           |
| <b>Total Non Current Assets</b>      | <b>50,672</b>   | <b>109,213</b>   | <b>57,282</b>   |
| <b>Total Assets</b>                  | <b>112,626</b>  | <b>187,827</b>   | <b>92,542</b>   |
| <b>LIABILITIES -</b>                 |                 |                  |                 |
| <b>Current Liabilities -</b>         |                 |                  |                 |
| Payables                             | 37,232          | 28,440           | 23,739          |
| Provisions                           | 2,098           | 2,099            | 2,149           |
| <b>Total Current Liabilities</b>     | <b>39,330</b>   | <b>30,539</b>    | <b>25,888</b>   |
| <b>Non Current Liabilities -</b>     |                 |                  |                 |
| Borrowings                           | ...             | 42,238           | ...             |
| Provisions                           | 468             | 469              | 469             |
| Other                                | ...             | 25,941           | 33              |
| <b>Total Non Current Liabilities</b> | <b>468</b>      | <b>68,648</b>    | <b>502</b>      |
| <b>Total Liabilities</b>             | <b>39,798</b>   | <b>99,187</b>    | <b>26,390</b>   |
| <b>NET ASSETS</b>                    | <b>72,828</b>   | <b>88,640</b>    | <b>66,152</b>   |
| <b>EQUITY</b>                        |                 |                  |                 |
| Accumulated funds                    | 72,828          | 88,640           | 66,152          |
| <b>TOTAL EQUITY</b>                  | <b>72,828</b>   | <b>88,640</b>    | <b>66,152</b>   |

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**MINISTER FOR TRANSPORT**  
**50 MINISTRY OF TRANSPORT**

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**50.1 Transport Policy and Strategy**

**50.1.1 Transport Policy and Strategy**

Program Objective(s): To provide independent 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.

| <u>Activities</u> :       | Average Staffing (EFT) |         |
|---------------------------|------------------------|---------|
|                           | 2005-06                | 2006-07 |
| Policy and strategy staff | 55                     | 62      |

|  | 2005-06         |                  | <b>2006-07</b>          |
|--|-----------------|------------------|-------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|                               |       |       |              |
|-------------------------------|-------|-------|--------------|
| Operating expenses -          |       |       |              |
| Employee related              | 5,699 | 7,604 | <b>8,596</b> |
| Other operating expenses      | 1,134 | 9,975 | <b>6,168</b> |
| Depreciation and amortisation | 234   | 300   | <b>300</b>   |
| Other expenses                |       |       |              |
| Legal and other costs         | 140   | 681   | <b>265</b>   |

|  |              |               |               |
|--|--------------|---------------|---------------|
| <b>Total Expenses Excluding Losses</b> | <b>7,207</b> | <b>18,560</b> | <b>15,329</b> |
|--|--------------|---------------|---------------|

Less:

**Retained Revenue -**

|                                   |       |       |              |
|-----------------------------------|-------|-------|--------------|
| Sales of goods and services       |       |       |              |
| Minor sales of goods and services | 310   | 200   | <b>91</b>    |
| Grants and contributions          | 558   | 533   | <b>600</b>   |
| Other revenue                     | 4,513 | 4,442 | <b>4,513</b> |

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>Total Retained Revenue</b> | <b>5,381</b> | <b>5,175</b> | <b>5,204</b> |
|-------------------------------|--------------|--------------|--------------|

|                             |              |               |               |
|-----------------------------|--------------|---------------|---------------|
| <b>NET COST OF SERVICES</b> | <b>1,826</b> | <b>13,385</b> | <b>10,125</b> |
|-----------------------------|--------------|---------------|---------------|

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**MINISTER FOR TRANSPORT**  
**50 MINISTRY OF TRANSPORT**

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**50.2 Contracting and Regulating Transport Services**

**50.2.1 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. Deliver funding from Government for improvements to public transport. Provide funding from Government to identified community groups and certain individuals to meet their particular transport service needs.

|   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|---|-------|---------|---------|---------|----------------|
| <u>Outputs</u> *                                    |       |         |         |         |                |
| CityRail services                                   |       |         |         |         |                |
| Total trips   | mill  | 273.3   | 267.3   | 267.3   | <b>275.0</b>   |
| Average subsidy per trip                            | \$    | 2.45    | 3.43    | 3.79    | <b>4.21</b>    |
| Total concession trips                              | mill  | 80.4    | 77.7    | 78.6    | <b>79.8</b>    |
| Average subsidy per concession trip                 | \$    | 4.66    | 5.60    | 5.96    | <b>6.21</b>    |
| CountryLink services                                |       |         |         |         |                |
| Total trips   | mill  | 1.8     | 1.6     | 1.6     | <b>1.8</b>     |
| Average subsidy per trip                            | \$    | 40.24   | 56.45   | 57.59   | <b>58.28</b>   |
| Total concession trips                              | mill  | 1.1     | 0.9     | 0.8     | <b>1.0</b>     |
| Average subsidy per concession trip                 | \$    | 80.44   | 96.71   | 92.69   | <b>98.63</b>   |
| State Transit (Sydney Buses and Newcastle Services) |       |         |         |         |                |
| Total trips   | mill  | 200.0   | 199.4   | 200.4   | <b>204.4</b>   |
| Average subsidy per trip                            | \$    | 0.34    | 0.46    | 0.68    | <b>0.70</b>    |
| Total concession trips                              | mill  | 105.0   | 101.6   | 99.3    | <b>99.5</b>    |
| Average subsidy per concession trip                 | \$    | 1.73    | 1.89    | 1.90    | <b>1.95</b>    |
| Sydney Ferry Services                               |       |         |         |         |                |
| Total trips   | mill  | 14.0    | 14.1    | 14.4    | <b>14.5</b>    |
| Average subsidy per trip                            | \$    | 1.36    | 2.40    | 2.30    | <b>2.34</b>    |
| Total concession trips                              | mill  | 3.8     | 3.8     | 3.6     | <b>3.7</b>     |
| Average subsidy per concession trip                 | \$    | 3.82    | 4.92    | 5.01    | <b>5.12</b>    |
| School Student Transport Scheme                     |       |         |         |         |                |
| Total beneficiaries                                 | thous | 660.1   | 660.5   | 661.2   | <b>662.9</b>   |
| Cost per beneficiary                                | \$    | 683.7   | 690.8   | 657.2   | <b>673.1</b>   |
| <u>Average Staffing</u> :                           | EFT   | 180     | 195     | 185     | <b>196</b>     |

\* Historical data shown for outcomes and outputs may vary from previous published figures where more accurate information has become available.

**MINISTER FOR TRANSPORT**  
**50 MINISTRY OF TRANSPORT**

**50.2 Contracting and Regulating Transport Services**

**50.2.1 Contracting and Regulating Transport Services (cont)**

|  | 2005-06          |                  | <b>2006-07</b>   |
|--|------------------|------------------|------------------|
|  | Budget<br>\$000  | Revised<br>\$000 |                  |
| <b>OPERATING STATEMENT</b>   |                  |                  |                  |
| <b>Expenses Excluding Losses -</b>   |                  |                  |                  |
| Operating expenses -   |                  |                  |                  |
| Employee related   | 24,828           | 26,074           | <b>25,382</b>    |
| Other operating expenses   | 8,870            | 7,302            | <b>5,589</b>     |
| Depreciation and amortisation  | 3,141            | 5,128            | <b>3,056</b>     |
| Grants and subsidies   |                  |                  |                  |
| RailCorp - CityRail and CountryLink services   | 1,313,504        | 1,313,127        | <b>1,482,969</b> |
| RailCorp - capital grant   | 362,717          | 466,356          | <b>500,000</b>   |
| RailCorp - transfer of freight works   | 10,970           | 8,870            | <b>10,970</b>    |
| RailCorp - transfer of completed interchanges  | ...              | 6,900            | ...              |
| RailCorp - freight rail infrastructure improvement   | ...              | ...              | <b>20,000</b>    |
| Transport Infrastructure Development Corporation -<br>Epping - Chatswood Rail Line capital grant | 138,752          | 193,377          | <b>157,019</b>   |
| Rail Infrastructure Corporation (RIC) -<br>country network operations                            | 110,000          | 115,000          | <b>130,000</b>   |
| RIC - transitional payments  | 57,000           | 214,100          | <b>59,500</b>    |
| Freight Rail Services  | 1,746            | 1,746            | <b>1,721</b>     |
| State Rail Authority - transitional payment  | 39,900           | 39,900           | <b>19,900</b>    |
| State Transit Authority Services   | 257,049          | 257,049          | <b>267,550</b>   |
| Sydney Ferries Services  | 32,695           | 42,995           | <b>44,270</b>    |
| Sydney Ferries Capital Grant   | 4,830            | 4,830            | ...              |
| Private transport operators  | 514,158          | 506,658          | <b>554,513</b>   |
| Community groups and certain individuals   | 22,951           | 22,951           | <b>23,764</b>    |
| Home & Community Care - transport funding  | 18,863           | 26,214           | <b>26,214</b>    |
| Newcastle Transport Strategy   | ...              | ...              | <b>20,000</b>    |
| Newcastle Port Corporation - lease administration fee  | 150              | 150              | <b>150</b>       |
| Local Government - infrastructure grants   | 1,476            | 2,476            | <b>1,476</b>     |
| Road and Traffic Authority - transitway capital grant  | 21,300           | 21,300           | <b>21,200</b>    |
| Public Transport Infrastructure  | 15,965           | 15,965           | <b>10,810</b>    |
| Contribution to the National Transport Commission  | 771              | 771              | <b>771</b>       |
| Contribution for Integrated Ticketing Systems  | 7,269            | 6,000            | <b>7,269</b>     |
| Finance costs  |                  |                  |                  |
| Interest on T-Corp loans   | ...              | 1,886            | ...              |
| Other expenses   |                  |                  |                  |
| Integrated Transport Information Service   | 7,524            | 7,000            | <b>7,524</b>     |
| Refunds and remissions of Crown revenue  | 100              | 100              | <b>100</b>       |
| CityRail Connect Services  | 624              | 624              | <b>641</b>       |
| Taxi Advisory Council  | 1,699            | 710              | <b>1,895</b>     |
| Legal and other costs  | 638              | 1,320            | <b>513</b>       |
| Transport services for major events  | 7,000            | 7,552            | <b>7,000</b>     |
| <b>Total Expenses Excluding Losses</b>   | <b>2,986,490</b> | <b>3,324,431</b> | <b>3,411,766</b> |

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**MINISTER FOR TRANSPORT**  
**50 MINISTRY OF TRANSPORT**

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**50.2 Contracting and Regulating Transport Services**

**50.2.1 Contracting and Regulating Transport Services (cont)**

**OPERATING STATEMENT (cont)**

Less:

**Retained Revenue -**

|                                     |        |        |               |
|-------------------------------------|--------|--------|---------------|
| Sales of goods and services         |        |        |               |
| Transport services for major events | 5,175  | 5,551  | <b>5,351</b>  |
| Minor sales of goods and services   | 1,410  | 4,668  | <b>179</b>    |
| Investment income                   | 1,242  | 2,578  | <b>1,284</b>  |
| Retained taxes, fees and fines      | 1,833  | 1,699  | <b>1,895</b>  |
| Grants and contributions            | 28,146 | 35,714 | <b>36,899</b> |

|                               |               |               |               |
|-------------------------------|---------------|---------------|---------------|
| <b>Total Retained Revenue</b> | <b>37,806</b> | <b>50,210</b> | <b>45,608</b> |
|-------------------------------|---------------|---------------|---------------|

|                             |                  |                  |                  |
|-----------------------------|------------------|------------------|------------------|
| <b>NET COST OF SERVICES</b> | <b>2,948,684</b> | <b>3,274,221</b> | <b>3,366,158</b> |
|-----------------------------|------------------|------------------|------------------|

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|                            |               |               |               |
|----------------------------|---------------|---------------|---------------|
| <b>CAPITAL EXPENDITURE</b> | <b>11,244</b> | <b>27,874</b> | <b>11,331</b> |
|----------------------------|---------------|---------------|---------------|

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**MINISTER FOR TRANSPORT****51 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR**

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|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT*</b>            |               |               |               |
| <b>Expenses Excluding Losses -</b>     |               |               |               |
| Operating expenses -                   |               |               |               |
| Employee related                       | 12,755        | 13,040        | <b>13,050</b> |
| Other operating expenses               | 2,765         | 1,876         | <b>2,093</b>  |
| Depreciation and amortisation          | 363           | 363           | <b>489</b>    |
| Other expenses                         | 1,500         | 1,030         | <b>1,030</b>  |
| <b>Total Expenses Excluding Losses</b> | <b>17,383</b> | <b>16,309</b> | <b>16,662</b> |
| Less:                                  |               |               |               |
| <b>Retained Revenue -</b>              |               |               |               |
| Sales of goods and services            | ...           | 43            | ...           |
| Investment income                      | 62            | 102           | <b>64</b>     |
| <b>Total Retained Revenue</b>          | <b>62</b>     | <b>145</b>    | <b>64</b>     |
| <b>NET COST OF SERVICES</b>            | <b>17,321</b> | <b>16,164</b> | <b>16,598</b> |

\* Includes the 2005-06 Budget for the Office of Transport Safety Investigations which was established on 1 July 2005 as an independent agency.

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**MINISTER FOR TRANSPORT**

**51 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR**

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|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT*</b>                     |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee related                                | 11,882          | 12,633           | <b>12,299</b>   |
| Other   | 5,175           | 4,216            | <b>3,221</b>    |
| <b>Total Payments</b>                           | <b>17,057</b>   | <b>16,849</b>    | <b>15,520</b>   |
| <b>Receipts</b>                                 |                 |                  |                 |
| Sale of goods and services                      | ...             | 43               | ...             |
| Interest  | 62              | 104              | <b>64</b>       |
| Other   | 1,000           | 1,088            | ...             |
| <b>Total Receipts</b>                           | <b>1,062</b>    | <b>1,235</b>     | <b>64</b>       |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>(15,995)</b> | <b>(15,614)</b>  | <b>(15,456)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                 |                  |                 |
| Purchases of property, plant and equipment      | (650)           | (660)            | <b>(500)</b>    |
| Other   | ...             | (600)            | ...             |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(650)</b>    | <b>(1,260)</b>   | <b>(500)</b>    |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | 16,141          | 15,007           | <b>15,389</b>   |
| Capital appropriation                           | 600             | 600              | <b>450</b>      |
| Cash transfers to Consolidated Fund             | ...             | (35)             | ...             |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | <b>16,741</b>   | <b>15,572</b>    | <b>15,839</b>   |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>96</b>       | <b>(1,302)</b>   | <b>(117)</b>    |
| Opening Cash and Cash Equivalents               | 1,484           | 2,385            | <b>1,083</b>    |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>1,580</b>    | <b>1,083</b>     | <b>966</b>      |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | (17,321)        | (16,164)         | <b>(16,598)</b> |
| Non cash items added back                       | 1,236           | 1,137            | <b>1,240</b>    |
| Change in operating assets and liabilities      | 90              | (587)            | <b>(98)</b>     |
| <b>Net cash flow from operating activities</b>  | <b>(15,995)</b> | <b>(15,614)</b>  | <b>(15,456)</b> |

\* Includes the 2005-06 Budget for the Office of Transport Safety Investigations which was established on 1 July 2005 as an independent agency.

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**MINISTER FOR TRANSPORT**

**51 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR**

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|                                      | 2005-06         | 2006-07                 |
|--------------------------------------|-----------------|-------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000        |
|                                      |                 | <b>Budget<br/>\$000</b> |
| <b>BALANCE SHEET*</b>                |                 |                         |
| <b>ASSETS -</b>                      |                 |                         |
| <b>Current Assets -</b>              |                 |                         |
| Cash assets                          | 1,580           | 1,083                   |
| Receivables                          | 139             | 99                      |
| Other                                | 137             | ...                     |
| <b>Total Current Assets</b>          | <b>1,856</b>    | <b>1,182</b>            |
| <b>Non Current Assets -</b>          |                 |                         |
| Property, plant and equipment -      |                 |                         |
| Land and building                    | 574             | 516                     |
| Plant and equipment                  | 551             | 137                     |
| Intangibles                          | ...             | 930                     |
| <b>Total Non Current Assets</b>      | <b>1,125</b>    | <b>1,583</b>            |
| <b>Total Assets</b>                  | <b>2,981</b>    | <b>2,765</b>            |
| <b>LIABILITIES -</b>                 |                 |                         |
| <b>Current Liabilities -</b>         |                 |                         |
| Payables                             | 867             | 501                     |
| Provisions                           | 425             | 601                     |
| <b>Total Current Liabilities</b>     | <b>1,292</b>    | <b>1,102</b>            |
| <b>Non Current Liabilities -</b>     |                 |                         |
| Provisions                           | 373             | 373                     |
| <b>Total Non Current Liabilities</b> | <b>373</b>      | <b>373</b>              |
| <b>Total Liabilities</b>             | <b>1,665</b>    | <b>1,475</b>            |
| <b>NET ASSETS</b>                    | <b>1,316</b>    | <b>1,290</b>            |
| <b>EQUITY</b>                        |                 |                         |
| Accumulated funds                    | 1,316           | 1,290                   |
| <b>TOTAL EQUITY</b>                  | <b>1,316</b>    | <b>1,290</b>            |

\* Includes the 2005-06 Budget for the Office of Transport Safety Investigations which was established on 1 July 2005 as an independent agency.

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## MINISTER FOR TRANSPORT

### 51 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

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#### 51.1 Independent Transport Safety and Reliability Regulator

##### 51.1.1 Rail Safety Regulation

Program Objective(s): To administer NSW rail safety legislation including accreditation of rail operators, undertaking compliance audits and investigations and conducting any enforcement action required.

