



P A R L I A M E N T O F T A S M A N I A

Government Services

Budget Paper No 2

Volume 2

Presented by

Hon Peter Gutwein MP, Treasurer, for the information of
Honourable Members, on the occasion of the Budget, 2017-18

Useful 2017-18 Budget and Government Websites

www.premier.tas.gov.au/budget_2017	Contains the 2017-18 Budget Paper documents and related information including Budget Fact Sheets and Government Media Releases.
www.treasury.tas.gov.au	Contains the 2017-18 Budget Papers and Budget Paper archives.
www.tas.gov.au	Provides links to the websites of Tasmanian public sector entities.
www.service.tas.gov.au	Provides a comprehensive entry point to Government services in Tasmania.

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PART 2:

AGENCIES

12 HOUSE OF ASSEMBLY

AGENCY OUTLINE

The Office of the Clerk of the House of Assembly provides services through the provision of advisory, procedural, research and administrative support to the House of Assembly, its committees, the Speaker of the House and Members generally.

This chapter provides financial information about the Outputs to be delivered by the House of Assembly in 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information about the House of Assembly is provided at www.parliament.tas.gov.au.

KEY DELIVERABLES

The major focus for the House of Assembly in 2017-18 is the continuation of service delivery in an efficient and timely manner to the House and its Committees in their constitutional roles.

OUTPUT INFORMATION

Outputs of the House of Assembly are provided under the following Output Groups:

- Output Group 1 - House of Assembly Support Services; and
- Output Group 2 - Payments Administered by the House of Assembly.

Table 12.1 provides an Output Group Expense Summary for the House of Assembly.

Table 12.1: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - House of Assembly Support Services					
1.1 House of Assembly Support Services ¹	2 376	2 550	2 598	2 631	2 688
1.2 Select Committee Support Services	6	6	6	6	6
1.3 Investigatory Committee Support Services	110	112	114	116	119
	2 492	2 668	2 718	2 753	2 813
Output Group 2 - Payments Administered by the House of Assembly					
2.1 Payments Administered by the House of Assembly	5 532	5 643	5 738	5 795	5 913
	5 532	5 643	5 738	5 795	5 913
TOTAL	8 024	8 311	8 456	8 548	8 726

Note:

1. The increase in House of Assembly Support Services in 2017-18 primarily reflects the provision of additional funding of \$150 000 per annum to support the House of Assembly Education Office.

Output Group 1: House of Assembly Support Services

1.1 House of Assembly Support Services

This Output provides for the effective and lawful operation of the House and its committees, the fulfilment of statutory requirements, the promotion of the role of the Parliament and the provision of written and oral advice. It includes the new House of Assembly Education Office.

1.2 Select Committee Support Services

This Output relates to Select Committees appointed by resolution of the House and provides resources to enable the committees to address the terms of reference specified in their appointment.

1.3 Investigatory Committee Support Services

This Output provides a Committee Secretariat and resources for Investigatory Committees to enable Committees to address the terms of reference of matters referred by the House.

Output Group 2: Payments Administered by the House of Assembly

2.1 Payments Administered by the House of Assembly

This Output relates to the payment of salaries and allowances as prescribed by legislation.

DETAILED BUDGET STATEMENTS

Table 12.2: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Appropriation revenue - recurrent ¹	7 989	8 285	8 430	8 522	8 700
Total revenue and other income from transactions	7 989	8 285	8 430	8 522	8 700
Expenses from transactions					
Employee benefits ¹	7 560	7 795	7 929	8 010	8 177
Depreciation and amortisation	37	37	37	37	37
Supplies and consumables ¹	427	479	490	501	512
Total expenses from transactions	8 024	8 311	8 456	8 548	8 726
Net result from transactions (net operating balance)	(35)	(26)	(26)	(26)	(26)
Net result	(35)	(26)	(26)	(26)	(26)
Comprehensive result	(35)	(26)	(26)	(26)	(26)

Note:

1. The increases in Appropriation revenue - recurrent, Employee benefits and Supplies and consumables in 2017-18 primarily reflect the provision of additional funding of \$150 000 per annum to support the House of Assembly Education Office.

Table 12.3: Revenue from Appropriation by Output

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
House of Assembly					
Output Group 1 - House of Assembly Support Services					
1.1 House of Assembly Support Services ¹	2 341	2 524	2 572	2 605	2 662
1.2 Select Committee Support Services	6	6	6	6	6
1.3 Investigatory Committee Support Services	110	112	114	116	119
	2 457	2 642	2 692	2 727	2 787
Output Group 2 - Payments Administered by the House of Assembly					
2.1 Payments Administered by the House of Assembly	658	658	658	658	658
	658	658	658	658	658
House of Assembly					
Total Recurrent Services ¹	3 115	3 300	3 350	3 385	3 445
	3 115	3 300	3 350	3 385	3 445
Reserved by Law					
Members' Committee Fees and Allowances (Parliamentary Salaries, Superannuation and Allowances Act 2012)	31	31	31	31	31
Parliamentary Salaries and Allowances (Parliamentary Salaries, Superannuation and Allowances Act 2012)	4 735	4 846	4 941	4 998	5 116
Travelling Allowances (Parliamentary Salaries, Superannuation and Allowances Act 2012)	108	108	108	108	108
	4 874	4 985	5 080	5 137	5 255
Total Revenue from Appropriation	7 989	8 285	8 430	8 522	8 700
Controlled Revenue from Appropriation	7 989	8 285	8 430	8 522	8 700
	7 989	8 285	8 430	8 522	8 700

Note:

1. The increase in House of Assembly Support Services and Total Recurrent Services in 2017-18 primarily reflects the provision of additional funding of \$150 000 per annum to support the House of Assembly Education Office.

Table 12.4: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits	4	4	4	4	4
Receivables	4	2	2	2	2
	8	6	6	6	6
Non-financial assets					
Property, plant and equipment ¹	121	112	115	118	121
Heritage and cultural assets ²	2 062	2 045	2 045	2 045	2 045
Other assets	16	14	14	14	14
	2 199	2 171	2 174	2 177	2 180
Total assets	2 207	2 177	2 180	2 183	2 186
Liabilities					
Payables ¹	56	39	39	39	39
Employee benefits	563	623	652	681	710
Total liabilities	619	662	691	720	749
Net assets (liabilities)	1 588	1 515	1 489	1 463	1 437
Equity					
Reserves ²	1 151	1 112	1 112	1 112	1 112
Accumulated funds	437	403	377	351	325
Total equity	1 588	1 515	1 489	1 463	1 437

Notes:

1. The decreases in Property, Plant and Equipment and Payables in 2017-18 reflect revised estimates based on 30 June 2016 actuals.
2. The decreases in Heritage and cultural assets and Reserves in 2018 reflect a revaluation of artworks and artefacts as at 30 June 2016.

Table 12.5: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Appropriation receipts - recurrent ¹	7 989	8 285	8 430	8 522	8 700
GST receipts	94	94	94	94	94
Total cash inflows	8 083	8 379	8 524	8 616	8 794
Cash outflows					
Employee benefits ¹	(6 953)	(7 174)	(7 298)	(7 373)	(7 528)
Superannuation ¹	(569)	(592)	(602)	(608)	(620)
GST payments	(94)	(94)	(94)	(94)	(94)
Supplies and consumables ¹	(427)	(479)	(490)	(501)	(512)
Total cash outflows	(8 043)	(8 339)	(8 484)	(8 576)	(8 754)
Net cash from (used by) operating activities	40	40	40	40	40
Cash flows from investing activities					
Payments for acquisition of non-financial assets	(40)	(40)	(40)	(40)	(40)
Net cash from (used by) investing activities	(40)	(40)	(40)	(40)	(40)
Net increase (decrease) in cash and cash equivalents held	....	....	....	....	....
Cash and deposits at the beginning of the reporting period	4	4	4	4	4
Cash and deposits at the end of the reporting period	4	4	4	4	4

Note:

1. The increases in Appropriation receipts - recurrent, Employee benefits, Superannuation and Supplies and consumables in 2017-18 primarily reflect the provision of additional funding of \$150 000 per annum to support the House of Assembly Education Office.

13 INTEGRITY COMMISSION

AGENCY OUTLINE

The Integrity Commission operates under the *Integrity Commission Act 2009* (the Act) and its role is to improve the standard of conduct, propriety and ethics in the public sector by:

- delivering education and training to prevent misconduct and develop resistance to misconduct;
- building the capacity of the public sector to prevent and address misconduct; and
- providing an effective mechanism for misconduct complaints to be addressed.

An important focus for the Integrity Commission is education, advice and prevention of public officer misconduct to strengthen the confidence of Tasmanians in the capacity of State and local government public authorities to operate ethically and with propriety.

The Commission also deals with complaints of misconduct which, in some instances, may lead to investigations, either by the Commission or by the relevant public authority. The Commission also conducts own motion investigations, and has the power to monitor and audit internal investigation processes conducted by public authorities, including Tasmania Police.