Program Description: Accredit rail operators based on their safety management systems and monitor compliance with NSW rail safety legislation. Enforce compliance where necessary through the issue of notices and prosecutions. Provision of data analysis and policy advice to identify potential safety issues to operators and Government. Leader and participant in national rail safety regulatory reforms, including implementation of new higher standards for rail safety from 2006-07.

| <u>Outcomes:</u>   | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Rail operators that implement improved safety management system frameworks (transition to new standards introduced from 2006-07) | %     | n.a.    | n.a.    | n.a.    | <b>75</b>      |
| Safety actions required of rail operators by ITSRR that do not require escalation by ITSRR                                       | %     | n.a.    | n.a.    | 90      | <b>95</b>      |
| Rail operators who complied with the requirement to identify self improvement plans in their Annual Safety Report                | %     | n.a.    | n.a.    | n.a.    | <b>65</b>      |
| Waterfall recommendations verified by ITSRR as implemented   | %     | n.a.    | 15      | 85      | <b>88</b>      |

#### Outputs:

|   |     |      |        |        |               |
|---|-----|------|--------|--------|---------------|
| Annual Statutory Audits and Annual Safety Inspections completed                               | %   | n.a. | n.a.   | 95     | <b>100</b>    |
| Safety actions required of rail operators inspected for compliance by ITSRR to scheduled time | %   | n.a. | n.a.   | 75     | <b>85</b>     |
| Statutory notices issued  | no. | n.a. | 46     | 14     | <b>n.a.</b>   |
| Website visits  | no. | n.a. | 64,900 | 81,500 | <b>85,000</b> |
| Attendees at ITSRR external seminars and workshops  | no. | n.a. | n.a.   | 400    | <b>450</b>    |
| <u>Average Staffing:</u>  | EFT | 48   | 63     | 61     | <b>64</b>     |

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**MINISTER FOR TRANSPORT****51 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR**

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**51.1 Independent Transport Safety and Reliability Regulator****51.1.1 Rail Safety Regulation (cont)**

|  | 2005-06       |               | 2006-07       |
|--|---------------|---------------|---------------|
|  | Budget        | Revised       | Budget        |
|  | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>             |               |               |               |
| <b>Expenses Excluding Losses -</b>     |               |               |               |
| Operating expenses -                   |               |               |               |
| Employee related                       | 10,581        | 11,693        | <b>11,426</b> |
| Other operating expenses               | 1,989         | 1,674         | <b>1,876</b>  |
| Depreciation and amortisation          | 301           | 326           | <b>438</b>    |
| Other expenses                         |               |               |               |
| Legal and other costs                  | 1,244         | 924           | <b>924</b>    |
| <b>Total Expenses Excluding Losses</b> | <b>14,115</b> | <b>14,617</b> | <b>14,664</b> |
| Less:                                  |               |               |               |
| <b>Retained Revenue -</b>              |               |               |               |
| Sales of goods and services            |               |               |               |
| Minor sales of goods and services      | ...           | 22            | ...           |
| Investment income                      | 52            | 91            | <b>57</b>     |
| <b>Total Retained Revenue</b>          | <b>52</b>     | <b>113</b>    | <b>57</b>     |
| <b>NET COST OF SERVICES</b>            | <b>14,063</b> | <b>14,504</b> | <b>14,607</b> |
| <hr/>                                  |               |               |               |
| <b>CAPITAL EXPENDITURE</b>             | <b>650</b>    | <b>1,260</b>  | <b>500</b>    |

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## MINISTER FOR TRANSPORT

### 51 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

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#### 51.1 Independent Transport Safety and Reliability Regulator

##### 51.1.2 Transport Service Reliability Advice

Program Objective(s): To advise the Government, transport operators and the community on reliability and sustainability issues relating to the rail, bus and ferry transport modes.

Program Description: To prepare reports primarily for the Minister as well as transport operators and the community on the extent to which publicly funded transport services are meeting the standards set by Government. It includes reliability of services such as on time running, as well as long term sustainability issues such as infrastructure condition.

|   | Units | 2003-04 | 2004-05 | 2005-06 | 2006-07    |
|---|-------|---------|---------|---------|------------|
| <u>Outputs</u> :  |       |         |         |         |            |
| Major public reports prepared   | no.   | n.a.    | n.a.    | 6       | <b>6</b>   |
| Routine advices prepared for the Minister                                 | no.   | n.a.    | n.a.    | 15      | <b>16</b>  |
| Reports and advices provided to the Minister within scheduled time frames | %     | n.a.    | n.a.    | 100     | <b>100</b> |
| <u>Average Staffing</u> :   | EFT   | 7       | 11      | 9       | <b>10</b>  |

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| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

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#### **OPERATING STATEMENT**

##### **Expenses Excluding Losses -**

|  |              |              |              |
|--|--------------|--------------|--------------|
| Operating expenses -                   |              |              |              |
| Employee related                       | 1,062        | 1,347        | <b>1,447</b> |
| Other operating expenses               | 196          | 202          | <b>217</b>   |
| Depreciation and amortisation          | 30           | 37           | <b>51</b>    |
| Other expenses                         |              |              |              |
| Legal and other costs                  | 125          | 106          | <b>106</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>1,413</b> | <b>1,692</b> | <b>1,821</b> |

Less:

##### **Retained Revenue -**

|                                   |          |           |          |
|-----------------------------------|----------|-----------|----------|
| Sales of goods and services       |          |           |          |
| Minor sales of goods and services | ...      | 21        | ...      |
| Investment income                 | 5        | 11        | <b>7</b> |
| <b>Total Retained Revenue</b>     | <b>5</b> | <b>32</b> | <b>7</b> |

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|                             |              |              |              |
|-----------------------------|--------------|--------------|--------------|
| <b>NET COST OF SERVICES</b> | <b>1,408</b> | <b>1,660</b> | <b>1,814</b> |
|-----------------------------|--------------|--------------|--------------|

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## MINISTER FOR TRANSPORT

### 51 INDEPENDENT TRANSPORT SAFETY AND RELIABILITY REGULATOR

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#### 51.1 Independent Transport Safety and Reliability Regulator

##### 51.1.3 Strategic Co-ordination Across Transport Modes

Program Objective(s): To work with NSW transport safety regulators to continue improving safety regulatory frameworks for the rail, bus and ferry sectors.

Program Description: To lead and support the NSW transport safety regulators' forum to share information and identify opportunities to apply safety improvements across the rail, bus and ferry sectors where practical and relevant.

| <u>Outcomes</u> :  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Transport Regulators Executive Committee (TREC) members believing safety framework for all public transport modes has improved | %     | n.a.    | n.a.    | 100     | <b>100</b>     |
| Safety and/or regulatory reforms identified and agreed to by regulators through the TREC forum                                 | no.   | n.a.    | n.a.    | 17      | <b>n.a.</b>    |
| <u>Outputs</u> :   |       |         |         |         |                |
| CEO attendance at TREC meetings  | %     | n.a.    | n.a.    | 90      | <b>90</b>      |
| TREC workplan implemented to schedule  | %     | n.a.    | n.a.    | 90      | <b>90</b>      |
| <u>Average Staffing</u> :  | EFT   | ...     | ...     | 1       | <b>1</b>       |

---

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

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#### **OPERATING STATEMENT**

##### **Expenses Excluding Losses -**

|  |     |     |            |
|--|-----|-----|------------|
| Operating expenses - Employee related  | ... | ... | <b>177</b> |
| <b>Total Expenses Excluding Losses</b> | ... | ... | <b>177</b> |
| <b>NET COST OF SERVICES</b>            | ... | ... | <b>177</b> |

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**MINISTER FOR TRANSPORT**  
**52 OFFICE OF TRANSPORT SAFETY INVESTIGATIONS**

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|  | 2005-06 |              | 2006-07      |
|--|---------|--------------|--------------|
|  | Budget  | Revised      | Budget       |
|  | \$000   | \$000        | \$000        |
| <b>OPERATING STATEMENT*</b>            |         |              |              |
| <b>Expenses Excluding Losses -</b>     |         |              |              |
| Operating expenses -                   |         |              |              |
| Employee related                       | ...     | 1,716        | 1,719        |
| Other operating expenses               | ...     | 460          | 473          |
| Depreciation and amortisation          | ...     | ...          | 122          |
| Other expenses                         | ...     | 100          | 100          |
| <b>Total Expenses Excluding Losses</b> | ...     | <b>2,276</b> | <b>2,414</b> |
| <b>NET COST OF SERVICES</b>            | ...     | <b>2,276</b> | <b>2,414</b> |

\* Included in the 2005-06 Budget for the Independent Transport Safety and Reliability Regulator.

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**MINISTER FOR TRANSPORT**  
**52 OFFICE OF TRANSPORT SAFETY INVESTIGATIONS**

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|   | 2005-06         |                  | 2006-07         |
|---|-----------------|------------------|-----------------|
|   | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT*</b>                     |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                 |                  |                 |
| <b>Payments</b>                                 |                 |                  |                 |
| Employee Related                                | ...             | 1,484            | 1,561           |
| Other   | ...             | 560              | 640             |
| <b>Total Payments</b>                           | ...             | <b>2,044</b>     | <b>2,201</b>    |
| <b>Receipts</b>                                 |                 |                  |                 |
| Other   | ...             | ...              | 67              |
| <b>Total Receipts</b>                           | ...             | ...              | <b>67</b>       |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | ...             | <b>(2,044)</b>   | <b>(2,134)</b>  |
| <b>CASH FLOWS FROM GOVERNMENT</b>               |                 |                  |                 |
| Recurrent appropriation                         | ...             | 2,124            | 2,134           |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>           | ...             | <b>2,124</b>     | <b>2,134</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | ...             | <b>80</b>        | ...             |
| Opening Cash and Cash Equivalents               | ...             | ...              | 80              |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | ...             | <b>80</b>        | <b>80</b>       |
| <b>CASH FLOW RECONCILIATION</b>                 |                 |                  |                 |
| Net cost of services                            | ...             | (2,276)          | (2,414)         |
| Non cash items added back                       | ...             | 152              | 280             |
| Change in operating assets and liabilities      | ...             | 80               | ...             |
| <b>Net cash flow from operating activities</b>  | ...             | <b>(2,044)</b>   | <b>(2,134)</b>  |

\* Included in the 2005-06 Budget for the Independent Transport Safety and Reliability Regulator.

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**MINISTER FOR TRANSPORT**  
**52 OFFICE OF TRANSPORT SAFETY INVESTIGATIONS**

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|                                  | 2005-06         |                  | 2006-07         |
|----------------------------------|-----------------|------------------|-----------------|
|                                  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET*</b>            |                 |                  |                 |
| <b>ASSETS -</b>                  |                 |                  |                 |
| <b>Current Assets -</b>          |                 |                  |                 |
| Cash assets                      | ...             | 80               | <b>80</b>       |
| Receivables                      | ...             | ...              | <b>6</b>        |
| <b>Total Current Assets</b>      | ...             | <b>80</b>        | <b>86</b>       |
| <b>Non Current Assets -</b>      |                 |                  |                 |
| Property, plant and equipment -  |                 |                  |                 |
| Land and building                | ...             | 580              | <b>464</b>      |
| Plant and equipment              | ...             | 30               | <b>24</b>       |
| <b>Total Non Current Assets</b>  | ...             | <b>610</b>       | <b>488</b>      |
| <b>Total Assets</b>              | ...             | <b>690</b>       | <b>574</b>      |
| <b>LIABILITIES -</b>             |                 |                  |                 |
| <b>Current Liabilities -</b>     |                 |                  |                 |
| Payables                         | ...             | ...              | <b>6</b>        |
| Provisions                       | ...             | 80               | <b>80</b>       |
| <b>Total Current Liabilities</b> | ...             | <b>80</b>        | <b>86</b>       |
| <b>Total Liabilities</b>         | ...             | <b>80</b>        | <b>86</b>       |
| <b>NET ASSETS</b>                | ...             | <b>610</b>       | <b>488</b>      |
| <b>EQUITY</b>                    |                 |                  |                 |
| Accumulated funds                | ...             | 610              | <b>488</b>      |
| <b>TOTAL EQUITY</b>              | ...             | <b>610</b>       | <b>488</b>      |

\* Included in the 2005-06 Budget for the Independent Transport Safety and Reliability Regulator.

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**MINISTER FOR TRANSPORT**  
**52 OFFICE OF TRANSPORT SAFETY INVESTIGATIONS**

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**52.1 Office of Transport Safety Investigations**

**52.1.1 Transport Safety Investigations**

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.

|                                |         |         |
|--------------------------------|---------|---------|
| <u>Average Staffing (EFT):</u> | 2005-06 | 2006-07 |
|                                | 11      | 13      |

| 2005-06         |                  | 2006-07         |
|-----------------|------------------|-----------------|
| Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |

**OPERATING STATEMENT\***

**Expenses Excluding Losses -**

|                               |     |       |
|-------------------------------|-----|-------|
| Operating expenses -          |     |       |
| Employee related              | ... | 1,716 |
| Other operating expenses      | ... | 460   |
| Depreciation and amortisation | ... | ...   |
| Other expenses                | ... | 100   |
| Legal and other costs         | ... | 100   |

|  |     |              |
|--|-----|--------------|
| <b>Total Expenses Excluding Losses</b> | ... | <b>2,276</b> |
|  | ... | <b>2,414</b> |

|                             |     |              |
|-----------------------------|-----|--------------|
| <b>NET COST OF SERVICES</b> | ... | <b>2,276</b> |
|                             | ... | <b>2,414</b> |

\* Included in the 2005-06 Budget for the Independent Transport Safety and Reliability Regulator.

# **MINISTER FOR WATER UTILITIES, MINISTER FOR SMALL BUSINESS, MINISTER FOR REGIONAL DEVELOPMENT, AND MINISTER FOR THE ILLAWARRA**

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The Department of Energy, Utilities and Sustainability (DEUS) is responsible to the Minister for Energy and the Minister for Water Utilities. The Department provides the Minister for Water Utilities with strategic policy, legislative and regulatory advice in relation to the State's urban and rural water utilities, and related social programs.

Information on the Results and Services, Total Expenditure and Capital Expenditure for DEUS, including the water programs, can be found under the entry for the Minister for Energy in Section 8.

The Water Savings Fund was introduced by the NSW Government from 1 July 2005 to support water savings initiatives. Sydney Water will contribute \$30 million per annum over four years to the Water Savings Fund, with an additional \$2.5 million in 2005-06, and \$7.5 million in 2006-07.

DEUS has achieved significant compliance with Best Practice Management of Water Supply and Sewerage Guidelines by local water utilities. Under this approach, better business planning and pay-for-use pricing is leading the local water utilities to long term financial sustainability. As at 1 July 2005:

- ◆ 92 per cent of local water utilities now have pay-for-use water supply pricing;
- ◆ 49 per cent of local water utilities have water conservation plans;
- ◆ 51 per cent of local water utilities have drought management plans; and
- ◆ 23 per cent of local water utilities have commenced or completed integrated water cycle management.

Key areas of focus for DEUS in relation to water utilities in 2006-07 include:

- ◆ implementing reforms under the Government's 2006 Metropolitan Water Plan;
- ◆ developing and implementing further reforms for local water utilities under the Country Towns Water Supply and Sewerage Program;

- ◆ managing the Government's social policy programs for Sydney Water and Hunter Water; and
- ◆ achieving measurable reductions in water usage via the projects supported under the Water Savings Fund.

The Department of State and Regional Development (DSRD) provides advice and services to advance the economic development of New South Wales. DSRD 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.

Key initiatives in 2006-07 include:

- ◆ encouraging business investment and job creation in areas with higher than average State unemployment through a new \$90 million five year payroll tax rebate. This initiative will mean that eligible businesses will pay no payroll tax for three years and receive a 66 per cent and 33 per cent rebate in years four and five respectively;
- ◆ promoting the State as a location for businesses requiring high level technical and business skills, and knowledge process outsourcing; and
- ◆ regional development assistance supporting a range of programs 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 WESTERN SYDNEY, AND MINISTER FOR FAIR TRADING**

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The Premier's Department supports the Minister for Western Sydney as part of the Government's commitment to:

- ◆ encourage the development of Western Sydney; and
- ◆ ensure a whole-of-government approach to issues of a strategic nature.

The Office of Fair Trading within the Department of Commerce is responsible to the Minister for Western Sydney, and Minister for Fair Trading.

The Office provides the Minister, consumers and traders with expert advice and comprehensive services to ensure that New South Wales has a fair marketplace.

During 2006-07 initiatives will include:

- ◆ improved service delivery which will help Fair Trading manage a record six million requests for service from consumers and traders, through phone, mail or internet;
- ◆ further funds for community organisations to deliver face-to-face tenancy advice and credit counselling to the State's most vulnerable people;
- ◆ a new direction for dispute resolution with measures which will allow customers to lodge, and then track, applications online in dealings with the Consumer, Trader and Tenancy Tribunal; and
- ◆ consumers and traders will enjoy better Fair Trading services after customer access improvements at Fair Trading premises in Parramatta, Penrith, Blacktown and Coffs Harbour.



# TREASURER, MINISTER FOR INFRASTRUCTURE, AND MINISTER FOR THE HUNTER

## OVERVIEW

| <i>Agency</i>   | <i>Budget<br/>2005-06<br/>\$m</i> | <i>Budget<br/>2006-07<br/>\$m</i> | <i>Variation<br/>%</i> |
|---|-----------------------------------|-----------------------------------|------------------------|
| <b>Treasury</b>   |                                   |                                   |                        |
| Total Expenses .....  | 451.2                             | 475.8                             | 5.4                    |
| Capital Expenditure .....   | 11.7                              | 6.4                               | -45.0                  |
| <b>Crown Finance Entity</b>   |                                   |                                   |                        |
| Total Expenses .....  | 5,404.0                           | 4,121.1                           | -23.7                  |
| Capital Expenditure .....   | 175.2                             | 10.0                              | -94.3                  |
| <b>Crown Leaseholds Entity</b>  |                                   |                                   |                        |
| Total Expenses .....  | 35.1                              | 40.0                              | 13.9                   |
| Capital Expenditure .....   | ...                               | ...                               | ...                    |
| <b>NSW Self Insurance Corporation</b>   |                                   |                                   |                        |
| Total Expenses .....  | 1,346.3                           | 1,086.6                           | -19.3                  |
| Capital Expenditure .....   | ...                               | 0.6                               | n.a.                   |
| <b>Liability Management Ministerial Corporation</b>                                   |                                   |                                   |                        |
| Total Expenses .....  | 5.7                               | 8,703.6                           | n.a.                   |
| Capital Expenditure .....   | ...                               | ...                               | ...                    |
| <b>Electricity Tariff Equalisation Ministerial Corporation</b>                        |                                   |                                   |                        |
| Total Expenses .....  | 0.5                               | 0.5                               | ...                    |
| Capital Expenditure .....   | ...                               | ...                               | ...                    |
| <b>Crown Property Portfolio</b>   |                                   |                                   |                        |
| Total Expenses .....  | 149.2                             | 152.5                             | 2.2                    |
| Capital Expenditure .....   | 35.1                              | 82.4                              | 135.1                  |
| <b>State Property Authority</b>   |                                   |                                   |                        |
| Total Expenses .....  | ...                               | 14.5                              | n.a.                   |
| Capital Expenditure .....   | ...                               | ...                               | ...                    |
| <b>Advance to the Treasurer</b>   |                                   |                                   |                        |
| Total Expenses .....  | 175.0                             | 245.0                             | 40.0                   |
| Capital Expenditure .....   | 95.0                              | 110.0                             | 15.8                   |
| <b>Total, Treasurer, Minister for Infrastructure,<br/>and Minister for the Hunter</b> |                                   |                                   |                        |
| Total Expenses .....  | <b>7,567.0</b>                    | <b>14,839.6</b>                   | <b>96.1</b>            |
| Capital Expenditure .....   | <b>317.0</b>                      | <b>209.4</b>                      | <b>-33.9</b>           |

## **TREASURY**

Treasury comprises the Office of Financial Management (which includes the Office of Infrastructure Management) and the Office of State Revenue.

## **RESULTS AND SERVICES**

### **Office of Financial Management (OFM)**

OFM seeks to promote State resource management to achieve a stronger State economy and better public services by working towards the following results:

- ◆ Policy settings that promote a competitive and sustainable State economy.
- ◆ Public resources are efficiently allocated and effectively managed with clear outcomes specified.
- ◆ State finances are strengthened.

Key services provided by OFM which contribute to these results include:

- ◆ advising on economic and fiscal strategies;
- ◆ advising on the efficiency and effectiveness of General Government agencies, NSW Government businesses and other commercial activities;
- ◆ managing the State Budget aggregates and Budget process and reporting on State finances;
- ◆ developing and implementing public sector management systems including the Financial Management Framework, the Total Asset Management Framework and procurement policy;
- ◆ overseeing major infrastructure projects delivered by private finance; and
- ◆ managing Crown Entity financial assets and liabilities (including insurance and superannuation matters).

## **Office of State Revenue (OSR)**

OSR provides revenue administration services to ensure the State Government is able to fund its programs and thereby continue to improve its service delivery. OSR is working towards the following results:

- ◆ All due revenue is collected.
- ◆ All fines are processed correctly and on time.
- ◆ Eligible applicants receive their benefits.

Key services provided by OSR which contribute to these results include:

- ◆ administering and collecting NSW taxes and duties;
- ◆ managing fines on behalf of the Crown, commercial clients and some other State Government agencies;
- ◆ managing payments relating to the unclaimed money program, First Home Owner Grants Scheme, First Home Plus Scheme and Petroleum Product Subsidies; and
- ◆ conducting compliance activities to ensure revenue is collected.

## **RECENT DEVELOPMENTS**

### **Office of Financial Management**

Over the past five years OFM's role as principal adviser to the NSW Government on State financial management has been strengthened through the strategic transfer of functions from other agencies and the development of new financial and non-financial asset management initiatives.

Through the Office of Infrastructure Management, OFM's responsibility for public sector asset management and procurement policy and practice has been expanded; oversight of privately financed public infrastructure has increased; intergovernmental financial arrangements advisory capacity has been further developed; and responsibility for the development of the State Infrastructure Strategy has also been recently assigned to OFM.

Achievements during 2005-06 include:

*Policy settings that promote a competitive and sustainable State economy:*

- ◆ provided resources and support for the Government's Red Tape Review aimed at streamlining and simplifying business administration;
- ◆ advised on the review of expiring National Competition Policy Agreements with the Commonwealth Government, which resulted in the development of a new National Reform Agenda covering competition policy, regulatory and human capital reforms;
- ◆ provided advice on the Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations and negotiations with the Commonwealth Government; and
- ◆ managed negotiations with other jurisdictions and established the process for the initial public offering of Snowy Hydro Limited.

*Public resources are efficiently allocated and effectively managed with clear outcomes specified:*

- ◆ assisted establishment of the Growth Centres Commission;
- ◆ promoted better service delivery across government by improving the effectiveness of Results and Services Plans (RSPs) and Total Asset Management (TAM) Plans;
- ◆ continued to improve the application of asset management and procurement policy in the NSW public sector, including strengthened reporting on major construction projects and improved property management within agencies;
- ◆ led the adoption of Australian Equivalents to International Financial Reporting Standards across the NSW public sector;
- ◆ guided the implementation of a number of significant Privately Financed Project arrangements; and
- ◆ supported the development of the State Infrastructure Strategy.

*State finances are strengthened:*

- ◆ supported the New South Wales Audit of Expenditure and Assets which resulted in the State Government announcement of significant public sector economic and financial reforms;
- ◆ developed and implemented contestable arrangements for the State Government's self insurance scheme;
- ◆ advised on new arrangements for Government initiatives including abolition of vendor duty, new land tax provisions and amended gaming tax arrangements for clubs; and
- ◆ provided advice on long term fiscal pressures, including issues arising from an ageing population, and applied the updated State Fiscal Strategy as the framework for the State's 2006-07 Budget. The Strategy was important in NSW' AAA credit rating being reconfirmed.

### **Office of State Revenue**

OSR seeks to improve service delivery for the people of New South Wales by ensuring collection of all due revenue, efficient processing of fines and payment of benefits. Achievements during 2005-06 include:

*All due revenue is collected:*

- ◆ identified additional revenue through new compliance initiatives; and
- ◆ implemented changes to the land tax threshold and the removal of the vendor duty.

*All fines are processed correctly and on time:*

- ◆ integrated the infringement processing and fine enforcement branches of the State Debt Recovery Office to improve operational efficiencies and to better manage the end-to-end fines process; and
- ◆ provided systems to support the introduction of handheld devices to record infringements which has significantly improved the accuracy and time it takes to process infringements.

*Eligible applicants receive their benefits:*

- ◆ processed an increased number of applications under the First Home Owner Grant and First Home Plus Schemes and improved checking and validation processes for First Home Plus.

## 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.

*Policy settings that promote a competitive and sustainable State economy:*

- ◆ implementing the National Reform Agenda including competition policy, regulatory and human capital reforms;
- ◆ ongoing review of State taxes, including implementation of the outcome of negotiations with the Commonwealth Government on Intergovernmental Agreement business taxes; and
- ◆ continuing energy market reform including finalising the initial public offering of Snowy Hydro Limited.

*Public resources are efficiently allocated and effectively managed with clear outcomes specified:*

- ◆ supporting government-wide property reform including the establishment of the State Property Authority to consolidate effective property management;
- ◆ providing the transport, health and community services agencies with advice on strategic planning, governance and accountability;
- ◆ co-operating with other agencies to implement the actions outlined in the Premier's February 2006 Economic and Financial Statement;
- ◆ continuing development of the Financial Management and Total Asset Management Frameworks and procurement policy to achieve better resource allocation and management;
- ◆ ongoing strengthening of the State Budget process, using the RSP as the basis for the new Performance Management and Budgeting System outlined by the Premier in his Economic and Financial Statement;
- ◆ overseeing implementation of the State Infrastructure Strategy; and
- ◆ strengthening the monitoring of capital projects in terms of their performance against budgets, using a new comprehensive reporting system.

*State finances are strengthened:*

- ◆ monitoring progress against the medium and long term targets for major budget aggregates as set out in the *Fiscal Responsibility Act 2005*. This Act ensures fiscal outcomes for New South Wales that will strengthen the State's balance sheet in order to meet future spending pressures or a cyclical downturn in the economy;
- ◆ advising Government on the impact on the Budget of the net loss in GST from New South Wales, as a result of the Commonwealth Grants Commission process;
- ◆ ongoing review and advice on the impacts of ageing and other long term pressures;
- ◆ contributing to intergovernmental financial arrangements through taxation review and benchmarking vertical and horizontal fiscal impacts;
- ◆ implementing the State Balance Sheet Management Strategy by managing financial assets and liabilities to achieve an optimal balance sheet structure; and
- ◆ continuing to apply the Commercial Policy Framework to safeguard the value of government businesses and the returns they make to the Budget and the taxpayer.

### **Office of State Revenue**

OSR is the Government's primary revenue collection agency and will continue implementing measures to ensure revenue collection is maximised.

*All due revenue is collected:*

- ◆ ensuring the New South Wales community understand their revenue rights and obligations; and
- ◆ optimising revenue and debt compliance, including improved legislation.

*All fines are processed correctly and on time:*

- ◆ continuing to use technology to achieve the most effective service delivery channels; and
- ◆ building effective alliances with commercial clients.

*Eligible applicants receive their benefits:*

- ◆ providing information to the community to improve their knowledge of the schemes administered by OSR.

## **2006-07 BUDGET**

### **Total Expenses**

The estimated expenses for Treasury are \$475.8 million including First Home Owner Grant payments estimated to be \$280 million. Excluding First Home Owner Grants, Treasury expenses are \$195.8 million and will be used for the following:

- ◆ \$43.8 million to promote state resource management to achieve a stronger NSW economy and better public services;
- ◆ \$97.2 million to ensure effective and equitable collection of revenue from taxes, duties and other sources;
- ◆ \$48.9 million to ensure the effective and timely processing of infringements and fine enforcement activities; and
- ◆ \$5.9 million to ensure eligible applicants receive payments due under State Government and joint State/Commonwealth schemes.

### **Capital Expenditure**

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.

OSR's capital allocation is \$6 million. The key programs planned for 2006-07 include:

- ◆ \$1.2 million for the business continuity project which is in its final year to ensure OSR has a safe and secure environment and systems availability in the event of a disaster;
- ◆ \$4.4 million for renewal of OSR's information technology infrastructure and core business applications; and
- ◆ \$0.4 million for the replacement of leased assets.

## **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 Government, 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 Government to contribute to the administration of the GST. Other payments include HIH policyholder claims, refunds and remissions of Crown revenue, natural disasters assistance, debt and investment management costs and payments for community service obligations to Australian Inland Energy Water Infrastructure.

## **RECENT DEVELOPMENTS**

With the introduction of Australian Accounting Standard AASB 119 "Employee Benefits" the unfunded superannuation liabilities are now valued using a risk free government bond discount rate. This is a very conservative approach for valuing liabilities and has had a negative impact on the Crown Finance Entity's 2005-06 balance sheet. Chapter 4 of Budget Paper No. 2 provides comprehensive comment on this issue.

Additional borrowings are forecast to support the State's capital works program. In 2006-07 borrowings are expected to increase by \$3,295 million. The additional financing costs for 2006-07 are expected to be \$117.6 million.

The Health Super Growth Fund is being transferred to unfunded superannuation liabilities. However, by using new funding arrangements, the Department of Health will continue to receive an equivalent grant for capital purposes.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses in 2006-07 are \$4,121 million, with the major components being:

- ◆ \$1,800 million as a grant to the Liability Management Ministerial Corporation. These funds are invested and can only be used to meet superannuation liabilities;

- ◆ \$888.8 million for interest expenses on new and existing debt held with New South Wales Treasury Corporation, the Commonwealth Government and other organisations. The increase from 2005-06 reflects a new borrowing program to part fund the State's capital works program, particularly infrastructure projects;
- ◆ \$392.6 million for general government budget dependent agencies for employer superannuation expenses. The projection mainly results from an increase in the liability discount rate from 5.4 to 5.9 per cent as required by the new international accounting standard;
- ◆ \$386.9 million for long service leave expenses of general government budget dependent agencies;
- ◆ \$203 million as reimbursement to the Australian Taxation Office for GST administration and related payments;
- ◆ \$82.5 million in capital grants to agencies;
- ◆ \$69 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;
- ◆ \$23.5 million capital grant to the Health Department. This was formerly funded from investment earnings on the Health Super Growth Fund;
- ◆ \$19.8 million to offset GST payments for clubs;
- ◆ \$18.5 million depreciation on motor vehicles subject to finance leases;
- ◆ \$15 million to be invested in projects with the aim of increasing the flow of water in the Snowy River;
- ◆ \$15 million as a provision for natural disaster grants; and
- ◆ \$6.6 million interest on motor vehicle finance leases.

## **Total Revenue**

All revenue received is passed on to the Consolidated Fund, none is retained by the Crown Finance Entity. Estimated total revenue in 2006-07 is \$8,927 million, with the major components being:

- ◆ \$8,700 million as a grant from the Liability Management Ministerial Corporation. These funds will be transferred to SAS Trustee Corporation (State Super);
- ◆ \$83.8 million as interest on Crown advances to public sector agencies;
- ◆ \$71.6 million return on the State's equity investments in the form of dividends;
- ◆ \$31 million in contributions for superannuation and long service leave; and
- ◆ \$25.9 million income from leasing motor vehicles to government agencies. This is a reduction from previous years due to a decision that the Department of Commerce will take responsibility for all new leases after 2005-06.

## **Capital Expenditure**

For 2006-07 capital expenditure of \$10 million has been allocated for minor works.

## **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 \$35.1 million in 2005-06 to \$40 million in 2006-07. This is mainly due to an increase in waivers. Rural rents in the drought affected Western Division are now 100 per cent waived. The staging in over three years of the increase in the Enclosure Permit rate has also contributed to the level of waivers.

The retained revenues have decreased 24.1 per cent from \$98.5 million estimated in 2005-06 to \$74.8 million in 2006-07. This decrease is the net effect of transfers from Crown Reserves, partially offset by an increase in lease income. There are 37,000 Crown reserves and the value that is transferred to Crown Leaseholds will vary from year to year. Lease income is subject to CPI increases.

## **NSW SELF INSURANCE CORPORATION**

The NSW Self Insurance Corporation (SICorp) was established by the *NSW Self Insurance Corporation Act 2004*. Its main functions are:

- ◆ The administration of the Treasury Managed Fund (TMF), which provides insurance cover for general government sector budget dependent agencies (other than compulsory third party insurance). TMF membership is also available to all other public sector agencies on a voluntary basis.
- ◆ The management of the Governmental Workers' Compensation Account, the Transport Accidents Compensation Fund and the Pre-managed Fund Reserve.
- ◆ The collection and analysis of data provided by contracted TMF claims managers; systems management of the TMF data warehouse; provision of reporting functions to member agencies; and monitoring the claims managers.

## **RECENT DEVELOPMENTS**

The TMF sets its reserve for insurance activity on the basis of the Insurance Reserve Policy. This sets reserves at a amount equal to ten per cent of outstanding claims liabilities plus the amount the fund retains for a single major loss before its reinsurance protection is activated. The net asset position is reviewed each 31 December. Following the 2005 review of reserve requirements, it is proposed to transfer \$1,000 million in surplus assets to the General Government Liability Management Fund.

The TMF target premium for 2006-07 is \$98.6 million (10.4 per cent) lower than for 2005-06. The main reductions were workers compensation premiums (down \$73.8 million – 14.6 per cent); liability premiums (down \$13.1 million - 4.2 per cent) and miscellaneous premiums (down \$14.3 million – 53 per cent).

## **STRATEGIC DIRECTIONS**

Until 30 June 2005 a single private insurer (GIO Australia Limited) was contracted to manage the assessment and processing of claims. From 1 July 2005 the claims management of the insurance businesses (workers compensation, motor vehicle, property, liability and miscellaneous) has been distributed between three claims managers.

Three workers compensation providers, Employers Mutual Limited, Allianz Australia Limited and GIO Australia Limited, were appointed. The claims management of other claims, including liability and property remains with GIO Australia Limited. There are also separate long term contracts for risk management (Suncorp Risk Management Services), reinsurance (Benfield (Australia) Pty Limited) and actuarial services (PricewaterhouseCoopers and Taylor Fry).

The key objectives of this structure are to improve TMF performance by promoting competition; generate cost savings and efficiency gains; reduce the systemic risk associated with a single provider; and enable comparison and benchmarking between providers.

In 2006-07 the TMF will provide coverage to over 160 budget and other public sector agencies.

## **2006-07 BUDGET**

The estimated operating surplus of \$205.2 million for 2006-07 compares with a 2005-06 budget surplus of \$41.7 million. This improved performance primarily reflects the impact of lower claims experience.

More information on the management of insurance claims is included in Chapter 4 of Budget Paper No. 2.

## **Capital Expenditure**

The capital program of \$567,000 in 2006-07 is for computer requirements.

## LIABILITY MANAGEMENT MINISTERIAL CORPORATION

The Liability Management Ministerial Corporation controls the General Government Liability Management Fund. The purpose of this fund is to accumulate financial assets to improve the financial management of the general government sector's balance sheet.

This accumulation 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. 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.

When unfunded superannuation liabilities are extinguished, any balance can be applied to debt reduction.

In 2006-07 the balance of the fund, which is estimated to be \$8.7 billion, will be transferred to SAS Trustee Corporation (State Super). Once this transfer has been completed, the fund will cease operation.

### RECENT DEVELOPMENTS

Total Government payments, of \$6.5 billion including interest, made to the General Government Liability Management Fund are 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. This Funding Plan is consistent with the Government's *Fiscal Responsibility Act 2005* which 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. Per annum cash contributions approximate \$1 billion.