The Commission is overseen by a Board, which includes the Chief Commissioner, the Ombudsman, the Auditor-General and three other members with specialist expertise. It should be noted that, in the *Independent Review of the Integrity Commission Act 2009*, the Hon William Cox AC, RFD, ED, QC recommended that the Auditor-General and Ombudsman be removed as members of the Board. The *Integrity Commission Amendment Bill 2017* which will implement this change was tabled in early May 2017.

This chapter provides financial information about the Output to be delivered by the Integrity Commission in 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information about the Commission is provided at www.integrity.tas.gov.au.

KEY DELIVERABLES

The key initiatives for the Commission include:

- working with the public and key stakeholders to enhance community trust and confidence in public authorities within Tasmania;
- working cooperatively with public authorities, other integrity entities and the Parliamentary Standards Commissioner to prevent misconduct and enhance capacity-building in dealing with misconduct;
- educating public authorities and raising public awareness about integrity and ethical conduct; and
- dealing with misconduct issues in a timely, effective and fair way in accordance with the public interest.

OUTPUT INFORMATION

The individual Output of the Integrity Commission is provided under:

- Output Group 1 - Integrity Commission.

Table 13.1 provides an Output Group Expense Summary for the Integrity Commission.

Table 13.1: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - Integrity Commission					
1.1 Integrity Commission ¹	2 351	2 585	2 633	2 672	2 726
	2 351	2 585	2 633	2 672	2 726
TOTAL	2 351	2 585	2 633	2 672	2 726

Note:

1. The increase in the Integrity Commission in 2017-18 primarily reflects additional funding of \$116 000 per annum for the remuneration of the Integrity Commission Board and the Chief Commissioner. This reflects an increase in the hours of work of the Chief Commissioner and the continuation of Board funding based on the outcomes of the *Independent Review of the Integrity Commission Act 2009*. In addition, employee expenses have increased from 2017-18 to reflect the anticipated level of employee expenditure in 2016-17.

Output Group 1: Integrity Commission

1.1 Integrity Commission

This Output provides:

- education and capacity-building for public officers and enhancing public confidence in the integrity and ethical conduct of the public sector;
- preventative and advisory functions to public officers; and
- complaint handling/assessment and the conduct of investigations and inquiries as outlined in the Act.

DETAILED BUDGET STATEMENTS

Table 13.2: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Appropriation revenue - recurrent ¹	2 290	2 464	2 515	2 554	2 613
Total revenue and other income from transactions	2 290	2 464	2 515	2 554	2 613
Expenses from transactions					
Employee benefits ^{1,2}	1 599	1 812	1 867	1 895	1 944
Depreciation and amortisation	90	90	87	87	82
Supplies and consumables ³	476	495	488	491	498
Other expenses	186	188	191	199	202
Total expenses from transactions	2 351	2 585	2 633	2 672	2 726
Net result from transactions (net operating balance)	(61)	(121)	(118)	(118)	(113)
Net result	(61)	(121)	(118)	(118)	(113)
Comprehensive result	(61)	(121)	(118)	(118)	(113)

Notes:

1. The increases in Appropriation revenue - recurrent and Employee benefits in 2017-18 primarily reflect additional funding of \$116 000 per annum for the remuneration of the Integrity Commission Board and the Chief Commissioner. This reflects an increase in the hours of work of the Chief Commissioner and the continuation of Board funding based on the outcomes of the *Independent Review of the Integrity Commission Act 2009*.
2. The increase in Employee benefits in 2017-18 also reflects the anticipated level of employee expenditure in 2016-17.
3. The increase in Supplies and consumables in 2017-18 reflects revised estimates based on 30 June 2016 actuals.

Table 13.3: Revenue from Appropriation by Output

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Attorney-General and Minister for Justice					
Output Group 1 - Integrity Commission					
1.1 Integrity Commission ¹	2 290	2 464	2 515	2 554	2 613
	2 290	2 464	2 515	2 554	2 613
Integrity Commission					
Total Recurrent Services	2 290	2 464	2 515	2 554	2 613
	2 290	2 464	2 515	2 554	2 613
Total Revenue from Appropriation	2 290	2 464	2 515	2 554	2 613
Controlled Revenue from Appropriation	2 290	2 464	2 515	2 554	2 613
	2 290	2 464	2 515	2 554	2 613

Note:

1. The increase in appropriation revenue in 2017-18 primarily reflects additional funding of \$116 000 per annum for the remuneration of the Integrity Commission Board and the Chief Commissioner. This reflects an increase in the hours of work of the Chief Commissioner and the continuation of Board funding based on the outcomes of the *Independent Review of the Integrity Commission Act 2009*. In addition, employee expenses have increased from 2017-18 to reflect the anticipated level of employee expenditure in 2016-17.

Table 13.4: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits	41	39	39	39	39
Receivables	8	11	11	11	11
	49	50	50	50	50
Non-financial assets					
Intangibles ¹	107	76	49	22	....
Other assets	318	251	192	133	74
	425	327	241	155	74
Total assets	474	377	291	205	124
Liabilities					
Payables	7	10	11	12	13
Provisions	65	68	68	68	68
Employee benefits ²	284	327	358	389	420
Total liabilities	356	405	437	469	501
Net assets (liabilities)	118	(28)	(146)	(264)	(377)
Equity					
Accumulated funds	118	(28)	(146)	(264)	(377)
Total equity	118	(28)	(146)	(264)	(377)

Notes:

1. The decrease in Intangibles in 2021 reflects the full amortisation of the asset held.
2. The increase in Employee benefits in 2017-18 and across the Forward Estimates reflects the anticipated level of liabilities in 2016-17.

Table 13.5: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Appropriation receipts - recurrent ¹	2 290	2 464	2 515	2 554	2 613
Total cash inflows	2 290	2 464	2 515	2 554	2 613
Cash outflows					
Employee benefits ^{1,2}	(1 457)	(1 592)	(1 642)	(1 666)	(1 710)
Superannuation ¹	(171)	(189)	(194)	(198)	(203)
Supplies and consumables ³	(476)	(495)	(488)	(491)	(498)
Other cash payments	(186)	(188)	(191)	(199)	(202)
Total cash outflows	(2 290)	(2 464)	(2 515)	(2 554)	(2 613)
Net increase (decrease) in cash and cash equivalents held					

Cash and deposits at the beginning of the reporting period					
	41	39	39	39	39
Cash and deposits at the end of the reporting period					
	41	39	39	39	39

Notes:

1. The increases in Appropriation receipts - recurrent, Employee benefits and Superannuation in 2017-18 primarily reflect additional funding of \$116 000 per annum for the remuneration of the Integrity Commission Board and the Chief Commissioner. This reflects an increase in the hours of work of the Chief Commissioner and the continuation of Board funding based on the outcomes of the *Independent Review of the Integrity Commission Act 2009*.
2. The increase in Employee benefits in 2017-18 also reflects the anticipated level of employee expenditure in 2016-17.
3. The increase in Supplies and consumables in 2017-18 reflects revised estimates based on 30 June 2016 actuals.

14 LEGISLATIVE COUNCIL

AGENCY OUTLINE

The Governor, the Legislative Council and the House of Assembly together constitute the Parliament of Tasmania. The Legislative Council is the Upper House of Parliament and functions as a House of Review. The role of the Members of the Legislative Council is:

- to authorise the raising of revenue and the expenditure of State monies;
- to examine the merits of legislation; and
- to provide a parliamentary check on the Government of the day.

The Legislative Council has expanded from being a purely legislative body to a House that involves itself with the examination and analysis of actions, decisions and workings of the Executive Government.

The Office of the Clerk of the Legislative Council provides apolitical support services and information to the elected Members of the Legislative Council in the interests of the people of Tasmania.

This chapter provides financial information about the Outputs to be delivered by the Legislative Council in 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information about the Legislative Council is provided at www.parliament.tas.gov.au.

KEY DELIVERABLES

The key deliverables for the Legislative Council include:

- supporting the Legislative Council in its constitutional role;
- providing apolitical support with particular attention to administrative support, research, policy and procedural support and advice to the President of the Legislative Council and other elected Members;
- accurately and effectively preparing and presenting legislation, once passed through both Houses, to Her Excellency the Governor for Royal Assent;
- promoting public awareness of the purpose, functions and work of the Legislative Council; and
- an upgrade to the Council Chamber in 2017-18 to address occupational health and safety and disability access issues.

OUTPUT INFORMATION

Outputs of the Legislative Council are provided under the following Output Groups:

- Output Group 1 - Legislative Council Support Services; and
- Output Group 2 - Payments Administered by the Legislative Council.

Table 14.1 provides an Output Group Expense Summary for the Legislative Council.

Table 14.1: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - Legislative Council Support Services					
1.1 Legislative Council Support Services	3 488	3 491	3 551	3 592	3 666
1.2 Committee Support Services	12	12	12	12	12
	3 500	3 503	3 563	3 604	3 678
Output Group 2 - Payments Administered by the Legislative Council					
2.1 Payments Administered by the Legislative Council ¹	3 130	3 404	3 460	3 494	3 562
	3 130	3 404	3 460	3 494	3 562
TOTAL	6 630	6 907	7 023	7 098	7 240

Note:

1. The increase in Payments Administered by the Legislative Council in 2017-18 primarily reflects the provision of additional funding to support the increase in Members' Salaries as determined by the Industrial Commission in accordance with the *Parliamentary Salaries, Superannuation and Allowances Act 2012*.