The estimated cash contributions to the fund are \$2.4 billion in 2005-06 and \$1.8 billion in 2006-07. The additional \$1.4 billion of contributions in 2005-06 are due to \$1 billion transfer from NSW Self Insurance Corporation of surplus financial assets, in accordance with the Treasury funding policy and the transfer of \$420 million from the Health Super Growth Fund. The Fund's capital grant payments to the Department of Health, about \$23 million per annum, will be maintained. Future grant payments will be made by the Crown Finance Entity.

2006-07 additional cash contributions will further strengthen State Super's financial position and result in an approximate \$200 million per annum reduction in future Crown employer contributions.

## **STRATEGIC DIRECTIONS**

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;
- ◆ compliance with the Government's fiscal strategy; and
- ◆ transfer of funds to State Super.

The assets of the Fund are held in fixed interest securities. NSW Treasury Corporation has been appointed investment manager and manages the securities on behalf of the Fund.

## **2006-07 BUDGET**

The Liability Management Ministerial Corporation ceases operations in 2006-07. This will result in a nil balance sheet as at 30 June 2007.

### **Total Expenses**

In 2006-07 the Ministerial Corporation has budgeted \$3.6 million for operating expenses and \$8.7 billion as a grant to the Crown Finance Entity who will then pass it on to State Super.

### **Capital Expenditure**

The Ministerial Corporation has no capital expenditure in 2006-07.

## **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 manages purchase cost risk for standard state-owned electricity retail suppliers (Energy Australia, Integral Energy and Country Energy) that are required to supply electricity to small retail customers in New South Wales at tariffs determined by the Independent Pricing and Regulatory Tribunal (IPART).

It covers residential and small business customers consuming less than 106 MWh per annum who have not elected to enter into a negotiated supply contract.

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 state-owned 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.

### **RECENT DEVELOPMENTS**

Section 43ES of the *Electricity Supply Act 1995* states the Fund was to cease operation on 30 June 2004. A regulation gazetted on 19 September 2003 extended the Fund until 30 June 2007. The Government recently decided to gradually phase out the Fund to conclude in June 2010.

The average NSW wholesale electricity price for 2004-05 was \$39.33 MWh with average monthly prices varying from \$18.45 MWh to \$77.70 MWh. Currently, average monthly prices for 2005-06 vary from \$22.58 MWh to \$71.55 MWh. The Fund balance at 30 June 2006 is estimated at \$220 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.

## **2006-07 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 the Independent Pricing and Regulatory Tribunal, 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 2006-07.

## **CROWN PROPERTY PORTFOLIO**

The Crown Property Portfolio (CPP) 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 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.

In May, 2006 Cabinet approved legislation to create the State Property Authority in which generic assets will be vested, to reform and achieve efficiencies in property management. Negotiations are underway to transfer the CPP to the State Property Authority in the future.

## RECENT DEVELOPMENTS

Expenditure is mainly incurred on office building head lease payments and finance lease interest payments.

During 2002-03 the CPP purchased four BHP sites in Newcastle which are managed by the Regional Land Management Corporation. The Government has approved of the Newcastle Coal Infrastructure Group leasing land on Kooragang Island to construct and operate a new coal loader, which will be operational in early 2009.

Two major transactions were concluded in 2005-06:

- ◆ the sale of the Sheas Creek Wool Stores site in Alexandria comprising two properties owned by the Department of Commerce and the CPP. The CPP's share was \$36.7 million; and
- ◆ the sale of the Goodsell Building in Sydney for \$60.2 million. The sale is subject to a short term lease back to the Government pending the completion of the Justice Office Building at Parramatta.

In 2004-05, the Premier announced the construction of a new Government Office Building in Queanbeyan. Construction commenced in 2005-06 and is scheduled for completion in 2007-08.

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. Construction commenced on this project in 2005-06 and is scheduled for completion in 2007-08.

Following the identification of the need to continue the provision of services in north western New South Wales, a strategic decision was made to acquire an office building in Dubbo. The Premier Centre was purchased by the CPP for \$3.9 million in 2005-06 and is fully government tenanted.

## 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 CPP'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.

## **2006-07 BUDGET**

### **Total Expenses**

The budgeted expenses for 2006-07 are \$152.5 million, a \$3.3 million increase over budgeted 2005-06 expenses of \$149.2 million.

### **Capital Expenditure**

The Portfolio has an allocation of \$82.4 million in 2006-07 to fund major Government office building construction and refurbishment works as follows:

- ◆ \$64.3 million to construct the Justice Office Building at Parramatta;
- ◆ \$10 million to construct the Government Office Building at Queanbeyan;
- ◆ \$3.3 million to refurbish and upgrade the services following the purchase of the McKell Building at Sydney;
- ◆ \$3.1 million for CPP building refurbishments and miscellaneous minor works; and
- ◆ \$1.7 million for preservation and refurbishment works to the historic Education Building at Sydney.

## **STATE PROPERTY AUTHORITY**

In May, 2006 Cabinet approved legislation to create the State Property Authority. The creation of the Authority recognises that an agency's first priority is service delivery. The model draws on the corporate real estate concept used by many private sector firms.

The Authority's focus is on better productivity of generic property assets, which are those properties that can easily be used by any number of agencies. It is not intended to transfer specialised properties (such as schools, hospitals or cultural institutions) to the Authority. Its focus will be operational, with strategic advice and decision making continuing to be provided by the NSW Treasury.

The benefits of this approach include:

- ◆ economies of scale in property management;
- ◆ improved flexibility and operational efficiencies in the way property assets are managed and used; and
- ◆ better information about Government owned property.

## **RECENT DEVELOPMENTS**

The State Property Authority will be operational by 1 July 2006.

The first tranche of properties to be vested in the Authority is the NSW Police property portfolio. The management of this portfolio has recently been awarded to United Group Services Pty Ltd.

The Authority's role is to manage the contract and liaise with NSW Police to ensure that milestones and service standards are being met by the outsourced contractor.

During the course of the year and as additional generic properties are identified, they will be vested in the Authority. Negotiations are underway to transfer the Crown Property Portfolio to the Authority.

## **STRATEGIC DIRECTIONS**

In its first twelve months of operation, the Authority will analyse agency property portfolios for generic assets that can be managed by and vested in it. The main priorities are:

- ◆ preparation of regional property strategies for major urban and rural centres;
- ◆ developing property management plans that highlight opportunities for redeployment, redevelopment or disposal;

- ◆ operation of a whole-of-government leasing advisory service; and
- ◆ development and implementation of improved property management practices.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses in 2006-07 are estimated at \$14.5 million. In its first year of operation, the major expenses are on staff and establishment costs, including fit out of premises.

### **Capital Expenditure**

The Authority will not incur any capital expenditure in 2006-07.

## **ADVANCE TO THE TREASURER**

\$355 million has been allocated in 2006-07 to the Treasurer as an advance to allow for supplementary expenses, \$245 million for recurrent services and \$110 million for capital works and services. Actual expenses will be recorded in the expenses of the appropriate agencies.

At \$245 million the recurrent services advance represents a contingency of less than 1 per cent of budgeted operating expenses.

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                         |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                         |
| Operating expenses -                          |                 |                  |                         |
| Employee related                              | 110,816         | 110,841          | <b>115,369</b>          |
| Other operating expenses                      | 48,275          | 52,053           | <b>44,077</b>           |
| Depreciation and amortisation                 | 14,772          | 12,284           | <b>14,648</b>           |
| Grants and subsidies                          | 277,356         | 294,352          | <b>301,679</b>          |
| Other expenses                                | ...             | 1                | ...                     |
| <b>Total Expenses Excluding Losses</b>        | <b>451,219</b>  | <b>469,531</b>   | <b>475,773</b>          |
| Less:   |                 |                  |                         |
| <b>Retained Revenue -</b>                     |                 |                  |                         |
| Sales of goods and services                   | 25,096          | 26,824           | <b>27,183</b>           |
| Investment income                             | 1,257           | 1,508            | <b>1,379</b>            |
| Retained taxes, fees and fines                | 148             | 111              | <b>21</b>               |
| Grants and contributions                      | 80              | ...              | ...                     |
| Other revenue                                 | 6,233           | 7,015            | <b>5,846</b>            |
| <b>Total Retained Revenue</b>                 | <b>32,814</b>   | <b>35,458</b>    | <b>34,429</b>           |
| Gain/(loss) on disposal of non current assets | ...             | 2                | ...                     |
| <b>NET COST OF SERVICES</b>                   | <b>418,405</b>  | <b>434,071</b>   | <b>441,344</b>          |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

|   | 2005-06          |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|------------------|------------------|-------------------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 |                                     |
| <b>CASH FLOW STATEMENT</b>                          |                  |                  |                                     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                  |                  |                                     |
| <b>Payments</b>                                     |                  |                  |                                     |
| Employee related                                    | 105,531          | 102,876          | <b>109,276</b>                      |
| Grants and subsidies                                | 277,356          | 294,352          | <b>301,679</b>                      |
| Other   | 56,117           | 59,513           | <b>51,493</b>                       |
| <b>Total Payments</b>                               | <b>439,004</b>   | <b>456,741</b>   | <b>462,448</b>                      |
| <b>Receipts</b>                                     |                  |                  |                                     |
| Sale of goods and services                          | 25,096           | 27,817           | <b>27,183</b>                       |
| Interest  | 1,257            | 1,994            | <b>1,379</b>                        |
| Other   | 14,290           | 13,900           | <b>13,283</b>                       |
| <b>Total Receipts</b>                               | <b>40,643</b>    | <b>43,711</b>    | <b>41,845</b>                       |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(398,361)</b> | <b>(413,030)</b> | <b>(420,603)</b>                    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                  |                  |                                     |
| Proceeds from sale of property, plant and equipment | ...              | 2                | ...                                 |
| Purchases of property, plant and equipment          | (3,861)          | (772)            | <b>(1,082)</b>                      |
| Other*  | (7,864)          | (10,954)         | <b>(5,362)</b>                      |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>(11,725)</b>  | <b>(11,724)</b>  | <b>(6,444)</b>                      |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                  |                  |                                     |
| Recurrent appropriation                             | 397,074          | 414,331          | <b>419,206</b>                      |
| Capital appropriation                               | 11,738           | 11,738           | <b>6,444</b>                        |
| Cash transfers to Consolidated Fund                 | ...              | (160)            | ...                                 |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>408,812</b>   | <b>425,909</b>   | <b>425,650</b>                      |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(1,274)</b>   | <b>1,155</b>     | <b>(1,397)</b>                      |
| Opening Cash and Cash Equivalents                   | 15,734           | 12,901           | <b>14,056</b>                       |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>14,460</b>    | <b>14,056</b>    | <b>12,659</b>                       |
| <b>CASH FLOW RECONCILIATION</b>                     |                  |                  |                                     |
| Net cost of services                                | (418,405)        | (434,071)        | <b>(441,344)</b>                    |
| Non cash items added back                           | 20,057           | 19,317           | <b>20,741</b>                       |
| Change in operating assets and liabilities          | (13)             | 1,724            | ...                                 |
| <b>Net cash flow from operating activities</b>      | <b>(398,361)</b> | <b>(413,030)</b> | <b>(420,603)</b>                    |

\* Comprises purchase of software intangibles.

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>BALANCE SHEET</b>                                   |                 |                  |                                     |
| <b>ASSETS -</b>  |                 |                  |                                     |
| <b>Current Assets -</b>                                |                 |                  |                                     |
| Cash assets  | 14,460          | 14,056           | <b>12,659</b>                       |
| Receivables  | 10,799          | 10,050           | <b>10,050</b>                       |
| Other  | 544             | 807              | <b>807</b>                          |
| <b>Total Current Assets</b>                            | <b>25,803</b>   | <b>24,913</b>    | <b>23,516</b>                       |
| <b>Non Current Assets -</b>                            |                 |                  |                                     |
| Property, plant and equipment -<br>Plant and equipment | 13,714          | 12,383           | <b>9,352</b>                        |
| Intangibles  | 36,774          | 40,444           | <b>35,271</b>                       |
| Other  | 11              | 114              | <b>114</b>                          |
| <b>Total Non Current Assets</b>                        | <b>50,499</b>   | <b>52,941</b>    | <b>44,737</b>                       |
| <b>Total Assets</b>                                    | <b>76,302</b>   | <b>77,854</b>    | <b>68,253</b>                       |
| <b>LIABILITIES -</b>                                   |                 |                  |                                     |
| <b>Current Liabilities -</b>                           |                 |                  |                                     |
| Payables   | 4,760           | 5,861            | <b>5,861</b>                        |
| Provisions   | 7,746           | 8,985            | <b>8,985</b>                        |
| Other  | 238             | 176              | <b>176</b>                          |
| <b>Total Current Liabilities</b>                       | <b>12,744</b>   | <b>15,022</b>    | <b>15,022</b>                       |
| <b>Non Current Liabilities -</b>                       |                 |                  |                                     |
| Provisions   | 2,052           | 2,141            | <b>2,141</b>                        |
| Other  | 160             | 371              | <b>371</b>                          |
| <b>Total Non Current Liabilities</b>                   | <b>2,212</b>    | <b>2,512</b>     | <b>2,512</b>                        |
| <b>Total Liabilities</b>                               | <b>14,956</b>   | <b>17,534</b>    | <b>17,534</b>                       |
| <b>NET ASSETS</b>                                      | <b>61,346</b>   | <b>60,320</b>    | <b>50,719</b>                       |
| <b>EQUITY</b>  |                 |                  |                                     |
| Accumulated funds                                      | 61,346          | 60,320           | <b>50,719</b>                       |
| <b>TOTAL EQUITY</b>                                    | <b>61,346</b>   | <b>60,320</b>    | <b>50,719</b>                       |

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**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

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**53.1 State Resource Management**

**53.1.1 A Stronger NSW Economy and Better Public Services**

- Planned Results:
- ◆ Policy settings that promote a competitive and sustainable State economy.
  - ◆ Public resources are efficiently allocated and effectively managed with clear outcomes specified.
  - ◆ State finances are strengthened.

- Strategies and Services: OFM services support implementation of the following strategies:
- ◆ promoting a competitive and sustainable business environment in New South Wales;
  - ◆ ensuring General Government sector productivity through periodic review of service delivery and funding for key sectors;
  - ◆ applying a **Financial Management Framework** that links budgeting and planning to help General Government sector agencies deliver value for money programs and services;
  - ◆ providing a sound **Commercial Policy Framework** that emphasises the performance and accountability of Government businesses;
  - ◆ implementing a **State Fiscal Strategy** to achieve fiscal outcomes that ensure the strength of the State's Balance sheet; and
  - ◆ undertaking **State Balance Sheet Management**, efficiently managing assets, debt and other liabilities to achieve an optimal balance sheet structure.

| <u>Result Indicators:</u>   | Units | 2003-04 | 2004-05 | 2005-06 | <b>Long<br/>Term<br/>Target</b>       |
|---|-------|---------|---------|---------|---------------------------------------|
| 10 year average growth in NSW GSP per capita greater than or equal to the national average:   |       |         |         |         |                                       |
| New South Wales   | %     | 2.4     | 2.1     | nya     | <b>NSW ≥<br/>national<br/>average</b> |
| National  | %     | 2.7     | 2.5     |         |                                       |
| Efficiency in providing government services to be equal to or better than the national average for at least 50 per cent of functional areas reported by the Productivity Commission |       |         |         |         |                                       |
|   | %     | 48.0    | 48.5    | nya     | <b>≥ 50</b>                           |
| Percentage of general government agencies meeting benchmark criteria for Results and Services Plans   |       |         |         |         |                                       |
|   | %     | new     | 32      | 40      | <b>≥ 60 by<br/>2007</b>               |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

**53.1 State Resource Management**

**53.1.1 A Stronger NSW Economy and Better Public Services (cont)**

|  | Units | 2003-04 | 2004-05 | 2005-06 | Long<br>Term<br>Target    |
|--|-------|---------|---------|---------|---------------------------|
| Maintenance of NSW credit rating   |       | AAA     | AAA     | AAA     | <b>AAA</b>                |
| Downward trend in general government sector Net Financial Liabilities as a percentage of GSP               | %     | 8.5     | 8.1     | 8.4     | <b>≤ 7.5 by June 2010</b> |
| Average real return per annum on superannuation and insurance investments                                  | %     | 9.4     | 7.9     | 7.4     | <b>≥ 3.5</b>              |
|  | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b>            |
| <u>Service Measures:</u>   |       |         |         |         |                           |
| Percentage of State Owned Corporations with Statements of Corporate Intent in place                        | %     | 100     | 95      | 100     | <b>100</b>                |
| Timely delivery of the NSW Budget  |       | Yes     | Yes     | Yes     | <b>Yes</b>                |
| Deviation of Government businesses' actual distribution payments from Budget estimate                      | %     | 7.9     | - 4.2   | -6.5    | <b>≤ ±10</b>              |
| Percentage of surveyed agencies satisfied with OFM's financial management support                          | %     | n.a.    | 80      | n.a.    | <b>≥75</b>                |
| Deviation of actual superannuation, debt and insurance GFS net lending expenses from the Budget projection | %     | -1.0    | -1.5    | -18.0   | <b>≤ ±10</b>              |
| Average of forecasting error for key economic variables less than the average error of other states        |       |         |         |         | <b>NSW ≤ Other States</b> |
| New South Wales  | %     | 0.87    | 0.91    | nya     |                           |
| Others   | %     | 1.02    | 1.41    |         |                           |
| <u>Resources:</u>  | EFT   | 245     | 251     | 264     | <b>275</b>                |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

**53.1 State Resource Management**

**53.1.1 A Stronger NSW Economy and Better Public Services (cont)**

|   | 2005-06       |               | 2006-07       |
|---|---------------|---------------|---------------|
|   | Budget        | Revised       | Budget        |
|   | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>                          |               |               |               |
| <b>Expenses Excluding Losses -</b>                  |               |               |               |
| Operating expenses -                                |               |               |               |
| Employee related                                    | 27,284        | 28,085        | <b>31,728</b> |
| Other operating expenses                            | 12,173        | 14,039        | <b>11,647</b> |
| Depreciation and amortisation                       | 854           | 415           | <b>240</b>    |
| Grants and subsidies                                |               |               |               |
| Australian accounting research and standards bodies | 173           | 169           | <b>169</b>    |
| <b>Total Expenses Excluding Losses</b>              | <b>40,484</b> | <b>42,708</b> | <b>43,784</b> |
| Less:   |               |               |               |
| <b>Retained Revenue -</b>                           |               |               |               |
| Sales of goods and services                         |               |               |               |
| Minor sales of goods and services                   | 16            | 2             | ...           |
| Investment income                                   | 219           | 324           | <b>336</b>    |
| Other revenue                                       | 6,017         | 6,309         | <b>5,576</b>  |
| <b>Total Retained Revenue</b>                       | <b>6,252</b>  | <b>6,635</b>  | <b>5,912</b>  |
| Gain/(loss) on disposal of non current assets       | ...           | 2             | ...           |
| <b>NET COST OF SERVICES</b>                         | <b>34,232</b> | <b>36,071</b> | <b>37,872</b> |
| <br>  |               |               |               |
| <b>CAPITAL EXPENDITURE</b>                          | <b>350</b>    | <b>351</b>    | <b>398</b>    |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

**53.2 Revenue Administration Services**

**53.2.1 All due revenue is collected**

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 revenue collection.
- ◆ educating the NSW community about revenue rights and obligations by conducting client education programs.

Driving service and efficiency through technology by:

- ◆ enhancing OSR's most effective service delivery channels
- ◆ integrated telephone capability.

| <u>Result Indicators</u> :                           | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Duties collected                                     | \$m   | 5,492   | 4,808   | 4,791   | <b>4,992</b>   |
| Pay-roll tax collected                               | \$m   | 5,067   | 5,500   | 5,843   | <b>6,215</b>   |
| Land tax collected                                   | \$m   | 1,339   | 1,586   | 1,709   | <b>1,773</b>   |
| Federal tax equivalent collected                     | \$m   | 345     | 396     | 377     | <b>451</b>     |
| Other revenue collected                              | \$m   | 219     | 217     | 219     | <b>224</b>     |
| Racing   | \$m   | 150     | 153     | 149     | <b>157</b>     |
| Gaming   | \$m   | 792     | 901     | 998     | <b>1,110</b>   |
| Other gambling and betting                           | \$m   | 7       | 4       | 4       | <b>4</b>       |
| Total overdue debt as a percentage of revenue (tax)  | %     | 0.92    | 1.03    | ≤1.00   | <b>≤0.90</b>   |
| Revenue collected to original budget                 | %     | 106     | 98      | ≥98     | <b>≥98</b>     |
| <u>Service Measures</u> :                            |       |         |         |         |                |
| Percentage of revenue received by electronic payment | %     | 68      | 74      | ≥75     | <b>≥76</b>     |
| Cost to collect \$100 tax revenue                    | \$    | 0.56    | 0.67    | ≤0.69   | <b>* ≤0.66</b> |
| Client Service Index                                 | %     | 92      | 94      | ≥90     | <b>≥90</b>     |

\* Cost to collect \$100 includes cost of \$21.5 million paid for land valuation data.

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
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**53 TREASURY**

**53.2 Revenue Administration Services**

**53.2.1 All due revenue is collected (cont)**

| Resources:      | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|-----------------|-------|---------|---------|---------|----------------|
| Duties          | EFT   | 182     | 221     | 159     | <b>153</b>     |
| Pay-roll tax    | EFT   | 122     | 154     | 181     | <b>181</b>     |
| Land tax        | EFT   | 188     | 349     | 346     | <b>268</b>     |
| Gaming & Racing | EFT   | 4       | 4       | 2       | <b>2</b>       |
| Other revenue   | EFT   | 22      | 22      | 20      | <b>22</b>      |

| 2005-06 |         | <b>2006-07</b> |
|---------|---------|----------------|
| Budget  | Revised | <b>Budget</b>  |
| \$000   | \$000   | <b>\$000</b>   |

***OPERATING STATEMENT***

**Expenses Excluding Losses -**

|  |  |               |               |               |
|--|--|---------------|---------------|---------------|
| Operating expenses -                   |  |               |               |               |
| Employee related                       |  | 53,445        | 53,823        | <b>50,924</b> |
| Other operating expenses               |  | 18,773        | 18,802        | <b>16,273</b> |
| Depreciation and amortisation          |  | 10,731        | 8,546         | <b>8,518</b>  |
| Grants and subsidies                   |  |               |               |               |
| Valuer General's Office                |  | 15,183        | 15,183        | <b>21,510</b> |
| <b>Total Expenses Excluding Losses</b> |  | <b>98,132</b> | <b>96,354</b> | <b>97,225</b> |

Less:

**Retained Revenue -**

|                                   |  |              |              |              |
|-----------------------------------|--|--------------|--------------|--------------|
| Sales of goods and services       |  |              |              |              |
| Fees for services                 |  | 547          | 623          | <b>675</b>   |
| Search fees                       |  | 2,079        | 2,729        | <b>2,510</b> |
| Minor sales of goods and services |  | ...          | 16           | ...          |
| Investment income                 |  | 767          | 553          | <b>570</b>   |
| Other revenue                     |  | 208          | 667          | <b>254</b>   |
| <b>Total Retained Revenue</b>     |  | <b>3,601</b> | <b>4,588</b> | <b>4,009</b> |

**NET COST OF SERVICES**

|               |               |               |
|---------------|---------------|---------------|
| <b>94,531</b> | <b>91,766</b> | <b>93,216</b> |
|---------------|---------------|---------------|

**CAPITAL EXPENDITURE**

|              |              |              |
|--------------|--------------|--------------|
| <b>8,291</b> | <b>4,852</b> | <b>3,241</b> |
|--------------|--------------|--------------|

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

**53.3 Infringement Processing and Fine Enforcement Management**

**53.3.1 All fines are processed and enforced correctly and on time**

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 the State Debt Recovery Office; and
- ◆ integrating 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 telephone capability.

| <u>Result Indicators</u> :                                       | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| Total infringement and fine collections:                         | \$m   | 353     | 381     | 363     | <b>377</b>     |
| - Crown *  | \$m   | 204     | 245     | 207     | <b>211</b>     |
| - Clients  | \$m   | 149     | 136     | 156     | <b>166</b>     |
| - Closure Rate of infringements<br>(calculated on dollar value)  | %     | 70      | 74      | ≥73     | <b>≥75</b>     |
| - Closure rate of enforced fines<br>(calculated on dollar value) | %     | 38      | 41      | ≥42     | <b>≥46</b>     |

Service Measures:

|                                     |    |       |       |       |              |
|-------------------------------------|----|-------|-------|-------|--------------|
| Cost to collect \$100 fines revenue | \$ | 10.72 | 12.56 | 12.42 | <b>12.76</b> |
|-------------------------------------|----|-------|-------|-------|--------------|

|                    |     |     |     |     |            |
|--------------------|-----|-----|-----|-----|------------|
| <u>Resources</u> : | EFT | 304 | 437 | 412 | <b>422</b> |
|--------------------|-----|-----|-----|-----|------------|

\* Includes the Crown's share of net parking fines under agreements with certain councils.

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
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**53 TREASURY**

**53.3 Infringement Processing and Fine Enforcement Management**

**53.3.1 All fines are processed and enforced correctly and on time (cont)**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>   |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>   |                 |                  |                                     |
| Operating expenses -   |                 |                  |                                     |
| Employee related   | 26,333          | 25,148           | <b>28,681</b>                       |
| Other operating expenses   | 16,323          | 18,117           | <b>15,034</b>                       |
| Depreciation and amortisation  | 2,338           | 2,637            | <b>5,175</b>                        |
| Other expenses   |                 |                  |                                     |
| Payments, as Acts of Grace, in respect of<br>claims for compensation, etc. | ...             | 1                | ...                                 |
| <b>Total Expenses Excluding Losses</b>                                     | <b>44,994</b>   | <b>45,903</b>    | <b>48,890</b>                       |
| Less:  |                 |                  |                                     |
| <b>Retained Revenue -</b>  |                 |                  |                                     |
| Sales of goods and services  |                 |                  |                                     |
| Commercial Infringement Bureau   | 22,448          | 23,318           | <b>23,897</b>                       |
| Minor sales of goods and services  | ...             | 136              | <b>86</b>                           |
| Investment income  | 210             | 587              | <b>425</b>                          |
| Retained taxes, fees and fines   | 148             | 111              | <b>21</b>                           |
| Grants and contributions   | 80              | ...              | ...                                 |
| <b>Total Retained Revenue</b>  | <b>22,886</b>   | <b>24,152</b>    | <b>24,429</b>                       |
| <b>NET COST OF SERVICES</b>  | <b>22,108</b>   | <b>21,751</b>    | <b>24,461</b>                       |
| <hr/>  |                 |                  |                                     |
| <b>CAPITAL EXPENDITURE</b>   | <b>2,391</b>    | <b>6,264</b>     | <b>2,513</b>                        |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

**53.4 Benefits Services**

**53.4.1 Eligible applicants receive their benefits**

Outcome Objective(s): Ensure eligible applicants receive benefits due under Commonwealth/State Government schemes.

Strategies:  
 Forging powerful stakeholder relationships by continually increasing client satisfaction through the implementation of client service strategies.  
 Driving service and efficiency through technology such as integrated telephone capability.  
 Ensure OSR's continual renewal and investigate collecting other types of unclaimed money.

| <u>Result Indicators</u> :             | Units | 2003-04 | 2004-05 | 2005-06 | <b>2006-07</b> |
|--|-------|---------|---------|---------|----------------|
| First Home Owners Grant (FHOG)         | \$m   | 251     | 265     | 279     | <b>280</b>     |
| Unclaimed money                        | \$m   | 16      | 13      | 14      | <b>14</b>      |
| Petroleum subsidy                      | \$m   | 39      | 40      | 41      | <b>41</b>      |
| FH Plus exemptions/concessions granted | \$m   | 127     | 376     | 385     | <b>390</b>     |

Service Measures:

|   |   |     |    |     |            |
|---|---|-----|----|-----|------------|
| Benefits Service Index  | % | na  | na | ≥85 | <b>≥90</b> |
| % of FHOG applications processed within 10 days of receipt      | % | 99  | 95 | ≥95 | <b>≥95</b> |
| % of Unclaimed Money payments issued within 10 days of approval | % | 100 | 98 | ≥95 | <b>≥95</b> |
| Random checking of FHOG scheme applications prior to payment    | % | 22  | 22 | ≥25 | <b>≥25</b> |

Resources:

|                         |     |    |    |    |           |
|-------------------------|-----|----|----|----|-----------|
| First Home Owners Grant | EFT | 24 | 27 | 34 | <b>40</b> |
| Unclaimed money         | EFT | 14 | 14 | 13 | <b>13</b> |
| Other                   | EFT | 3  | 3  | 3  | <b>3</b>  |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**53 TREASURY**

**53.4 Benefits Services**

**53.4.1 Eligible applicants receive their benefits (cont)**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>        |                 |                  |                                     |
| Operating expenses -                      |                 |                  |                                     |
| Employee related                          | 3,754           | 3,785            | <b>4,036</b>                        |
| Other operating expenses                  | 1,006           | 1,095            | <b>1,123</b>                        |
| Depreciation and amortisation             | 849             | 686              | <b>715</b>                          |
| Grants and subsidies                      |                 |                  |                                     |
| First Home Owners Scheme - grant payments | 262,000         | 279,000          | <b>280,000</b>                      |
| <b>Total Expenses Excluding Losses</b>    | <b>267,609</b>  | <b>284,566</b>   | <b>285,874</b>                      |
| Less:                                     |                 |                  |                                     |
| <b>Retained Revenue -</b>                 |                 |                  |                                     |
| Sales of goods and services               |                 |                  |                                     |
| Fees for services                         | 6               | ...              | <b>15</b>                           |
| Investment income                         | 61              | 44               | <b>48</b>                           |
| Other revenue                             | 8               | 39               | <b>16</b>                           |
| <b>Total Retained Revenue</b>             | <b>75</b>       | <b>83</b>        | <b>79</b>                           |
| <b>NET COST OF SERVICES</b>               | <b>267,534</b>  | <b>284,483</b>   | <b>285,795</b>                      |
| <b>CAPITAL EXPENDITURE</b>                | <b>693</b>      | <b>259</b>       | <b>292</b>                          |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**54 CROWN FINANCE ENTITY**

|   | 2005-06          |                  | 2006-07            |
|---|------------------|------------------|--------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | Budget<br>\$000    |
| <b>OPERATING STATEMENT</b>                    |                  |                  |                    |
| <b>Expenses Excluding Losses -</b>            |                  |                  |                    |
| Operating expenses -                          |                  |                  |                    |
| Employee related                              | 2,925,937        | (1,483,889)      | <b>895,877</b>     |
| Other operating expenses                      | 46,943           | 52,467           | <b>32,656</b>      |
| Depreciation and amortisation                 | 37,658           | 37,096           | <b>18,524</b>      |
| Grants and subsidies                          | 1,279,794        | 2,707,718        | <b>1,961,481</b>   |
| Finance costs                                 | 808,889          | 801,990          | <b>895,365</b>     |
| Other expenses                                | 304,799          | 282,124          | <b>317,177</b>     |
| <b>Total Expenses Excluding Losses</b>        | <b>5,404,020</b> | <b>2,397,506</b> | <b>4,121,080</b>   |
| Less:   |                  |                  |                    |
| <b>Retained Revenue -</b>                     |                  |                  |                    |
| Sales of goods and services                   | 64,573           | 62,716           | <b>37,986</b>      |
| Investment income                             | 166,006          | 166,545          | <b>155,518</b>     |
| Grants and contributions                      | 246,819          | 1,000,000        | <b>8,700,000</b>   |
| Other revenue                                 | 86,283           | 89,573           | <b>33,304</b>      |
| <b>Total Retained Revenue</b>                 | <b>563,681</b>   | <b>1,318,834</b> | <b>8,926,808</b>   |
| Gain/(loss) on disposal of non current assets | (8,743)          | (27,000)         | <b>(16,600)</b>    |
| Other gains/(losses)                          | 40,924           | 66,539           | <b>40,279</b>      |
| <b>NET COST OF SERVICES</b>                   | <b>4,808,158</b> | <b>1,039,133</b> | <b>(4,829,407)</b> |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**54 CROWN FINANCE ENTITY**

|   | 2005-06            |                    | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|--------------------|--------------------|-------------------------------------|
|   | Budget<br>\$000    | Revised<br>\$000   |                                     |
| <b>CASH FLOW STATEMENT</b>                          |                    |                    |                                     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                    |                    |                                     |
| <b>Payments</b>                                     |                    |                    |                                     |
| Employee related                                    | 628,168            | 339,031            | <b>9,124,688</b>                    |
| Grants and subsidies                                | 1,552,805          | 2,773,916          | <b>2,028,603</b>                    |
| Finance costs                                       | 800,131            | 781,341            | <b>890,210</b>                      |
| Other   | 355,029            | 563,255            | <b>335,821</b>                      |
| <b>Total Payments</b>                               | <b>3,336,133</b>   | <b>4,457,543</b>   | <b>12,379,322</b>                   |
| <b>Receipts</b>                                     |                    |                    |                                     |
| Sale of goods and services                          | 58,994             | 55,362             | <b>33,413</b>                       |
| Interest  | 143,139            | 154,870            | <b>155,513</b>                      |
| Other   | 286,702            | 1,073,346          | <b>8,772,804</b>                    |
| <b>Total Receipts</b>                               | <b>488,835</b>     | <b>1,283,578</b>   | <b>8,961,730</b>                    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>(2,847,298)</b> | <b>(3,173,965)</b> | <b>(3,417,592)</b>                  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                    |                    |                                     |
| Proceeds from sale of property, plant and equipment | 85,183             | 80,539             | <b>116,616</b>                      |
| Proceeds from sale of investments                   | 119,920            | 526,344            | <b>(7,995)</b>                      |
| Advance repayments received                         | 126,791            | 136,694            | <b>141,598</b>                      |
| Purchases of property, plant and equipment          | (80,000)           | ...                | <b>(10,000)</b>                     |
| Purchases of investments                            | (97,948)           | (96,260)           | ...                                 |
| Advances made                                       | (93,500)           | (99,000)           | <b>(75,000)</b>                     |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>60,446</b>      | <b>548,317</b>     | <b>165,219</b>                      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                    |                    |                                     |
| Proceeds from borrowings and advances               | 1,240,000          | 1,195,000          | <b>3,335,000</b>                    |
| Repayment of borrowings and advances                | (492,615)          | (481,939)          | <b>(179,658)</b>                    |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>747,385</b>     | <b>713,061</b>     | <b>3,155,342</b>                    |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**54 CROWN FINANCE ENTITY**

|  | ———2005-06———      |                    | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|--------------------|--------------------|-------------------------------------|
|  | Budget<br>\$000    | Revised<br>\$000   |                                     |
| <b>CASH FLOW STATEMENT (cont)</b>                                      |                    |                    |                                     |
| <b>CASH FLOWS FROM GOVERNMENT</b>                                      |                    |                    |                                     |
| Recurrent appropriation  | 3,408,628          | 3,942,762          | <b>3,680,460</b>                    |
| Capital appropriation  | 632,488            | 552,488            | <b>164,824</b>                      |
| Amount collected on behalf of and transferred to the Consolidated Fund | (2,032,775)        | (2,623,092)        | <b>(3,721,059)</b>                  |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>                                  | <b>2,008,341</b>   | <b>1,952,158</b>   | <b>124,225</b>                      |
| <b>NET INCREASE/(DECREASE) IN CASH</b>                                 | <b>(31,126)</b>    | <b>(40,429)</b>    | <b>27,194</b>                       |
| Opening Cash and Cash Equivalents                                      | 157,032            | 185,062            | <b>144,633</b>                      |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>                               | <b>125,906</b>     | <b>144,633</b>     | <b>171,827</b>                      |
| <b>CASH FLOW RECONCILIATION</b>  |                    |                    |                                     |
| Net cost of services   | (4,808,158)        | (1,039,133)        | <b>4,829,407</b>                    |
| Non cash items added back  | (20,726)           | (37,927)           | <b>(37,562)</b>                     |
| Change in operating assets and liabilities                             | 1,981,586          | (2,096,905)        | <b>(8,209,437)</b>                  |
| <b>Net cash flow from operating activities</b>                         | <b>(2,847,298)</b> | <b>(3,173,965)</b> | <b>(3,417,592)</b>                  |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**54 CROWN FINANCE ENTITY**