Output Group 1: Legislative Council Support Services

1.1 Legislative Council Support Services

This Output provides:

- procedural, administrative and research support and advice to the President and Members;
- support for the overall operations of the Legislative Council;
- assistance to Members to carry out their constitutional duties and responsibilities as elected representatives of the people of Tasmania; and
- equipment and research support allowances to Members.

1.2 Committee Support Services

This Output provides support and advice to Legislative Council Standing and Select Committees, Joint Parliamentary Standing and Select Committees, and Joint Statutory Committees.

Output Group 2: Payments Administered by the Legislative Council

2.1 Payments Administered by the Legislative Council

This Output Group provides for the Parliamentary salaries and allowances of Members of the Legislative Council as prescribed in legislation.

DETAILED BUDGET STATEMENTS

Table 14.2: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Appropriation revenue - recurrent ¹	6 547	6 892	7 008	7 083	7 225
Appropriation revenue - works & services ²	....	700	....	....	....
Total revenue and other income from transactions	6 547	7 592	7 008	7 083	7 225
Expenses from transactions					
Employee benefits ³	5 936	6 116	6 222	6 287	6 419
Depreciation and amortisation	3	3	3	3	3
Supplies and consumables	691	788	798	808	818
Total expenses from transactions	6 630	6 907	7 023	7 098	7 240
Net result from transactions (net operating balance)	(83)	685	(15)	(15)	(15)
Net result	(83)	685	(15)	(15)	(15)
Comprehensive result	(83)	685	(15)	(15)	(15)

Notes:

1. The increase in Appropriation revenue - recurrent primarily reflects the provision of additional funding to support the increase in Members' Salaries as determined by the Industrial Commission in accordance with the *Parliamentary Salaries, Superannuation and Allowances Act 2012*.
2. The increase in Appropriation revenue - works & services in 2017-18 reflects the provision of one-off funding to address occupational health and safety and disability access issues in the Legislative Council Chamber.
3. The increase in Employee benefits reflects a budget neutral reallocation of \$80 000 between Reserved by Law and general Consolidated Fund funding.

Table 14.3: Revenue from Appropriation by Output

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Legislative Council					
Output Group 1 - Legislative Council Support					
Services					
1.1 Legislative Council Support Services	3 405	3 476	3 536	3 577	3 651
1.2 Committee Support Services	12	12	12	12	12
	3 417	3 488	3 548	3 589	3 663
Output Group 2 - Payments Administered by the Legislative Council					
2.1 Payments Administered by the Legislative Council ¹	307	387	387	387	387
	307	387	387	387	387
Capital Investment Program²	....	700	....	....	....
Legislative Council					
Total Recurrent Services	3 724	3 875	3 935	3 976	4 050
Total Works and Services	....	700	....	....	....
	3 724	4 575	3 935	3 976	4 050
Reserved by Law					
Members' Committee Fees and Allowances (<i>Parliamentary Salaries, Superannuation and Allowances Act 2012</i>)	40	36	36	36	36
Parliamentary Salaries and Allowances (<i>Parliamentary Salaries, Superannuation and Allowances Act 2012</i>) ³	2 683	2 828	2 884	2 918	2 986
Travelling Allowances (<i>Parliamentary Salaries, Superannuation and Allowances Act 2012</i>) ³	100	153	153	153	153
	2 823	3 017	3 073	3 107	3 175
Total Revenue from Appropriation	6 547	7 592	7 008	7 083	7 225
Controlled Revenue from Appropriation	6 547	7 592	7 008	7 083	7 225
	6 547	7 592	7 008	7 083	7 225

Notes:

1. The increase in Payments Administered by the Legislative Council reflects the impact of a budget neutral reallocation of \$80 000 between Reserved by Law and general Consolidated Fund funding.
2. The increase in the Capital Investment Program in 2017-18 reflects the provision of one-off funding to address occupational health and safety and disability access issues in the Legislative Council Chamber.

3. The increases in Parliamentary Salaries and Allowances (*Parliamentary Salaries, Superannuation and Allowances Act 2012*) and Travel Allowances (*Parliamentary Salaries, Superannuation and Allowances Act 2012*) in 2017-18 reflect the provision of additional funding to support the increase in Members' Salaries as determined by the Industrial Commission in accordance with the *Parliamentary Salaries, Superannuation and Allowances Act 2012*

Table 14.4: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Receivables ¹	5	17	17	17	17
	5	17	17	17	17
Non-financial assets					
Property, plant and equipment ²	65	801	798	795	792
Heritage and cultural assets ³	1 652	1 619	1 619	1 619	1 619
	1 717	2 420	2 417	2 414	2 411
Total assets	1 722	2 437	2 434	2 431	2 428
Liabilities					
Payables ¹	48	63	63	63	63
Employee benefits	747	730	742	754	766
Total liabilities	795	793	805	817	829
Net assets (liabilities)	927	1 644	1 629	1 614	1 599
Equity					
Reserves ³	797	764	764	764	764
Accumulated funds ²	130	880	865	850	835
Total equity	927	1 644	1 629	1 614	1 599

Notes:

1. The increases in Receivables and Payables in 2018 reflect revised estimates based on 30 June 2016 actuals.
2. The increases in Property, plant and equipment and Accumulated funds in 2018 reflect the provision of one-off funding to address occupational health and safety and disability access issues in the Legislative Council Chamber.
3. The decreases in Heritage and cultural assets and Reserves in 2018 reflect the revaluation of artworks and artefacts as at 30 June 2016.

Table 14.5: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Appropriation receipts - recurrent ¹	6 547	6 892	7 008	7 083	7 225
Appropriation receipts - capital ²	....	700	....	....	....
GST receipts	70	70	70	70	70
Total cash inflows	6 617	7 662	7 078	7 153	7 295
Cash outflows					
Employee benefits ¹	(5 442)	(5 685)	(5 783)	(5 844)	(5 967)
Superannuation	(414)	(419)	(427)	(431)	(440)
GST payments	(70)	(70)	(70)	(70)	(70)
Supplies and consumables	(691)	(788)	(798)	(808)	(818)
Total cash outflows	(6 617)	(6 962)	(7 078)	(7 153)	(7 295)
Net cash from (used by) operating activities	....	700	....	....	....
Cash flows from investing activities					
Payments for acquisition of non-financial assets ²	....	(700)	....	....	....
Net cash from (used by) investing activities	....	(700)	....	....	....
Net increase (decrease) in cash and cash equivalents held	....	....	....	....	....
Cash and deposits at the beginning of the reporting period	....	....	....	....	....
Cash and deposits at the end of the reporting period	....	....	....	....	....

Notes:

1. The increases in Appropriation receipts - recurrent and Employee benefits primarily reflect the provision of additional funding to support the increase in Members' Salaries as determined by the Industrial Commission in accordance with the *Parliamentary Salaries, Superannuation and Allowances Act 2012*.
2. The increases in Appropriation receipts - capital and Payments for acquisition of non-financial assets reflect the provision of one-off funding to address occupational health and safety and disability access issues in the Legislative Council Chamber.

15 LEGISLATURE-GENERAL

AGENCY OUTLINE

Legislature-General provides support services to both Houses of Parliament and their Members through the Joint House support staff, the Parliamentary Reporting Service, the Parliamentary Library Service and the Parliamentary Printing, Systems and Broadcasting Services.

This chapter provides financial information about the Outputs to be delivered by Legislature-General during 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information about Legislature-General is provided at www.parliament.tas.gov.au.

KEY DELIVERABLES

The key deliverables for Legislature-General include:

- supporting both Houses of Parliament and their Members;
- providing Parliamentary Reporting Services, with particular attention to the accuracy and timeliness of Hansard;
- providing support to Members of Parliament and the public through the Parliamentary Library Service with particular attention to the provision of research facilities;
- providing Parliamentary Printing, Systems and Broadcasting Services;
- continuing support for Joint Committees; and
- supporting the transition to newly developed Committee Rooms and work environments in the Salamanca Building as part of the Government's commitment to *parliament square*.

OUTPUT INFORMATION

Outputs of Legislature-General are provided under the following Output Groups:

- Output Group 1 - Parliamentary Reporting Service;
- Output Group 2 - Parliamentary Library Service;
- Output Group 3 - Parliamentary Printing and Systems; and
- Output Group 4 - Joint Services.

Table 15.1 provides an Output Group Expense Summary for Legislature-General.

Table 15.1: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - Parliamentary Reporting Service					
1.1 Production and Printing of Parliamentary Reports	1 017	1 032	1 051	1 063	1 086
	1 017	1 032	1 051	1 063	1 086
Output Group 2 - Parliamentary Library Service					
2.1 Parliamentary Library Service	1 047	1 074	1 095	1 108	1 134
	1 047	1 074	1 095	1 108	1 134
Output Group 3 - Parliamentary Printing and Systems					
3.1 Parliamentary Printing	477	489	501	513	526
3.2 Parliamentary Systems	776	820	839	855	876
	1 253	1 309	1 340	1 368	1 402
Output Group 4 - Joint Services					
4.1 Buildings and Operations Management ¹	2 106	2 409	2 454	2 497	2 546
4.2 Joint Management Services	400	408	414	417	425
4.3 Services to Members ²	887	955	921	933	952
4.4 Corporate Services for Parliamentary Agencies	109	109	109	109	109
	3 502	3 881	3 898	3 956	4 032
TOTAL	6 819	7 296	7 384	7 495	7 654

Notes:

1. The increase in Buildings and Operations Management in 2017-18 reflects the provision of increased funding for heat, light and power (\$62 000 per annum), rent (\$92 000 per annum) and security services at Parliament House (\$104 000 per annum).
2. The increase in Services to Members in 2017-18 reflects the provision of one-off funding of \$50 000 for the Joint Select Committee on Future Gaming Markets.

Output Group 1: Parliamentary Reporting Service

1.1 Production and Printing of Parliamentary Reports

This Output provides for the Parliamentary Reporting Service, which produces an accurate and timely official record of debates in both Houses of Parliament and of evidence presented to Parliamentary Committees.

Performance Information Comments

Delivery of Hansard

The primary focus for the Hansard operation is to produce a daily transcript for Members as quickly as possible - certainly by the following day. Part of the transcript is delivered to Members later the same day.

A full week's transcript is available on the Internet (public access) by the end of the following week.

Some of these times will vary when either House sits for extended hours or during an extended period of several weeks of continuous sitting.

Output Group 2: Parliamentary Library Service

2.1 Parliamentary Library Service

This Output represents the Parliamentary Library Service which provides information and research services specifically designed to assist Members of Parliament and Parliamentary Committees in performing their duties. The Parliamentary Library also manages special and historical collections, the Parliamentary Museum and is the repository for all Tasmanian Parliament publications.

Performance Information Comments

Parliamentary Library

A number of performance measures have been established for the Parliamentary Library Service. These are:

- enquiries: perform 95 per cent of enquiries within the clients' deadlines;
- newspapers and media releases: upload daily newspaper clippings and press releases to the Intranet by 11 am;
- media-monitoring: television news available on the Intranet by 9 am daily and audio digital capture (ABC Radio) available on request;
- prepare 95 per cent of media transcription requests within the clients' deadlines;
- databases: input 90 per cent of Questions, Answers and Adjournments to the database within one week of receipt of Hansard; and
- input 95 per cent of tabled parliamentary papers within one week of tabling or receipt.

Parliamentary Research Service

The Parliamentary Research Service aims to:

- meet 95 per cent of the clients' requests within their deadlines;
- update statistics on the Intranet within two days of ABS data arrival; and
- complete 95 per cent of background briefings and submission summaries to Parliamentary Committees prior to the hearing of witnesses.

Output Group 3: Parliamentary Printing and Systems

3.1 Parliamentary Printing

This Output involves the provision of services which meet the printing needs of Parliament, including: the production of Parliamentary Papers; Votes and Proceedings; Notice Papers and Bills; and the printing requirements of Members.

3.2 Parliamentary Systems

This Output provides for the maintenance of computerised systems for:

- the computer requirements of the Parliamentary Reporting Service;
- the computer and communication requirements of Members of both Houses of Parliament including Regional Offices;
- the Parliament website, Intranet, Internet and databases;
- the television, broadcasting and archiving of sessions of both Houses of Parliament;
- the security of the precinct including access control and CCTV; and
- the Parliament's financial management.

Output Group 4: Joint Services

4.1 Buildings and Operations Management

This Output provides for the management of buildings and operations management as well as the provision of purchasing and maintenance services for the Parliamentary complex, gardens and other offices (including rentals, security, cleaning and communication services).

4.2 Joint Management Services

This Output provides for services to Legislature-General, including the Joint House Committee and other functional areas not directly under the control of either House of Parliament.

4.3 Services to Members

This Output provides for services not directly related to the Legislative Council or House of Assembly for certain Parliamentary Committees and the Leader of the Opposition.

4.4 Corporate Services for Parliamentary Agencies

This Output provides for administrative services to the Clerks of both Houses, including responsibility for all human resources and financial administration.

DETAILED BUDGET STATEMENTS

Table 15.2: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Appropriation revenue - recurrent ¹	6 091	6 576	6 664	6 775	6 934
Appropriation revenue - works & services ²	880	....	....	....	....
Sales of goods and services	172	172	172	172	172
Total revenue and other income from transactions	7 143	6 748	6 836	6 947	7 106
Expenses from transactions					
Employee benefits	3 363	3 439	3 507	3 547	3 632
Depreciation and amortisation	588	588	588	588	588
Supplies and consumables ¹	2 763	3 164	3 184	3 255	3 329
Grants and subsidies	59	59	59	59	59
Other expenses	46	46	46	46	46
Total expenses from transactions	6 819	7 296	7 384	7 495	7 654
Net result from transactions (net operating balance)	324	(548)	(548)	(548)	(548)
Net result	324	(548)	(548)	(548)	(548)
Comprehensive result	324	(548)	(548)	(548)	(548)

Notes:

1. The increases in Appropriation revenue - recurrent and Supplies and consumables reflect the provision of increased funding for heat, light and power (\$62 000 per annum), rent (\$92 000 per annum), security services at Parliament House (\$104 000 per annum) and one-off funding of \$50 000 in 2017-18 for the Joint Select Committee on Future Gaming Markets.
2. The decrease in Appropriation revenue - works & services in 2017-18 reflects the cessation of one-off funding provided in 2016-17 for the redevelopment of security and reception in Parliament House.

Table 15.3: Revenue from Appropriation by Output

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Legislature-General					
Output Group 1 - Parliamentary Reporting Service					
1.1 Production and Printing of Parliamentary Reports	1 006	1 029	1 048	1 060	1 083
	1 006	1 029	1 048	1 060	1 083
Output Group 2 - Parliamentary Library Service					
2.1 Parliamentary Library Service	1 045	1 072	1 093	1 106	1 132
	1 045	1 072	1 093	1 106	1 132
Output Group 3 - Parliamentary Printing and Systems					
3.1 Parliamentary Printing	477	489	501	513	526
3.2 Parliamentary Systems	776	820	839	855	876
	1 253	1 309	1 340	1 368	1 402
Output Group 4 - Joint Services					
4.1 Buildings and Operations Management ¹	1 566	1 869	1 914	1 957	2 006
4.2 Joint Management Services	399	407	413	416	424
4.3 Services to Members ²	713	781	747	759	778
4.4 Corporate Services for Parliamentary Agencies	109	109	109	109	109
	2 787	3 166	3 183	3 241	3 317
Capital Investment Program³	880	....	....	....	....
Legislature-General					
Total Recurrent Services	6 091	6 576	6 664	6 775	6 934
Total Works and Services	880	....	....	....	....
	6 971	6 576	6 664	6 775	6 934
Total Revenue from Appropriation	6 971	6 576	6 664	6 775	6 934
Controlled Revenue from Appropriation	6 971	6 576	6 664	6 775	6 934
	6 971	6 576	6 664	6 775	6 934

Notes:

1. The increase in Buildings and Operations Management in 2017-18 and across the Forward Estimates reflects the provision of increased funding for heat, light and power (\$62 000 per annum), rent (\$92 000 per annum) and security services at Parliament House (\$104 000 per annum).
2. The increase in Services to Members in 2017-18 reflects the provision of one-off funding of \$50 000 for the Joint Select Committee on Future Gaming Markets.
3. The decrease in the Capital Investment Program in 2017-18 reflects the cessation of one-off funding provided in 2016-17 for the redevelopment of security and reception in Parliament House.

Table 15.4: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	86	82	82	82	82
Receivables ¹	66	56	56	56	56
	152	138	138	138	138
Non-financial assets					
Inventories ²	36	39	39	39	39
Property, plant and equipment ¹	35 065	34 552	34 014	33 476	32 938
Heritage and cultural assets ³	614	537	537	537	537
Other assets ¹	55	49	49	49	49
	35 770	35 177	34 639	34 101	33 563
Total assets	35 922	35 315	34 777	34 239	33 701
Liabilities					
Payables ¹	168	145	145	145	145
Employee benefits ¹	892	847	857	867	877
Other liabilities	16	16	16	16	16
Total liabilities	1 076	1 008	1 018	1 028	1 038
Net assets (liabilities)	34 846	34 307	33 759	33 211	32 663
Equity					
Reserves ³	26 823	26 746	26 746	26 746	26 746
Accumulated funds	8 023	7 561	7 013	6 465	5 917
Total equity	34 846	34 307	33 759	33 211	32 663

Notes:

1. The decreases in Cash and deposits, Receivables, Property, plant and equipment, Other assets, Payables and Employee benefits in 2018 reflect revised estimates based on 30 June 2016 actuals.
2. The increase in Inventories in 2018 reflects revised estimates based on 30 June 2016 actuals.
3. The decreases in Heritage and cultural assets and Reserves in 2018 reflect a revaluation of artworks and artefacts as at 30 June 2016.