|   | 2005-06             |                     | 2006-07             |
|---|---------------------|---------------------|---------------------|
|   | Budget<br>\$000     | Revised<br>\$000    | Budget<br>\$000     |
| <b>BALANCE SHEET</b>                              |                     |                     |                     |
| <b>ASSETS -</b>                                   |                     |                     |                     |
| <b>Current Assets -</b>                           |                     |                     |                     |
| Cash assets                                       | 125,906             | 144,633             | 171,827             |
| Receivables                                       | 28,640              | 52,536              | 22,014              |
| Other financial assets                            | 126,618             | 141,686             | 152,094             |
| <b>Total Current Assets</b>                       | <b>281,164</b>      | <b>338,855</b>      | <b>345,935</b>      |
| <b>Non Current Assets -</b>                       |                     |                     |                     |
| Receivables                                       | 115,000             | 2,000               | ...                 |
| Investments accounted for using the equity method | 628,992             | 648,940             | 689,219             |
| Other financial assets                            | 1,961,086           | 1,461,893           | 1,384,782           |
| Property, plant and equipment -                   |                     |                     |                     |
| Land and building                                 | ...                 | ...                 | 10,000              |
| Plant and equipment                               | 287,023             | 153,469             | 9,829               |
| <b>Total Non Current Assets</b>                   | <b>2,992,101</b>    | <b>2,266,302</b>    | <b>2,093,830</b>    |
| <b>Total Assets</b>                               | <b>3,273,265</b>    | <b>2,605,157</b>    | <b>2,439,765</b>    |
| <b>LIABILITIES -</b>                              |                     |                     |                     |
| <b>Current Liabilities -</b>                      |                     |                     |                     |
| Payables  | 242,557             | 222,907             | 235,370             |
| Borrowings  | 1,287,681           | 2,321,400           | 3,803,015           |
| Provisions  | 337,317             | 3,079,850           | 3,139,850           |
| Other   | 111,749             | 82,006              | 74,271              |
| <b>Total Current Liabilities</b>                  | <b>1,979,304</b>    | <b>5,706,163</b>    | <b>7,252,506</b>    |
| <b>Non Current Liabilities -</b>                  |                     |                     |                     |
| Borrowings  | 10,326,153          | 9,203,652           | 10,861,572          |
| Provisions  | 25,425,467          | 22,851,799          | 14,572,500          |
| Other   | 256,490             | 299,871             | 255,883             |
| <b>Total Non Current Liabilities</b>              | <b>36,008,110</b>   | <b>32,355,322</b>   | <b>25,689,955</b>   |
| <b>Total Liabilities</b>                          | <b>37,987,414</b>   | <b>38,061,485</b>   | <b>32,942,461</b>   |
| <b>NET ASSETS</b>                                 | <b>(34,714,149)</b> | <b>(35,456,328)</b> | <b>(30,502,696)</b> |
| <b>EQUITY</b>                                     |                     |                     |                     |
| Reserves  | 10,100              | 10,100              | 10,100              |
| Accumulated funds                                 | (34,724,249)        | (35,466,428)        | (30,512,796)        |
| <b>TOTAL EQUITY</b>                               | <b>(34,714,149)</b> | <b>(35,456,328)</b> | <b>(30,502,696)</b> |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**54 CROWN FINANCE ENTITY**

**54.1 Service Wide Payments and Services**

**54.1.1 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 Government and on NSW 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.

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |                |                |                |
|---|----------------|----------------|----------------|
| Operating expenses -  |                |                |                |
| Reimbursement of Treasury employee related and other operating expenses | 563            | 574            | <b>592</b>     |
| Finance costs   |                |                |                |
| Interest  | 795,120        | 788,821        | <b>888,789</b> |
| Other expenses  |                |                |                |
| Debt / investment management fees                                       | 7,378          | 5,935          | <b>7,406</b>   |
| <b>Total Expenses Excluding Losses</b>                                  | <b>803,061</b> | <b>795,330</b> | <b>896,787</b> |
| Less:   |                |                |                |
| <b>Retained Revenue -</b>   |                |                |                |
| Investment income   | 3,908          | 4,830          | <b>4,317</b>   |
| Other revenue   | 36             | 219            | ...            |
| <b>Total Retained Revenue</b>   | <b>3,944</b>   | <b>5,049</b>   | <b>4,317</b>   |
| <b>NET COST OF SERVICES</b>   | <b>799,117</b> | <b>790,281</b> | <b>892,470</b> |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**54 CROWN FINANCE ENTITY**

**54.1 Service Wide Payments and Services**

**54.1.2 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.

|   | 2005-06       |               | 2006-07       |
|---|---------------|---------------|---------------|
|   | Budget        | Revised       | Budget        |
|   | \$000         | \$000         | \$000         |
| <b>OPERATING STATEMENT</b>  |               |               |               |
| <b>Expenses Excluding Losses -</b>                                      |               |               |               |
| Operating expenses -  |               |               |               |
| Reimbursement of Treasury employee related and other operating expenses | 150           | 139           | 143           |
| Grants and subsidies  |               |               |               |
| GST offset payments for international premium player program            | ...           | 7,500         | 8,500         |
| GST offset payments for clubs   | 19,800        | 19,800        | 19,800        |
| Other expenses  |               |               |               |
| Petrol subsidy payments   | 41,000        | 40,000        | 41,000        |
| Alcohol subsidy payments  | 6,000         | 3,000         | 14,000        |
| Refunds and remissions of Crown revenue                                 | 3,000         | 6,000         | 3,400         |
| Payments, as Acts of Grace, in respect of claims for compensation, etc. | 150           | 200           | 170           |
| Refunds of unclaimed moneys   | 400           | 400           | 400           |
| Payments to councils relating to street parking enforcement             | 450           | 225           | 450           |
| <b>Total Expenses Excluding Losses</b>                                  | <b>70,950</b> | <b>77,264</b> | <b>87,863</b> |
| <b>NET COST OF SERVICES</b>   | <b>70,950</b> | <b>77,264</b> | <b>87,863</b> |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**54 CROWN FINANCE ENTITY**

**54.1 Service Wide Payments and Services**

**54.1.3 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. 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.

| 2005-06 |         | 2006-07 |
|---------|---------|---------|
| Budget  | Revised | Budget  |
| \$000   | \$000   | \$000   |

**OPERATING STATEMENT**

**Expenses Excluding Losses -**

|   |           |             |                  |
|---|-----------|-------------|------------------|
| Operating expenses -  |           |             |                  |
| Employee related  | 2,925,937 | (1,483,889) | <b>895,877</b>   |
| Reimbursement of Treasury employee related and other operating expenses         | 3,637     | 3,037       | <b>3,135</b>     |
| Other operating expenses  | 42,593    | 48,717      | <b>28,785</b>    |
| Depreciation and amortisation   | 37,658    | 37,096      | <b>18,525</b>    |
| Grants and subsidies  |           |             |                  |
| Write back of workers compensation payable to rail entities                     | (8,200)   | (3,662)     | <b>(11,672)</b>  |
| Actuarial adjustments – liability to NSW Self Insurance Corporation             | (217,361) | (19,311)    | ...              |
| Assumption of HIH liability   | ...       | 1,845       | ...              |
| Property management - Crown Property Portfolio                                  | 8,379     | 5,417       | <b>835</b>       |
| Grants to agencies  | 998       | 550         | <b>2,144</b>     |
| Contribution to Transport Accident and Governmental Workers' Compensation Funds | 275,000   | ...         | ...              |
| Contribution to the Liability Management Ministerial Corporation                | 1,000,000 | 2,420,000   | <b>1,800,625</b> |
| Snowy Scheme reform   | 15,000    | 15,000      | <b>15,000</b>    |
| Capital grants - general government agencies                                    | 127,210   | 202,557     | <b>82,429</b>    |
| Capital grant - Health Department   | 22,722    | 22,722      | <b>23,520</b>    |
| Reimbursement to Hunter Water for land management activities                    | 3,700     | ...         | ...              |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**54 CROWN FINANCE ENTITY**

**54.1 Service Wide Payments and Services**

**54.1.3 Other Liability and Asset Management Activities (cont)**

**OPERATING STATEMENT (cont)**

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
| Australian Inland Energy - pensioner subsidy                                     | 5,300            | 5,300            | <b>5,300</b>     |
| Grant to Residual Business Management Corporation (Pacific Power Wind-up)        | 12,246           | ...              | ...              |
| Finance costs  |                  |                  |                  |
| Finance lease interest charges to private sector - raised within Australia       | 13,769           | 13,169           | <b>6,576</b>     |
| Other expenses   |                  |                  |                  |
| Payments to Audit Office for performance audits                                  | 1,550            | 1,550            | <b>1,600</b>     |
| National Energy Market Reform  | ...              | 500              | <b>500</b>       |
| Production of Auditor-General's Reports  | 1,380            | 1,380            | <b>1,420</b>     |
| State's share of higher education superannuation costs                           | 10,000           | ...              | <b>10,000</b>    |
| State Bank post sale costs   | 1,010            | 1,010            | ...              |
| Compensation to the Aust Tax Office for GST administration                       | 198,500          | 201,000          | <b>203,000</b>   |
| Procurement assistance to agencies   | 8,811            | 8,811            | <b>9,128</b>     |
| Other  | 25,170           | 12,113           | <b>24,703</b>    |
| <b>Total Expenses Excluding Losses</b>   | <b>4,515,009</b> | <b>1,494,912</b> | <b>3,121,430</b> |
| Less:  |                  |                  |                  |
| <b>Retained Revenue -</b>  |                  |                  |                  |
| Sales of goods and services  |                  |                  |                  |
| Sale proceeds of land - profit and initial cost of land                          | 2,713            | 2,713            | <b>3,982</b>     |
| Contributions to long service leave pool   | 9,200            | 8,130            | <b>8,100</b>     |
| Motor vehicle lease income   | 52,660           | 51,873           | <b>25,904</b>    |
| Investment income  | 162,098          | 161,715          | <b>151,201</b>   |
| Grants and contributions   |                  |                  |                  |
| Repayment of Crown Contributions by NSW Self Insurance Corporation               | ...              | 1,000,000        | ...              |
| Repayment of Crown Contributions by Liability Management Ministerial Corporation | ...              | ...              | <b>8,700,000</b> |
| Other  | 246,819          | ...              | ...              |
| Other revenue  | 86,247           | 89,354           | <b>33,304</b>    |
| <b>Total Retained Revenue</b>  | <b>559,737</b>   | <b>1,313,785</b> | <b>8,922,491</b> |

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**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**  
**54 CROWN FINANCE ENTITY**

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**54.1 Service Wide Payments and Services**

**54.1.3 Other Liability and Asset Management Activities (cont)**

**OPERATING STATEMENT (cont)**

|   |                  |                |                    |
|---|------------------|----------------|--------------------|
| Gain/(loss) on disposal of non current assets | (8,743)          | (27,000)       | <b>(16,600)</b>    |
| Other gains/(losses)                          | 40,924           | 66,539         | <b>40,279</b>      |
| <b>NET COST OF SERVICES</b>                   | <b>3,923,091</b> | <b>141,588</b> | <b>(5,824,740)</b> |
| <hr/>   |                  |                |                    |
| <b>CAPITAL EXPENDITURE</b>                    | <b>175,182</b>   | <b>46,769</b>  | <b>10,000</b>      |
| <hr/>   |                  |                |                    |

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**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**54 CROWN FINANCE ENTITY**

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**54.2 Natural Disasters Relief**

**54.2.1 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.

|  | —————2005-06————— |               | <b>2006-07</b> |
|--|-------------------|---------------|----------------|
|  | Budget            | Revised       | <b>Budget</b>  |
|  | \$000             | \$000         | <b>\$000</b>   |
| <b>OPERATING STATEMENT</b>             |                   |               |                |
| <b>Expenses Excluding Losses -</b>     |                   |               |                |
| Grants and subsidies                   |                   |               |                |
| Natural Disasters Relief               | 7,000             | 22,000        | <b>7,000</b>   |
| Natural Disaster Relief capital grants | 8,000             | 8,000         | <b>8,000</b>   |
| <b>Total Expenses Excluding Losses</b> | <b>15,000</b>     | <b>30,000</b> | <b>15,000</b>  |
| <b>NET COST OF SERVICES</b>            | <b>15,000</b>     | <b>30,000</b> | <b>15,000</b>  |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**55 CROWN LEASEHOLDS ENTITY**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Other operating expenses                      | 8,783           | 14,722           | <b>18,017</b>                       |
| Grants and subsidies                          | 26,295          | 21,414           | <b>21,950</b>                       |
| <b>Total Expenses Excluding Losses</b>        | <b>35,078</b>   | <b>36,136</b>    | <b>39,967</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 51,353          | 48,922           | <b>58,096</b>                       |
| Investment income                             | 3,101           | 2,743            | <b>2,832</b>                        |
| Retained taxes, fees and fines                | 2,042           | 1,558            | <b>1,572</b>                        |
| Grants and contributions                      | 42,014          | 1,006            | <b>12,328</b>                       |
| <b>Total Retained Revenue</b>                 | <b>98,510</b>   | <b>54,229</b>    | <b>74,828</b>                       |
| Gain/(loss) on disposal of non current assets | 2,738           | (744)            | <b>6,297</b>                        |
| Other gains/(losses)                          | (6,615)         | (18,086)         | <b>(5,087)</b>                      |
| <b>NET COST OF SERVICES</b>                   | <b>(59,555)</b> | <b>737</b>       | <b>(36,071)</b>                     |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**  
**55 CROWN LEASEHOLDS ENTITY**

|   | ———2005-06———   |                  | <b>2006-07</b>          |
|---|-----------------|------------------|-------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                          |                 |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                 |                  |                         |
| <b>Payments</b>                                     |                 |                  |                         |
| Other   | 8,791           | 14,950           | <b>21,693</b>           |
| <b>Total Payments</b>                               | <b>8,791</b>    | <b>14,950</b>    | <b>21,693</b>           |
| <b>Receipts</b>                                     |                 |                  |                         |
| Sale of goods and services                          | 42,585          | 54,024           | <b>50,492</b>           |
| Interest  | 3,101           | 2,743            | <b>2,832</b>            |
| Other   | 733             | 5,597            | <b>5,403</b>            |
| <b>Total Receipts</b>                               | <b>46,419</b>   | <b>62,364</b>    | <b>58,727</b>           |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>37,628</b>   | <b>47,414</b>    | <b>37,034</b>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                 |                  |                         |
| Proceeds from sale of property, plant and equipment | 9,155           | 13,122           | <b>14,963</b>           |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>9,155</b>    | <b>13,122</b>    | <b>14,963</b>           |
| <b>CASH FLOWS FROM GOVERNMENT</b>                   |                 |                  |                         |
| Cash transfers to Consolidated Fund                 | (45,612)        | (60,006)         | <b>(57,259)</b>         |
| <b>NET CASH FLOWS FROM GOVERNMENT</b>               | <b>(45,612)</b> | <b>(60,006)</b>  | <b>(57,259)</b>         |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>1,171</b>    | <b>530</b>       | <b>(5,262)</b>          |
| Opening Cash and Cash Equivalents                   | 9,126           | 8,664            | <b>9,194</b>            |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>10,297</b>   | <b>9,194</b>     | <b>3,932</b>            |
| <b>CASH FLOW RECONCILIATION</b>                     |                 |                  |                         |
| Net cost of services                                | 59,555          | (737)            | <b>36,071</b>           |
| Non cash items added back                           | (10,719)        | 38,402           | <b>14,622</b>           |
| Change in operating assets and liabilities          | (11,208)        | 9,749            | <b>(13,659)</b>         |
| <b>Net cash flow from operating activities</b>      | <b>37,628</b>   | <b>47,414</b>    | <b>37,034</b>           |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**  
**55 CROWN LEASEHOLDS ENTITY**

|  | ———2005-06———    |                  | <b>2006-07</b>          |
|--|------------------|------------------|-------------------------|
|  | Budget<br>\$000  | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>BALANCE SHEET</b>                                 |                  |                  |                         |
| <b>ASSETS -</b>                                      |                  |                  |                         |
| <b>Current Assets -</b>                              |                  |                  |                         |
| Cash assets  | 10,297           | 9,194            | <b>3,932</b>            |
| Receivables  | 29,748           | 21,242           | <b>30,023</b>           |
| <b>Total Current Assets</b>                          | <b>40,045</b>    | <b>30,436</b>    | <b>33,955</b>           |
| <b>Non Current Assets -</b>                          |                  |                  |                         |
| Receivables  | 25,981           | 23,542           | <b>22,365</b>           |
| Property, plant and equipment -<br>Land and building | 4,505,229        | 4,583,718        | <b>4,549,451</b>        |
| <b>Total Non Current Assets</b>                      | <b>4,531,210</b> | <b>4,607,260</b> | <b>4,571,816</b>        |
| <b>Total Assets</b>                                  | <b>4,571,255</b> | <b>4,637,696</b> | <b>4,605,771</b>        |
| <b>LIABILITIES -</b>                                 |                  |                  |                         |
| <b>Current Liabilities -</b>                         |                  |                  |                         |
| Payables   | 7,636            | 8,755            | <b>8,348</b>            |
| Other  | 12,563           | 25,954           | <b>26,603</b>           |
| <b>Total Current Liabilities</b>                     | <b>20,199</b>    | <b>34,709</b>    | <b>34,951</b>           |
| <b>Total Liabilities</b>                             | <b>20,199</b>    | <b>34,709</b>    | <b>34,951</b>           |
| <b>NET ASSETS</b>                                    | <b>4,551,056</b> | <b>4,602,987</b> | <b>4,570,820</b>        |
| <b>EQUITY</b>  |                  |                  |                         |
| Reserves   | 709,716          | 889,373          | <b>878,394</b>          |
| Accumulated funds                                    | 3,841,340        | 3,713,614        | <b>3,692,426</b>        |
| <b>TOTAL EQUITY</b>                                  | <b>4,551,056</b> | <b>4,602,987</b> | <b>4,570,820</b>        |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**55 CROWN LEASEHOLDS ENTITY**