Table 15.5: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Appropriation receipts - recurrent ¹	6 091	6 576	6 664	6 775	6 934
Appropriation receipts - capital ²	880	....	....	....	....
Sales of goods and services	172	172	172	172	172
GST receipts	364	364	364	364	364
Total cash inflows	7 507	7 112	7 200	7 311	7 470
Cash outflows					
Employee benefits	(3 020)	(3 095)	(3 156)	(3 193)	(3 270)
Superannuation	(325)	(334)	(341)	(344)	(352)
GST payments	(364)	(364)	(364)	(364)	(364)
Grants and subsidies	(59)	(59)	(59)	(59)	(59)
Supplies and consumables ¹	(2 763)	(3 164)	(3 184)	(3 255)	(3 329)
Other cash payments	(46)	(46)	(46)	(46)	(46)
Total cash outflows	(6 577)	(7 062)	(7 150)	(7 261)	(7 420)
Net cash from (used by) operating activities	930	50	50	50	50
Cash flows from investing activities					
Payments for acquisition of non-financial assets ²	(930)	(50)	(50)	(50)	(50)
Net cash from (used by) investing activities	(930)	(50)	(50)	(50)	(50)
Net increase (decrease) in cash and cash equivalents held	....	....	....	....	....
Cash and deposits at the beginning of the reporting period	86	82	82	82	82
Cash and deposits at the end of the reporting period	86	82	82	82	82

Notes:

1. The increases in Appropriation receipts - recurrent and Supplies and consumables in 2017-18 and across the Forward Estimates reflect the provision of increased funding for heat, light and power (\$62 000 per annum), rent (\$92 000 per annum) and security services at Parliament House (\$104 000 per annum).
2. The decreases in Appropriation receipts - capital and Payments for the acquisition of non-financial assets in 2017-18 reflect the cessation of one-off funding provided in 2016-17 for the redevelopment of security and reception in Parliament House.

16 OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

AGENCY OUTLINE

The Office of the Director of Public Prosecutions provides criminal law services to the State of Tasmania. The *Director of Public Prosecutions Act 1973* details the role and functions of the Director of Public Prosecutions (DPP). Specifically, the DPP undertakes:

- the conduct of all criminal prosecutions on indictment in the Supreme Court and in Magistrates Courts where required;
- investigations and proceedings for restraint orders, forfeiture orders, pecuniary penalty orders and unexplained wealth declarations pursuant to the *Crime (Confiscation of Profits) Act 1993*;
- the representation of government agencies in the prosecution of regulatory offences;
- the representation of government agencies in appeals from Magistrates Courts to the Supreme Court;
- the conduct of all child protection proceedings under the *Children, Young Persons and Their Families Act 1997* on behalf of the Secretary of the Department of Health and Human Services; and
- representation of the Crown in relation to criminal matters, in appeals to the Full Court, Court of Criminal Appeal and the High Court.

This chapter provides financial information about the Output to be delivered by the Office in 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information about the Office of the Director of Public Prosecutions is provided at www.crownlaw.tas.gov.au/dpp.

KEY DELIVERABLES

The key deliverables for the Office of the Director of Public Prosecutions include:

- establishing a Unit to focus on family violence and sexual assault matters. The creation of the Unit is a Government priority and has been endorsed by the Family Violence Steering Committee. It is expected that the Unit will improve the quality of investigations and increase the chances of successful prosecution; improve victim support; decrease the time between charging and trial; decrease the likelihood of serious offenders obtaining bail; and improve deterrence and reduce instances of family violence and sexual assault;
- supporting the progressive phase-out of the use of a suspended term of imprisonment as a sentencing option. Reforms are currently being progressed by the Department of Justice to implement this Government priority. These reforms will increase prosecution time per case, and general demand on the criminal area for the Office of the Director of Public Prosecutions. The additional funding provided to facilitate these changes will be approximately \$360 000 per annum;

- contributing to the disruption of serious and organised crime through the enforcement of the *Crime (Confiscation of Profits) Act 1993* and *Crime (Confiscation of Profits) Amendment (Unexplained Wealth) Act 2013* as a joint initiative with the Department of Police, Fire and Emergency Management and the prosecution of crimes;
- undertaking summary prosecution matters on behalf of Work Safe Tasmania, Consumer Building and Occupational Services, and Transport Compliance, and prosecuting serious matters in the Magistrates Court as part of a trial with Tasmania Police; and
- assisting to reduce the backlog of criminal prosecutions matters pending in the Supreme Court.

OUTPUT INFORMATION

The individual Output for the Office of the Director of Public Prosecutions is provided under:

- Output Group 1 - The Office of the Director of Public Prosecutions.

Table 16.1 provides an Output Group Expense Summary for the Office of the Director of Public Prosecutions.

Table 16.1: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - The Office of the Director of Public Prosecutions					
1.1 The Office of the Director of Public Prosecutions ¹	7 181	8 376	8 570	8 374	8 538
	7 181	8 376	8 570	8 374	8 538
TOTAL	7 181	8 376	8 570	8 374	8 538

Note:

1. The increase in the Office of the Director of Public Prosecutions in 2017-18 primarily reflects additional funding of \$390 000 for the Family Violence and Sexual Assault Unit, \$285 000 for the Reduction of the Backlog of Criminal Cases, and \$360 000 to support the Corrective Services Package to phase out suspended sentences. The decrease in 2019-20 reflects the cessation of funding for the Reduction of the Backlog of Criminal Cases.

Output Group 1: The Office of the Director of Public Prosecutions

1.1 The Office of the Director of Public Prosecutions

This Output provides criminal law services to the State of Tasmania in accordance with the requirements of the Director of Public Prosecutions Act.

DETAILED BUDGET STATEMENTS

Table 16.2: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Appropriation revenue - recurrent ¹	6 393	7 588	7 782	7 592	7 764
Sales of goods and services	700	700	700	700	700
Total revenue and other income from transactions	7 093	8 288	8 482	8 292	8 464
Expenses from transactions					
Employee benefits ¹	5 678	6 616	6 774	6 617	6 760
Depreciation and amortisation	48	48	48	42	34
Supplies and consumables ¹	989	1 239	1 265	1 222	1 241
Grants and subsidies	3	....	....	....	....
Other expenses	463	473	483	493	503
Total expenses from transactions	7 181	8 376	8 570	8 374	8 538
Net result from transactions (net operating balance)	(88)	(88)	(88)	(82)	(74)
Net result	(88)	(88)	(88)	(82)	(74)
Comprehensive result	(88)	(88)	(88)	(82)	(74)

Note:

- The increases in Appropriation revenue - recurrent, Employee benefits and Supplies and consumables in 2017-18 reflect additional funding of \$390 000 for the Family Violence and Sexual Assault Unit, \$285 000 for the Reduction in the Backlog of Criminal Cases, and \$360 000 to support the Corrective Services Package to phase-out suspended sentences. The decreases in 2019-20 reflect the cessation of funding for the Reduction of the Backlog of Criminal Cases.

Table 16.3: Statement of Comprehensive Income - Administered

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Other revenue ¹	500	500	500	500	500
Total revenue and other income from transactions	500	500	500	500	500
Expenses from transactions					
Transfers to the Consolidated Fund ¹	500	500	500	500	500
Total expenses from transactions	500	500	500	500	500
Net result from transactions (net operating balance)	....	....	....	....	....
Net result	....	....	....	....	....
Comprehensive result	....	....	....	....	....

Note:

1. This revenue reflects monies recovered under the Unexplained Wealth initiative which are subsequently transferred to the Consolidated Fund.

Table 16.4: Revenue from Appropriation by Output

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Attorney-General and Minister for Justice					
Output Group 1 - The Office of the Director of Public Prosecutions					
1.1 The Office of the Director of Public Prosecutions ¹	5 885	7 068	7 252	7 057	7 224
	5 885	7 068	7 252	7 057	7 224
Office of the Director of Public Prosecutions					
Total Recurrent Services	5 885	7 068	7 252	7 057	7 224
	5 885	7 068	7 252	7 057	7 224
Reserved by Law					
Salary, Travel and Other Allowances, Director of Public Prosecutions (<i>Director of Public Prosecutions Act 1973</i>)	508	520	530	535	540
	508	520	530	535	540
Total Revenue from Appropriation	6 393	7 588	7 782	7 592	7 764
Controlled Revenue from Appropriation	6 393	7 588	7 782	7 592	7 764
	6 393	7 588	7 782	7 592	7 764

Note:

1. The increase in the Office of the Director of Public Prosecutions in 2017-18 reflects additional funding of \$390 000 for the Family Violence and Sexual Assault Unit, \$285 000 for the Reduction of the Backlog of Criminal Cases, and \$360 000 to support the Corrective Services Package to phase-out suspended sentences. The decrease in 2019-20 reflects the cessation of funding for the Reduction of the Backlog of Criminal Cases.

Table 16.5: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ^{1,2}	777	1 091	1 091	1 091	1 091
Receivables ¹	11	123	123	123	123
	788	1 214	1 214	1 214	1 214
Non-financial assets					
Property, plant and equipment	35	22	8	....	....
Other assets	280	242	208	174	140
	315	264	216	174	140
Total assets	1 103	1 478	1 430	1 388	1 354
Liabilities					
Payables ¹	16	30	30	30	30
Employee benefits ¹	1 406	1 608	1 648	1 688	1 728
Total liabilities	1 422	1 638	1 678	1 718	1 758
Net assets (liabilities)	(319)	(160)	(248)	(330)	(404)
Equity					
Accumulated funds	(319)	(160)	(248)	(330)	(404)
Total equity	(319)	(160)	(248)	(330)	(404)

Notes:

1. The increases in Cash and deposits, Receivables, Payables and Employee benefits in 2018 reflect revised estimates based on 30 June 2016 actuals.
2. The increase in Cash and deposits in 2017-18 primarily reflects a carry forward of \$180 000 for the Information Management Project.

Table 16.6: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Appropriation receipts - recurrent ¹	6 393	7 588	7 782	7 592	7 764
Sales of goods and services	700	700	700	700	700
Total cash inflows	7 093	8 288	8 482	8 292	8 464
Cash outflows					
Employee benefits ¹	(5 069)	(5 902)	(6 046)	(5 907)	(6 036)
Superannuation ¹	(569)	(674)	(688)	(670)	(684)
Grants and subsidies ²	(3)	....	....	....	....
Supplies and consumables ¹	(989)	(1 239)	(1 265)	(1 222)	(1 241)
Other cash payments	(463)	(473)	(483)	(493)	(503)
Total cash outflows	(7 093)	(8 288)	(8 482)	(8 292)	(8 464)
Net increase (decrease) in cash and cash equivalents held					

Cash and deposits at the beginning of the reporting period					
	777	1 091	1 091	1 091	1 091
Cash and deposits at the end of the reporting period					
	777	1 091	1 091	1 091	1 091

Notes:

1. The increases in Appropriation receipts - recurrent, Employee benefits, Superannuation and Supplies and consumables in 2017-18 reflect additional funding of \$390 000 for the Family Violence and Sexual Assault Unit, \$285 000 for the Reduction in the Backlog of Criminal Cases, and \$360 000 to support the Corrective Services Package to phase-out suspended sentences. The decreases in 2019-20 reflect the cessation of funding for the Reduction in the Backlog of Criminal Cases.
2. The decrease in Grants and subsidies in 2017-18 reflects revised estimates based on 30 June 2016 actuals.

Table 16.7: Statement of Cash Flows - Administered

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Other cash receipts	500	500	500	500	500
Total cash inflows	500	500	500	500	500
Cash outflows					
Transfers to the Consolidated Fund	(500)	(500)	(500)	(500)	(500)
Total cash outflows	(500)	(500)	(500)	(500)	(500)
Net increase (decrease) in cash and cash equivalents held	....	....	....	....	....
Cash and deposits at the beginning of the reporting period	....	....	....	....	....
Cash and deposits at the end of the reporting period	....	....	....	....	....

17 OFFICE OF THE GOVERNOR

AGENCY OUTLINE

The Office of the Governor supports the Governor in the performance of her constitutional, administrative, ceremonial and community responsibilities by:

- providing a high standard of policy advice and administrative support, including the organisation of constitutional and ceremonial duties and a program of community engagements;
- facilitating the efficient and effective interaction between the Office of the Governor, the Parliament, the Executive and the State Service; and
- maintaining the Government House estate.

The Office is focused on achieving, or assisting to achieve, the following major outcomes:

- safeguarding the integrity of the State's democratic system of government;
- promoting community involvement in government and understanding of the democratic process;
- promoting community understanding of the role of the Governor;
- fostering activities in rural areas through speeches, visits, functions and other events;
- encouraging the involvement of young people in the community;
- supporting activities which promote a multicultural, diverse and tolerant society;
- stimulating culture and the arts;
- promoting the State's exports and its tourism industry; and
- protecting and maintaining the heritage values of Government House and its grounds.

This chapter provides financial information for the Office of the Governor for 2017-18 and the Forward Estimates period (2018-19 to 2020-21). Further information on the Office is provided at www.govhouse.tas.gov.au.

KEY DELIVERABLES

The key deliverables for the Office of the Governor include:

- continuing support of the Governor's program of activities, with particular attention to the promotion of the State of Tasmania;
- preparing programs that bring a wide range of people to events at Government House;
- preparing programs that promote a wide understanding of the activities and role of the Governor and the Office of the Governor; and
- reviewing asset management, maintenance and restoration plans for the Government House estate.

OUTPUT INFORMATION

The individual Output of the Office of the Governor is provided under:

- Output Group 1 - The Office of the Governor.

Table 17.1 provides an Output Group Expense Summary for the Office of the Governor.

Table 17.1: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - The Office of the Governor					
1.1 Support for the Governor ¹	4 305	4 384	4 365	4 423	4 508
	4 305	4 384	4 365	4 423	4 508
TOTAL	4 305	4 384	4 365	4 423	4 508

Note:

1. The increase in Support for the Governor in 2017-18 reflects the provision of additional funding of \$98 000 per annum to support security arrangements at Government House and \$92 000 to upgrade security equipment in 2017-18.

Output Group 1: The Office of the Governor

1.1 Support for the Governor

This Output facilitates the efficient and effective interaction between the Office of the Governor, the Parliament, the Executive, the State Service and the Tasmanian community. This Output also facilitates cooperation between all arms of government and the community to promote the State of Tasmania to a widening range of international guests and other visitors to the State.

Performance Information Comments

The Office will successfully perform this Output by:

- meeting the expectations of the Governor in assisting her to meet her constitutional and legal responsibilities;
- meeting the expectations of the Governor and her spouse in the organisation of their official program and the administration of the household; and
- maintaining the Government House estate to a high standard.

DETAILED BUDGET STATEMENTS

Table 17.2: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Appropriation revenue - recurrent ¹	3 990	4 069	4 058	4 116	4 201
Sales of goods and services	55	55	55	55	55
Total revenue and other income from transactions	4 045	4 124	4 113	4 171	4 256
Expenses from transactions					
Employee benefits ²	3 044	3 217	3 278	3 322	3 393
Depreciation and amortisation	298	298	298	298	298
Supplies and consumables ³	932	838	758	772	786
Other expenses	31	31	31	31	31
Total expenses from transactions	4 305	4 384	4 365	4 423	4 508
Net result from transactions (net operating balance)	(260)	(260)	(252)	(252)	(252)
Net result	(260)	(260)	(252)	(252)	(252)
Other economic flows - other non-owner changes in equity					
Changes in physical asset revaluation reserve	300	300	300	300	300
Total other economic flows - other non-owner changes in equity	300	300	300	300	300
Comprehensive result	40	40	48	48	48

Notes:

1. The increase in Appropriation revenue - recurrent in 2017-18 reflects the provision of additional funding of \$98 000 per annum to support security arrangements at Government House and \$92 000 for security equipment upgrades in 2017-18. This is offset by the cessation of one-off essential maintenance funding provided in 2016-17.
2. The increase in Employee benefits in 2017-18 reflects the provision of additional funding of \$98 000 per annum to support security arrangements at Government House.
3. The decrease in Supplies and consumables in 2017-18 reflects the cessation of one-off funding provided in the 2016-17 Budget for essential estate maintenance. This is partially offset by one-off funding provided in 2017-18 for the purchase of new security equipment.

Table 17.3: Revenue from Appropriation by Output

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Premier					
Output Group 1 - The Office of the Governor					
1.1 Support for the Governor ¹	3 433	3 492	3 461	3 507	3 580
	3 433	3 492	3 461	3 507	3 580
Office of the Governor					
Total Recurrent Services	3 433	3 492	3 461	3 507	3 580
	3 433	3 492	3 461	3 507	3 580
Reserved by Law					
Salary Her Excellency the Governor (<i>Governor of Tasmania Act 1982</i>)	542	562	582	594	606
Salary The Administrator (<i>Governor of Tasmania Act 1982, Section 5(1)</i>)	15	15	15	15	15
	557	577	597	609	621
Total Revenue from Appropriation	3 990	4 069	4 058	4 116	4 201
Controlled Revenue from Appropriation	3 990	4 069	4 058	4 116	4 201
	3 990	4 069	4 058	4 116	4 201

Note:

1. The increase in Support for the Governor in 2017-18 reflects the provision of additional funding of \$98 000 per annum to support security arrangements at Government House and \$92 000 to upgrade security equipment in 2017-18.

Table 17.4: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits	185	231	286	341	396
Receivables	7	15	15	15	15
	192	246	301	356	411
Non-financial assets					
Property, plant and equipment ¹	37 364	31 993	31 995	31 997	31 999
Heritage and cultural assets	3 586	3 586	3 586	3 586	3 586
Other assets	4	3	4	5	6
	40 954	35 582	35 585	35 588	35 591
Total assets	41 146	35 828	35 886	35 944	36 002
Liabilities					
Payables ²	99	75	77	79	81
Employee benefits	505	507	515	523	531
Total liabilities	604	582	592	602	612
Net assets (liabilities)	40 542	35 246	35 294	35 342	35 390
Equity					
Reserves	29 797	24 549	24 849	25 149	25 449
Accumulated funds	10 745	10 697	10 445	10 193	9 941
Total equity	40 542	35 246	35 294	35 342	35 390

Notes:

1. The decrease in Property, plant and equipment in 2018 reflects the revaluation of Buildings as at 1 July 2015.
2. The decrease in Payables in 2018 reflects revised estimates based on 30 June 2016 actuals.