**55.1 Administration of Crown Leases**

**55.1.1 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.

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating expenses -                          |                 |                  |                                     |
| Other operating expenses                      | 8,783           | 14,722           | <b>18,017</b>                       |
| Grants and subsidies                          |                 |                  |                                     |
| Non cash capital grants - land                | 26,295          | 21,414           | <b>21,950</b>                       |
| <b>Total Expenses Excluding Losses</b>        | <b>35,078</b>   | <b>36,136</b>    | <b>39,967</b>                       |
| Less:   |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   |                 |                  |                                     |
| Crown Land leases                             | 51,353          | 48,922           | <b>58,096</b>                       |
| Investment income                             | 3,101           | 2,743            | <b>2,832</b>                        |
| Retained taxes, fees and fines                | 2,042           | 1,558            | <b>1,572</b>                        |
| Grants and contributions                      | 42,014          | 1,006            | <b>12,328</b>                       |
| <b>Total Retained Revenue</b>                 | <b>98,510</b>   | <b>54,229</b>    | <b>74,828</b>                       |
| Gain/(loss) on disposal of non current assets | 2,738           | (744)            | <b>6,297</b>                        |
| Other gains/(losses)                          | (6,615)         | (18,086)         | <b>(5,087)</b>                      |
| <b>NET COST OF SERVICES</b>                   | <b>(59,555)</b> | <b>737</b>       | <b>(36,071)</b>                     |

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**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER  
NSW SELF INSURANCE CORPORATION**

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|                                    | 2005-06          |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|------------------------------------|------------------|------------------|-------------------------------------|
|                                    | Budget<br>\$000  | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>         |                  |                  |                                     |
| <b>Retained Revenue -</b>          |                  |                  |                                     |
| Sales of goods and services        | 721,401          | 964,188          | <b>883,203</b>                      |
| Investment income                  | 394,968          | 775,113          | <b>406,643</b>                      |
| Grants and contributions           | 270,000          | ...              | ...                                 |
| Other revenue                      | 1,624            | 2,000            | <b>2,000</b>                        |
| <b>Total Retained Revenue</b>      | <b>1,387,993</b> | <b>1,741,301</b> | <b>1,291,846</b>                    |
| Less:                              |                  |                  |                                     |
| <b>Expenses Excluding Losses -</b> |                  |                  |                                     |
| Operating Expenses -               |                  |                  |                                     |
| Other operating expenses           | 1,101,333        | 748,393          | <b>1,085,494</b>                    |
| Depreciation and amortisation      | ...              | 760              | <b>1,120</b>                        |
| Grants and subsidies               | 245,000          | 1,000,000        | ...                                 |
| <b>Total Expenses</b>              | <b>1,346,333</b> | <b>1,749,153</b> | <b>1,086,614</b>                    |
| <b>SURPLUS/(DEFICIT)</b>           | <b>41,660</b>    | <b>(7,852)</b>   | <b>205,232</b>                      |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER  
NSW SELF INSURANCE CORPORATION**

|   | ———2005-06———    |                  | <b>2006-07</b>          |
|---|------------------|------------------|-------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                  |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                  |                  |                         |
| <b>Receipts</b>                                 |                  |                  |                         |
| Sale of goods and services                      | 939,062          | 1,224,139        | <b>883,203</b>          |
| Interest  | 260              | 3,269            | <b>3,351</b>            |
| Other   | 375,671          | 124,224          | <b>120,114</b>          |
| <b>Total Receipts</b>                           | <b>1,314,993</b> | <b>1,351,632</b> | <b>1,006,668</b>        |
| <b>Payments</b>                                 |                  |                  |                         |
| Grants and subsidies                            | 245,000          | 1,000,000*       | ...                     |
| Other   | 1,005,670        | 956,590          | <b>968,878</b>          |
| <b>Total Payments</b>                           | <b>1,250,670</b> | <b>1,956,590</b> | <b>968,878</b>          |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>64,323</b>    | <b>(604,958)</b> | <b>37,790</b>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                  |                  |                         |
| Proceeds from sale of investments               | 34,768           | 1,000,000        | ...                     |
| Purchases of property, plant and equipment      | ...              | (823)            | <b>(100)</b>            |
| Purchases of investments                        | ...              | (126,309)        | <b>(55,376)</b>         |
| Other   | ...              | (4,533)          | <b>(467)</b>            |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>34,768</b>    | <b>868,335</b>   | <b>(55,943)</b>         |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>99,091</b>    | <b>263,377</b>   | <b>(18,153)</b>         |
| Opening Cash and Cash Equivalents               | 88,394           | 75,325           | <b>338,702</b>          |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>187,485</b>   | <b>338,702</b>   | <b>320,549</b>          |
| <b>CASH FLOW RECONCILIATION</b>                 |                  |                  |                         |
| Surplus/(deficit)                               | 41,660           | (7,852)          | <b>205,232</b>          |
| Non cash items added back                       | (394,708)        | (771,084)        | <b>(402,172)</b>        |
| Change in operating assets and liabilities      | 417,371          | 173,978          | <b>234,730</b>          |
| <b>Net cash flow from operating activities</b>  | <b>64,323</b>    | <b>(604,958)</b> | <b>37,790</b>           |

\* Repayment of Crown contributions.

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER  
NSW SELF INSURANCE CORPORATION**

|                                      | ———2005-06———    |                  | <b>2006-07</b>          |
|--------------------------------------|------------------|------------------|-------------------------|
|                                      | Budget<br>\$000  | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>BALANCE SHEET</b>                 |                  |                  |                         |
| <b>ASSETS -</b>                      |                  |                  |                         |
| <b>Current Assets -</b>              |                  |                  |                         |
| Cash assets                          | 202,485          | 353,702          | <b>335,549</b>          |
| Receivables*                         | 149,933          | 27,978           | <b>27,257</b>           |
| Other financial assets               | ...              | 198,400          | <b>198,900</b>          |
| Other                                | 863              | 900              | <b>900</b>              |
| <b>Total Current Assets</b>          | <b>353,281</b>   | <b>580,980</b>   | <b>562,606</b>          |
| <b>Non Current Assets -</b>          |                  |                  |                         |
| Receivables                          | 170,857          | 147,316          | <b>155,523</b>          |
| Other financial assets               | 5,277,069        | 5,003,768        | <b>5,461,636</b>        |
| Plant and equipment                  | ...              | 663              | <b>593</b>              |
| Intangibles                          | ...              | 3,933            | <b>3,450</b>            |
| <b>Total Non Current Assets</b>      | <b>5,447,926</b> | <b>5,155,680</b> | <b>5,621,202</b>        |
| <b>Total Assets</b>                  | <b>5,801,207</b> | <b>5,736,660</b> | <b>6,183,808</b>        |
| <b>LIABILITIES -</b>                 |                  |                  |                         |
| <b>Current Liabilities -</b>         |                  |                  |                         |
| Payables*                            | 113,000          | ...              | ...                     |
| Borrowings                           | 15,000           | 15,000           | <b>15,000</b>           |
| Other financial liabilities          | ...              | 201,100          | <b>200,800</b>          |
| Provisions                           | 704,518          | 611,975          | <b>630,124</b>          |
| Other                                | 10,688           | 9,282            | <b>8,382</b>            |
| <b>Total Current Liabilities</b>     | <b>843,206</b>   | <b>837,357</b>   | <b>854,306</b>          |
| <b>Non Current Liabilities -</b>     |                  |                  |                         |
| Provisions                           | 3,985,666        | 3,812,648        | <b>4,037,615</b>        |
| <b>Total Non Current Liabilities</b> | <b>3,985,666</b> | <b>3,812,648</b> | <b>4,037,615</b>        |
| <b>Total Liabilities</b>             | <b>4,828,872</b> | <b>4,650,005</b> | <b>4,891,921</b>        |
| <b>NET ASSETS</b>                    | <b>972,335</b>   | <b>1,086,655</b> | <b>1,291,887</b>        |
| <b>EQUITY</b>                        |                  |                  |                         |
| Accumulated funds                    | 972,335          | 1,086,655        | <b>1,291,887</b>        |
| <b>TOTAL EQUITY</b>                  | <b>972,335</b>   | <b>1,086,655</b> | <b>1,291,887</b>        |

\* Following changes to the timing for the issue of invoices, GST is received and paid to the Australian Tax Office within the same financial year.

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**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**LIABILITY MANAGEMENT MINISTERIAL CORPORATION**

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|  | 2005-06          |                  | 2006-07            |
|--|------------------|------------------|--------------------|
|  | Budget           | Revised          | Budget             |
|  | \$000            | \$000            | \$000              |
| <b>OPERATING STATEMENT</b>             |                  |                  |                    |
| <b>Retained Revenue -</b>              |                  |                  |                    |
| Investment income                      | 258,572          | 260,914          | 171,451            |
| Grants and contributions               | 1,000,998        | 2,420,550        | 1,801,175          |
| <b>Total Retained Revenue</b>          | <b>1,259,570</b> | <b>2,681,464</b> | <b>1,972,626</b>   |
| Less:                                  |                  |                  |                    |
| <b>Expenses Excluding Losses -</b>     |                  |                  |                    |
| Operating Expenses -                   |                  |                  |                    |
| Other operating expenses               | 5,653            | 5,247            | 3,640              |
| Grants and subsidies                   | ...              | ...              | 8,700,000          |
| <b>Total Expenses Excluding Losses</b> | <b>5,653</b>     | <b>5,247</b>     | <b>8,703,640</b>   |
| <b>SURPLUS/(DEFICIT)</b>               | <b>1,253,917</b> | <b>2,676,217</b> | <b>(6,731,014)</b> |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**  
**LIABILITY MANAGEMENT MINISTERIAL CORPORATION**

|   | ———2005-06———      |                    | <b>2006-07</b>          |
|---|--------------------|--------------------|-------------------------|
|   | Budget<br>\$000    | Revised<br>\$000   | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                    |                    |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                    |                    |                         |
| <b>Receipts</b>                                 |                    |                    |                         |
| Interest  | 243,525            | 238,307            | <b>248,247</b>          |
| Other   | 1,000,998          | 2,420,550          | <b>1,801,175</b>        |
| <b>Total Receipts</b>                           | <b>1,244,523</b>   | <b>2,658,857</b>   | <b>2,049,422</b>        |
| <b>Payments</b>                                 |                    |                    |                         |
| Grants and subsidies                            | ...                | ...                | <b>8,700,000</b>        |
| Other   | 5,550              | 5,129              | <b>4,111</b>            |
| <b>Total Payments</b>                           | <b>5,550</b>       | <b>5,129</b>       | <b>8,704,111</b>        |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>1,238,973</b>   | <b>2,653,728</b>   | <b>(6,654,689)</b>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                    |                    |                         |
| Proceeds from sale of investments               | ...                | 28,380             | <b>8,626,765</b>        |
| Purchases of investments                        | (1,238,346)        | (2,681,242)        | <b>(1,974,368)</b>      |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(1,238,346)</b> | <b>(2,652,862)</b> | <b>6,652,397</b>        |
| <b>NET INCREASE/(DECREASE) IN CASH</b>          | <b>627</b>         | <b>866</b>         | <b>(2,292)</b>          |
| Opening Cash and Cash Equivalents               | 2,025              | 1,426              | <b>2,292</b>            |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>        | <b>2,652</b>       | <b>2,292</b>       | ...                     |
| <b>CASH FLOW RECONCILIATION</b>                 |                    |                    |                         |
| Surplus/(deficit)                               | 1,253,917          | 2,676,217          | <b>(6,731,014)</b>      |
| Change in operating assets and liabilities      | (14,944)           | (22,489)           | <b>76,325</b>           |
| <b>Net cash flow from operating activities</b>  | <b>1,238,973</b>   | <b>2,653,728</b>   | <b>(6,654,689)</b>      |

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**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**LIABILITY MANAGEMENT MINISTERIAL CORPORATION**

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|                                  | ———2005-06———    |                  | <b>2006-07</b>          |
|----------------------------------|------------------|------------------|-------------------------|
|                                  | Budget<br>\$000  | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>BALANCE SHEET</b>             |                  |                  |                         |
| <b>ASSETS -</b>                  |                  |                  |                         |
| <b>Current Assets -</b>          |                  |                  |                         |
| Cash assets                      | 2,652            | 2,292            | ...                     |
| Other financial assets           | 5,381,847        | 6,823,193        | ...                     |
| <b>Total Current Assets</b>      | <b>5,384,499</b> | <b>6,825,485</b> | ...                     |
| <b>Total Assets</b>              | <b>5,384,499</b> | <b>6,825,485</b> | ...                     |
| <b>LIABILITIES -</b>             |                  |                  |                         |
| <b>Current Liabilities -</b>     |                  |                  |                         |
| Payables                         | 436              | 471              | ...                     |
| Other financial liabilities      | 94,000           | 94,000           | ...                     |
| <b>Total Current Liabilities</b> | <b>94,436</b>    | <b>94,471</b>    | ...                     |
| <b>Total Liabilities</b>         | <b>94,436</b>    | <b>94,471</b>    | ...                     |
| <b>NET ASSETS</b>                | <b>5,290,063</b> | <b>6,731,014</b> | ...                     |
| <b>EQUITY</b>                    |                  |                  |                         |
| Accumulated funds                | 5,290,063        | 6,731,014        | ...                     |
| <b>TOTAL EQUITY</b>              | <b>5,290,063</b> | <b>6,731,014</b> | ...                     |

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**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION**

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|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>OPERATING STATEMENT</b>             |                 |                  |                 |
| <b>Retained Revenue -</b>              |                 |                  |                 |
| Investment income                      | 9,500           | 12,000           | <b>9,500</b>    |
| <b>Total Retained Revenue</b>          | <b>9,500</b>    | <b>12,000</b>    | <b>9,500</b>    |
| Less:                                  |                 |                  |                 |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                 |
| Operating Expenses -                   |                 |                  |                 |
| Other operating expenses               | 491             | 439              | <b>454</b>      |
| <b>Total Expenses Excluding Losses</b> | <b>491</b>      | <b>439</b>       | <b>454</b>      |
| <b>SURPLUS/(DEFICIT)</b>               | <b>9,009</b>    | <b>11,561</b>    | <b>9,046</b>    |

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**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION**

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|   | <del>2005-06</del> |                  | <b>2006-07</b>          |
|---|--------------------|------------------|-------------------------|
|   | Budget<br>\$000    | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                      |                    |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>     |                    |                  |                         |
| <b>Receipts</b>                                 |                    |                  |                         |
| Retained taxes                                  | ...                | 11,765           | <b>(592)</b>            |
| Interest  | 9,500              | 12,000           | <b>9,500</b>            |
| <b>Total Receipts</b>                           | <b>9,500</b>       | <b>23,765</b>    | <b>8,908</b>            |
| <b>Payments</b>                                 |                    |                  |                         |
| Other   | 491                | 437              | <b>454</b>              |
| <b>Total Payments</b>                           | <b>491</b>         | <b>437</b>       | <b>454</b>              |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b> | <b>9,009</b>       | <b>23,328</b>    | <b>8,454</b>            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>     |                    |                  |                         |
| Purchases of investments                        | (9,009)            | (23,328)         | <b>(8,454)</b>          |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b> | <b>(9,009)</b>     | <b>(23,328)</b>  | <b>(8,454)</b>          |
| <b>CASH FLOW RECONCILIATION</b>                 |                    |                  |                         |
| Surplus/(deficit)                               | 9,009              | 11,561           | <b>9,046</b>            |
| Change in operating assets and liabilities      | ...                | 11,767           | <b>(592)</b>            |
| <b>Net cash flow from operating activities</b>  | <b>9,009</b>       | <b>23,328</b>    | <b>8,454</b>            |

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**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**ELECTRICITY TARIFF EQUALISATION MINISTERIAL CORPORATION**