Table 17.5: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Appropriation receipts - recurrent ¹	3 990	4 069	4 058	4 116	4 201
Sales of goods and services	55	55	55	55	55
GST receipts	60	60	60	60	60
Total cash inflows	4 105	4 184	4 173	4 231	4 316
Cash outflows					
Employee benefits ²	(2 787)	(2 954)	(3 013)	(3 054)	(3 119)
Superannuation	(241)	(247)	(257)	(260)	(266)
GST payments	(60)	(60)	(60)	(60)	(60)
Supplies and consumables ³	(931)	(837)	(757)	(771)	(785)
Other cash payments	(31)	(31)	(31)	(31)	(31)
Total cash outflows	(4 050)	(4 129)	(4 118)	(4 176)	(4 261)
Net cash from (used by) operating activities	55	55	55	55	55
Net increase (decrease) in cash and cash equivalents held	55	55	55	55	55
Cash and deposits at the beginning of the reporting period	130	176	231	286	341
Cash and deposits at the end of the reporting period	185	231	286	341	396

Notes:

1. The increase in Appropriation receipts - recurrent in 2017-18 reflects the provision of additional funding of \$98 000 per annum to support security arrangements at Government House and \$92 000 to upgrade security equipment in 2017-18. This is offset by the cessation of one-off essential maintenance funding provided in 2016-17.
2. The increase in Employee benefits in 2017-18 reflects the provision of additional funding of \$98 000 per annum to support security arrangements at Government House.
3. The decrease in Supplies and consumables in 2017-18 reflects the cessation of one-off funding provided in the 2016-17 Budget for essential estate maintenance. This is partially offset by one-off funding provided in 2017-18 for the purchase of new security equipment.

18 OFFICE OF THE OMBUDSMAN

AGENCY OUTLINE

The Office of the Ombudsman operates under the *Ombudsman Act 1978* and is responsible for enquiry and investigation into complaints regarding the administrative actions of Tasmanian government agencies, local councils and a range of other public authorities. The Ombudsman seeks to resolve individual grievances and address systemic issues arising from administrative matters in the public sector. Through independent, objective and impartial investigations, the Ombudsman promotes fairness and equity and aims to bring about improvements in the quality and standard of public administration.

The Ombudsman also has a number of other responsibilities including:

- Health Complaints Commissioner under the *Health Complaints Act 1995*;
- Energy Ombudsman under the *Energy Ombudsman Act 1998*;
- Coordinator of the Official Visitors Scheme under the *Corrections Act 1997*;
- Principal Official Visitor under the *Mental Health Act 2013*;
- providing administrative support for the Mental Health and Prison Official Visitor Schemes;
- Custodial Inspector under the *Custodial Inspector Act 2016* and, as such, providing independent and systemic oversight of Tasmania's custodial centres;
- implementing the *Right to Information Act 2009*, the *Personal Information Protection Act 2004* and the *Public Interest Disclosures Act 2002*; and
- holding an ex officio position on the Board of the Integrity Commission under the *Integrity Commission Act 2009*.

This chapter provides financial information about the Outputs to be delivered by the Office in 2017-18 and the Forward Estimates period (2018-19 to 2020-21). Further information about the Office of the Ombudsman is provided at www.ombudsman.tas.gov.au.

KEY DELIVERABLES

The key deliverables for the Office of the Ombudsman include:

- commencing the mandatory inspection of custodial centres in Tasmania pursuant to the Custodial Inspector Act;
- identifying suitable areas for own motion investigations, conducting such investigations and implementing strategies to improve the investigative skills of staff;

- building relationships at agency and provider level to improve processes, the exchange of information and complaint handling generally;
- developing systems and processes to enable the more effective and timely resolution of complaints under the Ombudsman Act and the Health Complaints Act;
- providing clear outcomes for energy consumers making complaints to the Ombudsman in a rapidly changing Tasmanian energy market;
- dealing with new Right to Information (RTI) Act review matters in a timely fashion; finalising the backlog of such matters; updating the RTI Training Manual for the benefit of agencies and the public; and coordinating RTI training, particularly in smaller public authorities; and
- continuing to recruit, train and mentor Official Visitors to maintain the efficiency and effectiveness of the Official Visitor Programs.

OUTPUT INFORMATION

The individual Output of the Office of the Ombudsman is provided under:

- Output Group 1 - The Office of the Ombudsman.

Table 18.1 provides an Output Group Expense Summary for the Office of the Ombudsman.

Table 18.1: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - The Office of the Ombudsman					
1.1 Decisions on Complaints Referred to the Ombudsman and Health Complaints Commissioner and Right to Information ¹	2 660	2 967	2 926	2 968	3 023
	2 660	2 967	2 926	2 968	3 023
TOTAL	2 660	2 967	2 926	2 968	3 023

Note:

1. The increase in the Office of the Ombudsman in 2017-18 reflects a permanent reallocation of \$112 000 per annum from the Department of Justice to fund the operations of the Prison Inspectorate, and carry forwards from 2016-17 for a fixed-term Right to Information Officer of \$48 000, IT System Application Development of \$14 000, and \$32 000 for the Tasmanian Custodial Inspectorate.

Output Group 1: The Office of the Ombudsman

1.1 Decisions on Complaints Referred to the Ombudsman and Health Complaints Commissioner and Right to Information

This Output provides for the independent and impartial resolution of complaints and the investigation of systemic issues relating to public administration, health care and energy services.

Table 18.2: Performance Information - Output Group 1

Performance Measure	Unit of Measure	2014-15 Actual	2015-16 Actual	2016-17 Target	2017-18 Target
Enquiries Finalised - Ombudsman, Health Complaints and Energy Ombudsman ^{1,2}	Number	1 338	1 812	2 000	2 100
Complaints Finalised - Ombudsman, Health Complaints and Energy Ombudsman ¹	Number	1 266	1 314	1 580	1 660
Average Cost per Resolved Case - Ombudsman, Health Complaints and Energy Ombudsman ^{3,4}	\$	1 016	656	570	585
Cases Finalised per FTE ⁵	Number	160	206	201	211
Complaints to Ombudsman, Health Complaints and Energy Ombudsman Resolved in Less Than Three Months ⁶	%	70	72	85	85
Health Complaints Assessed Within Statutory Period of 45 days ⁷	%	57	64	50	50
Health Complaints Assessed Within the Extended Statutory Period of 90 days ⁷	%	82	81	80	80
Health Complaints - Early resolution under Section 25A of the Act ⁸	%	14	15	15	15

Notes:

1. The 2016-17 targets have been updated to reflect extrapolated year to date actual enquiry and complaint numbers. The Office expects the number of enquires and complaints finalised to increase by approximately five per cent in 2017-18.
2. The Enquiries Finalised figure includes out of jurisdiction enquiries received by the Office.
3. 'Case' includes both enquiries and complaints managed by the Office.
4. The general trending down of Average Cost per Resolved Case reflects the increase in cases resolved, a reasonably static level of Office funding, and the exclusion of costs to run the Official Visitors Program and the Custodial Inspectorate from 2015-16 onwards. These do not form part of the complaint management function of the Office.
5. The 2016-17 and 2017-18 targets are based on the increase in cases finalised in 2015-16.
6. The steady increase in actual Complaints to the Ombudsman, Health Complaints and Energy Ombudsman Resolved in Less Than Three Months reflects a slight increase in FTEs allowing for more timely complaint resolution.
7. This period includes time waiting for responses from health providers and the Australian Health Practitioner Regulation Agency.
8. The Health Complaints jurisdiction increased the target of finalising complaints through early resolution for 2016-17 and onwards from 10 per cent to 15 per cent. The focus on early resolution will be supported through changes in work practices and procedures within the Office.