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|                                  | 2005-06         |                  | 2006-07         |
|----------------------------------|-----------------|------------------|-----------------|
|                                  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>BALANCE SHEET</b>             |                 |                  |                 |
| <b>ASSETS -</b>                  |                 |                  |                 |
| <b>Current Assets -</b>          |                 |                  |                 |
| Receivables                      | 20,192          | 20,192           | <b>20,784</b>   |
| Other financial assets           | 259,857         | 199,845          | <b>208,299</b>  |
| <b>Total Current Assets</b>      | <b>280,049</b>  | <b>220,037</b>   | <b>229,083</b>  |
| <b>Total Assets</b>              | <b>280,049</b>  | <b>220,037</b>   | <b>229,083</b>  |
| <b>LIABILITIES -</b>             |                 |                  |                 |
| <b>Current Liabilities -</b>     |                 |                  |                 |
| Payables                         | 43              | 43               | <b>43</b>       |
| <b>Total Current Liabilities</b> | <b>43</b>       | <b>43</b>        | <b>43</b>       |
| <b>Total Liabilities</b>         | <b>43</b>       | <b>43</b>        | <b>43</b>       |
| <b>NET ASSETS</b>                | <b>280,006</b>  | <b>219,994</b>   | <b>229,040</b>  |
| <b>EQUITY</b>                    |                 |                  |                 |
| Accumulated funds                | 280,006         | 219,994          | <b>229,040</b>  |
| <b>TOTAL EQUITY</b>              | <b>280,006</b>  | <b>219,994</b>   | <b>229,040</b>  |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER  
CROWN PROPERTY PORTFOLIO**

|   | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|---|-----------------|------------------|-------------------------------------|
|   | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>                    |                 |                  |                                     |
| <b>Retained Revenue -</b>                     |                 |                  |                                     |
| Sales of goods and services                   | 153,936         | 157,107          | <b>153,002</b>                      |
| Investment income                             | 5,872           | 6,158            | <b>6,117</b>                        |
| Grants and contributions                      | 137,274         | 151,074          | <b>85,764</b>                       |
| Other revenue                                 | 3,819           | ...              | ...                                 |
| <b>Total Retained Revenue</b>                 | <b>300,901</b>  | <b>314,339</b>   | <b>244,883</b>                      |
| Less:   |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>            |                 |                  |                                     |
| Operating Expenses -                          |                 |                  |                                     |
| Other operating expenses                      | 134,091         | 146,146          | <b>120,073</b>                      |
| Depreciation and amortisation                 | 14              | 15,311           | <b>14,792</b>                       |
| Finance costs                                 | 15,135          | 16,481           | <b>17,622</b>                       |
| <b>Total Expenses Excluding Losses</b>        | <b>149,240</b>  | <b>177,938</b>   | <b>152,487</b>                      |
| Gain/(loss) on disposal of non current assets | 2,580           | 33,467           | ...                                 |
| Other gains/(losses)                          | ...             | (100)            | <b>(100)</b>                        |
| <b>SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS</b> | <b>154,241</b>  | <b>169,768</b>   | <b>92,296</b>                       |
| <b>Distributions -</b>                        |                 |                  |                                     |
| Dividends and capital repatriations           | 77,825          | 107,609          | <b>26,785</b>                       |
| <b>SURPLUS/(DEFICIT) AFTER DISTRIBUTIONS</b>  | <b>76,416</b>   | <b>62,159</b>    | <b>65,511</b>                       |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER  
CROWN PROPERTY PORTFOLIO**

|   | ———2005-06———    |                  | <b>2006-07</b>          |
|---|------------------|------------------|-------------------------|
|   | Budget<br>\$000  | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>CASH FLOW STATEMENT</b>                          |                  |                  |                         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                  |                  |                         |
| <b>Receipts</b>                                     |                  |                  |                         |
| Sale of goods and services                          | 153,836          | 155,985          | <b>153,002</b>          |
| Interest  | 5,770            | 6,308            | <b>6,137</b>            |
| Other   | 156,985          | 145,237          | <b>81,608</b>           |
| <b>Total Receipts</b>                               | <b>316,591</b>   | <b>307,530</b>   | <b>240,747</b>          |
| <b>Payments</b>                                     |                  |                  |                         |
| Grants and subsidies                                | 8,720            | 7,801            | <b>5,988</b>            |
| Finance costs                                       | 15,135           | 729              | <b>689</b>              |
| Other   | 163,398          | 142,819          | <b>142,428</b>          |
| <b>Total Payments</b>                               | <b>187,253</b>   | <b>151,349</b>   | <b>149,105</b>          |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>     | <b>129,338</b>   | <b>156,181</b>   | <b>91,642</b>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |                  |                  |                         |
| Proceeds from sale of property, plant and equipment | 65,955           | 98,890           | ...                     |
| Purchases of property, plant and equipment          | (35,063)         | (143,156)        | <b>(82,429)</b>         |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>     | <b>30,892</b>    | <b>(44,266)</b>  | <b>(82,429)</b>         |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                  |                  |                         |
| Repayment of borrowings and advances                | (85,957)         | (466)            | <b>(506)</b>            |
| Dividends paid                                      | (77,825)         | (107,609)        | <b>(26,785)</b>         |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>     | <b>(163,782)</b> | <b>(108,075)</b> | <b>(27,291)</b>         |
| <b>NET INCREASE/(DECREASE) IN CASH</b>              | <b>(3,552)</b>   | <b>3,840</b>     | <b>(18,078)</b>         |
| Opening Cash and Cash Equivalents                   | 131,652          | 135,210          | <b>139,050</b>          |
| <b>CLOSING CASH AND CASH EQUIVALENTS</b>            | <b>128,100</b>   | <b>139,050</b>   | <b>120,972</b>          |
| <b>CASH FLOW RECONCILIATION</b>                     |                  |                  |                         |
| Surplus/(deficit) for year before distributions     | 154,241          | 169,768          | <b>92,296</b>           |
| Non cash items added back                           | 14               | 15,311           | <b>14,792</b>           |
| Change in operating assets and liabilities          | (24,917)         | (28,898)         | <b>(15,446)</b>         |
| <b>Net cash flow from operating activities</b>      | <b>129,338</b>   | <b>156,181</b>   | <b>91,642</b>           |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER  
CROWN PROPERTY PORTFOLIO**

|                                      | ———2005-06———   |                  | <b>2006-07</b>          |
|--------------------------------------|-----------------|------------------|-------------------------|
|                                      | Budget<br>\$000 | Revised<br>\$000 | <b>Budget<br/>\$000</b> |
| <b>BALANCE SHEET</b>                 |                 |                  |                         |
| <b>ASSETS -</b>                      |                 |                  |                         |
| <b>Current Assets -</b>              |                 |                  |                         |
| Cash assets                          | 128,100         | 139,050          | <b>120,972</b>          |
| Receivables                          | 16,759          | 12,593           | <b>11,593</b>           |
| <b>Total Current Assets</b>          | <b>144,859</b>  | <b>151,643</b>   | <b>132,565</b>          |
| <b>Non Current Assets -</b>          |                 |                  |                         |
| Investment properties                | 357,481         | 366,073          | <b>374,153</b>          |
| Property, plant and equipment -      |                 |                  |                         |
| Land and building                    | 161,564         | 178,240          | <b>252,574</b>          |
| Plant and equipment                  | ...             | (59,820)         | <b>(74,542)</b>         |
| Intangibles                          | ...             | 2,035            | <b>1,980</b>            |
| Other                                | ...             | 144,164          | <b>144,164</b>          |
| <b>Total Non Current Assets</b>      | <b>519,045</b>  | <b>630,692</b>   | <b>698,329</b>          |
| <b>Total Assets</b>                  | <b>663,904</b>  | <b>782,335</b>   | <b>830,894</b>          |
| <b>LIABILITIES -</b>                 |                 |                  |                         |
| <b>Current Liabilities -</b>         |                 |                  |                         |
| Payables                             | 5,300           | 2,430            | <b>2,431</b>            |
| Borrowings                           | 1,195           | 1,195            | <b>1,195</b>            |
| Provisions                           | 44,195          | 27,639           | <b>43,947</b>           |
| Other                                | 14,203          | 14,448           | <b>11,352</b>           |
| <b>Total Current Liabilities</b>     | <b>64,893</b>   | <b>45,712</b>    | <b>58,925</b>           |
| <b>Non Current Liabilities -</b>     |                 |                  |                         |
| Borrowings                           | 7,321           | 7,321            | <b>6,815</b>            |
| Other                                | 50,944          | 176,713          | <b>147,054</b>          |
| <b>Total Non Current Liabilities</b> | <b>58,265</b>   | <b>184,034</b>   | <b>153,869</b>          |
| <b>Total Liabilities</b>             | <b>123,158</b>  | <b>229,746</b>   | <b>212,794</b>          |
| <b>NET ASSETS</b>                    | <b>540,746</b>  | <b>552,589</b>   | <b>618,100</b>          |
| <b>EQUITY</b>                        |                 |                  |                         |
| Reserves                             | 67,354          | 68,532           | <b>68,532</b>           |
| Accumulated funds                    | 473,392         | 484,057          | <b>549,568</b>          |
| <b>TOTAL EQUITY</b>                  | <b>540,746</b>  | <b>552,589</b>   | <b>618,100</b>          |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**STATE PROPERTY AUTHORITY**

|  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|--|-----------------|------------------|-------------------------------------|
|  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>OPERATING STATEMENT</b>             |                 |                  |                                     |
| <b>Retained Revenue -</b>              |                 |                  |                                     |
| Grants and contributions               | ...             | ...              | <b>1,594</b>                        |
| Other revenue                          | ...             | ...              | <b>12,668</b>                       |
| <b>Total Retained Revenue</b>          | ...             | ...              | <b>14,262</b>                       |
| Less:                                  |                 |                  |                                     |
| <b>Expenses Excluding Losses -</b>     |                 |                  |                                     |
| Operating Expenses -                   |                 |                  |                                     |
| Employee related                       | ...             | ...              | <b>7,875</b>                        |
| Other operating expenses               | ...             | ...              | <b>6,587</b>                        |
| Depreciation and amortisation          | ...             | ...              | <b>15</b>                           |
| <b>Total Expenses Excluding Losses</b> | ...             | ...              | <b>14,477</b>                       |
| <b>SURPLUS/(DEFICIT)</b>               | ...             | ...              | <b>(215)</b>                        |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**STATE PROPERTY AUTHORITY**

|  | 2005-06         |                  | 2006-07         |
|--|-----------------|------------------|-----------------|
|  | Budget<br>\$000 | Revised<br>\$000 | Budget<br>\$000 |
| <b>CASH FLOW STATEMENT</b>                     |                 |                  |                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>    |                 |                  |                 |
| <b>Receipts</b>                                |                 |                  |                 |
| Other  | ...             | ...              | 14,262          |
| <b>Total Receipts</b>                          | ...             | ...              | 14,262          |
| <b>Payments</b>                                |                 |                  |                 |
| Employee related                               | ...             | ...              | 7,675           |
| Other  | ...             | ...              | 6,587           |
| <b>Total Payments</b>                          | ...             | ...              | 14,262          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>    |                 |                  |                 |
| <b>CASH FLOW RECONCILIATION</b>                |                 |                  |                 |
| Surplus/(deficit) for year                     | ...             | ...              | (215)           |
| Non cash items added back                      | ...             | ...              | 15              |
| Change in operating assets and liabilities     | ...             | ...              | 200             |
| <b>Net cash flow from operating activities</b> | ...             | ...              | ...             |

**TREASURER, MINISTER FOR INFRASTRUCTURE,  
AND MINISTER FOR THE HUNTER**

**STATE PROPERTY AUTHORITY**

|                                  | 2005-06         |                  | <b>2006-07<br/>Budget<br/>\$000</b> |
|----------------------------------|-----------------|------------------|-------------------------------------|
|                                  | Budget<br>\$000 | Revised<br>\$000 |                                     |
| <b>BALANCE SHEET</b>             |                 |                  |                                     |
| <b>ASSETS -</b>                  |                 |                  |                                     |
| <b>Current Assets -</b>          |                 |                  |                                     |
| <b>Non Current Assets -</b>      |                 |                  |                                     |
| Property, plant and equipment -  |                 |                  |                                     |
| Plant and equipment              | ...             | ...              | <b>60</b>                           |
| <b>Total Non Current Assets</b>  | ...             | ...              | <b>60</b>                           |
| <b>Total Assets</b>              | ...             | ...              | <b>60</b>                           |
| <b>LIABILITIES -</b>             |                 |                  |                                     |
| <b>Current Liabilities -</b>     |                 |                  |                                     |
| Payables                         | ...             | ...              | <b>200</b>                          |
| <b>Total Current Liabilities</b> | ...             | ...              | <b>200</b>                          |
| <b>Total Liabilities</b>         | ...             | ...              | <b>200</b>                          |
| <b>NET ASSETS</b>                | ...             | ...              | <b>(140)</b>                        |
| <b>EQUITY</b>                    |                 |                  |                                     |
| Accumulated funds                | ...             | ...              | <b>(140)</b>                        |
| <b>TOTAL EQUITY</b>              | ...             | ...              | <b>(140)</b>                        |

# I N D E X

## A

|  |  |
|--|--|
| Aboriginal Affairs, Department of  | 4-1, 4-4                                     |
| Aboriginal and Torres Strait Islanders   | 2-6, 3-40, 3-88<br>3-90, 3-92, 6-27<br>12-42 |
| Aboriginal Communities Development Program                                     | 4-2  |
| Aboriginal health services   | 10-27  |
| Aboriginal Housing Office  | 11-5, 11-13                                  |
| Aboriginal Justice Program   | 3-3  |
| Aboriginal Land Claims   | 12-74  |
| Aboriginal students  | 7-3, 7-5, 7-20<br>7-23                       |
| Aboriginal Trust Fund Repayment Scheme   | 2-6, 2-8                                     |
| Aboriginal Water Trust   | 14-4, 14-24                                  |
| Adult and Community Education  | 7-1, 7-29                                    |
| Advancing Australian Agriculture   | 14-13, 14-47                                 |
| Ageing, Disability and Home Care, Department of                                | 5-8, 5-39                                    |
| Agriculture  | 14-18, 14-33                                 |
| Ambulance response times   | 10-3, 10-31                                  |
| Animal Welfare organisations   | 14-33  |
| Anti-Discrimination Board  | 3-68   |
| ANZAC Memorial Trust   | 2-6  |
| Aquaculture  | 14-4, 14-7<br>14-33, 14-38                   |
| Area Health Services   | 10-1, 10-13<br>10-27, 10-37                  |
| Area Assistance Scheme   | 6-7  |
| Art Gallery of New South Wales   | 3-2, 3-51, 3-136<br>3-161                    |
| Arts NSW   | 3-34, 3-35<br>3-135                          |
| Arts, Sport and Recreation, Department of the                                  | 3-33, 3-130                                  |
| Attorney General, Minister for the Environment, and Minister for the Arts      | 3-1  |
| Attorney General's Department  | 3-2, 3-56                                    |
| Audit Office of New South Wales  | 2-26, 2-97                                   |
| Australia Day Council  | 2-47   |
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| Australian Institute of Judicial Administration | 3-60                      |
| Australian Museum                               | 3-2, 3-44, 3-136<br>3-152 |
| Australian Music Examinations Board             | 7-10, 7-34                |
| Average staffing, total                         | iv                        |

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| Back to School Allowance   | 7-21, 7-24                   |
| Back to School Allowance (Non-Government Schools)                    | 7-26                         |
| Better Futures program   | 6-7                          |
| Blood Transfusion Service  | 10-33                        |
| Blue Mountains Septic Pumpout Service                                | 8-14                         |
| Board of Studies, Office of the                                      | 7-10, 7-31                   |
| Botanic Gardens  | 3-31, 3-120                  |
| Building and Construction Industry Long Service Payments Corporation | 5-22, 5-68                   |
| Bushfire fighting  | 12-14, 12-16<br>12-58, 12-67 |
| Bushfire Mitigation Program  | 12-74                        |

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| Cabinet Office  | 2-2, 2-28                           |
| Cancer Institute  | 10-11                               |
| Cap and Pipe the Bores Program                            | 14-4, 14-23                         |
| Cash Flow Statement                                       | ii                                  |
| Casino Control Authority                                  | 9-1, 9-4                            |
| Catchment Action Plan                                     | 2-18, 2-79                          |
| Catchment Management Authorities                          | 2-18, 14-1<br>14-15, 14-25<br>14-54 |
| Centennial Parklands                                      | 18-4                                |
| Centennial Park and Moore Park Trust                      | 18-4, 18-15                         |
| Charity Industry  | 3-141                               |
| Child protection  | 6-2, 6-21                           |
| Child protection, related complaints                      | 2-61                                |
| Children, Office for                                      | 6-8, 6-25                           |
| Children and Young People, Commission for                 | 6-29                                |
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| Children's Court                                   | 3-4, 3-5, 3-6<br>3-74               | Crown Lands Management                                     | 12-21, 12-74               |
| Children's Guardian                                | 6-8, 6-31                           | Crown Finance Entity (the Crown)                           | 22-9, 22-34                |
| Circle Sentencing                                  | 3-5                                 | Crown Leaseholds Entity                                    | 22-11, 22-44               |
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| Coal Compensation Board                            | 14-13, 14-49                        | Crown Representation in Criminal<br>Prosecutions           | 3-99                       |
| Commerce, Department of                            | 5-2, 5-24                           | Crown Revenue, Refunds and<br>Remissions                   | 2-21, 22-9<br>22-39        |
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| Community Housing                                  | 11-4, 11-11                         | Custodial services   | 12-42                      |
| Community Justice Centres                          | 3-64                                |  |                            |
| Community Legal Centres                            | 3-94                                | <b>D</b>   |                            |
| Community policing                                 | 16-23                               | Debt servicing costs                                       | 22-38                      |
| Community Relations Commission                     | 2-24, 2-90                          | Disability Services  | 5-43, 5-45                 |
| Community Services, Department of                  | 6-1, 6-14                           | Disabled - Support Services                                | 5-8                        |
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| Consumer Trader and Tenancy<br>Tribunal            | 5-5, 5-7, 5-18<br>5-29              | <b>E</b>   |                            |
| Corrective Services, Department of                 | 12-2, 12-26                         | Education and Training, Department of                      | 7-1, 7-14                  |
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| CountryLink services                               | 19-3, 19-7<br>19-23                 | Elections, funding & management of                         | 2-14, 2-68                 |
| CourtLink  | 3-4, 3-6, 3-8<br>3-12               | Electricity Tariff Equalisation<br>Ministerial Corporation | 22-16, 22-54               |
| Crime Commission, NSW                              | 16-10, 16-32                        | Emergency health services                                  | 10-5, 10-6<br>10-31        |
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| Criminal investigation                             | 16-26                               | Emergency services   | 12-67                      |
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| <b>I</b>   |                       | Legislative Council  | 1-1, 1-7                            |
| Illawarra Advantage Fund                               | 2-85                  | Legislature, The   | 1-1, 1-4                            |
| Independent Commission Against Corruption              | 2-8, 2-49             | Liability Management Fund  | 22-14                               |
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| Industry, assistance to                                | 2-86                  | Living Murray  | 14-3, 14-5<br>14-23                 |
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