DETAILED BUDGET STATEMENTS

Table 18.3: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Appropriation revenue - recurrent ¹	2 109	2 306	2 321	2 357	2 412
Other revenue from government ²	....	62	....	....	....
Other revenue	511	517	523	529	535
Total revenue and other income from transactions	2 620	2 885	2 844	2 886	2 947
Expenses from transactions					
Employee benefits ³	2 011	2 216	2 208	2 237	2 285
Depreciation and amortisation ⁴	1	43	43	43	37
Supplies and consumables ⁵	563	621	586	597	608
Other expenses	85	87	89	91	93
Total expenses from transactions	2 660	2 967	2 926	2 968	3 023
Net result from transactions (net operating balance)	(40)	(82)	(82)	(82)	(76)
Net result	(40)	(82)	(82)	(82)	(76)
Comprehensive result	(40)	(82)	(82)	(82)	(76)

Notes:

1. The increase in Appropriation revenue - recurrent in 2017-18 primarily reflects a permanent reallocation of \$112 000 per annum from the Department of Justice to fund the operations of the Prison Inspectorate and a carry forward from 2016-17 of \$32 000 for the Tasmanian Custodial Inspectorate.
2. The increase in Other revenue from government in 2017-18 reflects carry forwards from 2016-17 for a fixed-term Right to Information Officer (\$48 000) and IT System Application Development (\$14 000).
3. The increase in Employee benefits in 2017-18 reflects a permanent reallocation of \$112 000 per annum from the Department of Justice to fund the operations of the Prison Inspectorate and a carry forward from 2016-17 of \$48 000 for a fixed-term Right to Information Officer.
4. The increase in Depreciation and amortisation in 2017-18 reflects revised estimates based on 30 June 2016 actuals.
5. The increase in Supplies and consumables in 2017-18 reflects carry forwards from 2016-17 of \$32 000 for the Tasmanian Custodial Inspectorate and \$14 000 for IT System Application Development, and revised estimates based on 30 June 2016 actuals.

Table 18.4: Revenue from Appropriation by Output

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Attorney-General and Minister for Justice					
Output Group 1 - The Office of the Ombudsman					
1.1 Decisions on Complaints Referred to the Ombudsman and Health Complaints Commissioner and Right to Information ¹	2 109	2 306	2 321	2 357	2 412
	2 109	2 306	2 321	2 357	2 412
Office of the Ombudsman					
Total Recurrent Services	2 109	2 306	2 321	2 357	2 412
	2 109	2 306	2 321	2 357	2 412
Appropriation Carried Forward²	....	62	....	....	....
Total Revenue from Appropriation	2 109	2 368	2 321	2 357	2 412
Controlled Revenue from Appropriation	2 109	2 368	2 321	2 357	2 412
	2 109	2 368	2 321	2 357	2 412

Notes:

1. The increase in the Office of the Ombudsman in 2017-18 primarily reflects the permanent reallocation of \$112 000 per annum from the Department of Justice to fund the operations of the Prison Inspectorate and a carry forward of \$32 000 from 2016-17 for the Tasmanian Custodial Inspectorate.
2. The Appropriation Carried Forward in 2017-18 reflects \$48 000 for a fixed-term Right to Information Officer and \$14 000 for IT System Application Development.

Table 18.5: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	362	301	279	257	235
Receivables ¹	4	12	12	12	12
	366	313	291	269	247
Non-financial assets					
Intangibles ¹	3	27	16	5	....
Other assets ¹	443	419	387	355	323
	446	446	403	360	323
Total assets	812	759	694	629	570
Liabilities					
Payables ¹	10	27	27	27	27
Employee benefits ¹	387	382	399	416	433
Total liabilities	397	409	426	443	460
Net assets (liabilities)	415	350	268	186	110
Equity					
Accumulated funds	415	350	268	186	110
Total equity	415	350	268	186	110

Note:

1. The variations in Cash and deposits, Receivables, Intangibles, Other assets, Payables and Employee benefits reflect revised estimates based on 30 June 2016 actuals.

Table 18.6: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Appropriation receipts - recurrent ¹	2 109	2 306	2 321	2 357	2 412
Other cash receipts	511	517	523	529	535
Total cash inflows	2 620	2 823	2 844	2 886	2 947
Cash outflows					
Employee benefits ²	(1 787)	(1 970)	(1 965)	(1 992)	(2 036)
Superannuation ²	(207)	(229)	(226)	(228)	(232)
Supplies and consumables ³	(563)	(621)	(586)	(597)	(608)
Other cash payments	(85)	(87)	(89)	(91)	(93)
Total cash outflows	(2 642)	(2 907)	(2 866)	(2 908)	(2 969)
Net cash from (used by) operating activities	(22)	(84)	(22)	(22)	(22)
Net increase (decrease) in cash and cash equivalents held	(22)	(84)	(22)	(22)	(22)
Cash and deposits at the beginning of the reporting period	384	385	301	279	257
Cash and deposits at the end of the reporting period	362	301	279	257	235

Notes:

1. The increase in Appropriation receipts - recurrent in 2017-18 primarily reflects a permanent reallocation of \$112 000 per annum from the Department of Justice to fund the operations of the Prison Inspectorate and a carry forward from 2016-17 of \$32 000 for the Tasmanian Custodial Inspectorate.
2. The increases in Employee benefits and Superannuation in 2017-18 primarily reflect a permanent reallocation of \$112 000 per annum from the Department of Justice to fund the operations of the Prison Inspectorate and a carry forward from 2016-17 of \$48 000 for a fixed-term Right to Information Officer.
3. The increase in Supplies and consumables in 2017-18 primarily reflects carry forwards from 2016-17 of \$32 000 for the Tasmanian Custodial Inspectorate and \$14 000 for IT System Application Development, and revised estimates based on 30 June 2016 actuals.

19 TASMANIAN AUDIT OFFICE

AGENCY OUTLINE

The Tasmanian Audit Office (the Office) assists the Auditor-General to provide an independent view of the financial and operational performance of State entities. The *Audit Act 2008* sets out the Auditor-General's functions, mandate and powers.

The Office's mandate is explicit in identifying its primary client as the Parliament. The Office will continue to satisfy Parliament's requirements by engaging with the Public Accounts Committee and individual Members, and by producing relevant reports aimed at providing independent assurance to the Parliament and community on the performance and accountability of the Tasmanian Public Sector.

It is the independence of the Auditor-General and the Office, and the quality and objectivity of their work, that underpins its reputation.

The Office satisfies its mandate by:

- conducting audits of financial statements of State entities and issuing audit reports outlining their compliance with relevant accounting standards and legislation;
- providing an audit report on the Total State, General Government Sector and Public Account Statements, which forms part of the Treasurer's Annual Financial Report;
- issuing audit reports and other formal communications of audit findings to State entities, responsible Ministers and relevant accountable authorities;
- conducting audits of efficiency, effectiveness and economy of a State entity, a number of State entities, a part of a State entity or a subsidiary of a State entity;
- examining or investigating any matter relating to the accounts of the Treasurer, a State entity or a subsidiary of a State entity;
- examining or investigating any matter relating to public money, other money, or to public property or other property;
- conducting compliance audits to examine compliance by a State entity, or a subsidiary of a State entity, with written laws or its own internal policies;
- carrying out audits of employer functions outlined in the *State Service Act 2000*; and
- managing its own activities efficiently and effectively.

The results of all audits conducted by the Auditor-General are reported to Parliament for its consideration.

This chapter provides financial information about the Output to be delivered by the Office during 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information about the Office is provided at www.audit.tas.gov.au.

KEY DELIVERABLES

The key deliverables for the Office include:

- continuous improvement to financial audit processes and engagement with State entities to ensure financial statements, and audit reports thereon, are issued in a timely manner and in accordance with the requirements of the Audit Act. This will include revisions to the audit methodology and associated tools in order to further enhance the audit process;
- ongoing development and improvement of Statutory Reports to Parliament on outcomes of financial audits through the enhancement of reported information, report style and readability, financial analysis and more informed commentary;
- ongoing development of a forward program of probity, performance and compliance audits for inclusion in annual plans of work;
- completion of probity, performance and compliance audits as documented in the annual plan of work, and the reporting of the outcomes to Parliament;
- completion of examinations of, or investigations into, matters relating to public money, other money, or into public property or other property, and the reporting of the outcomes to Parliament;
- continuation of functions under the State Service Act as follows:
 - investigations referred by the Employer under the State Service Act which the Auditor-General agrees to conduct; and
 - own-motion investigations, audits or reviews initiated by the Auditor-General;
- implementation of the Office's five-year strategic plan 2016-2020;
- responding to new and revised accounting and auditing standards and contributing to their development at the Exposure Draft stages; and
- facilitating the Fiji Twinning arrangement between the Office and the Office of the Auditor-General of Fiji with funding provided by the Department of Foreign Affairs and Trade.

OUTPUT INFORMATION

The Office's individual Output is provided under:

- Output Group 1 - Public Sector Management and Accountability.

Table 19.1 provides an Output Group Expense Summary for the Office.

Table 19.1: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - Public Sector Management and Accountability					
1.1 Public Sector Management and Accountability	8 191	8 184	8 252	8 323	8 418
	8 191	8 184	8 252	8 323	8 418
TOTAL	8 191	8 184	8 252	8 323	8 418

Output Group 1: Public Sector Management and Accountability

1.1 Public Sector Management and Accountability

This Output Group enables the Office to provide independent assurance to the Parliament and community on the performance and accountability of the Tasmanian Public Sector. The services the Office must deliver to enable achievement of this Outcome are:

- Audit Assurance - independent assurance of Tasmanian public sector financial reporting, administration, control and accountability; and
- Parliamentary Reports and Services - independent assessment of the performance of selected State entity activities, including scope for improving economy, efficiency, effectiveness and compliance.

Table 19.2 provides details of the performance measures to be applied in assessing the Office's effectiveness and efficiency in achieving its outcomes.

Table 19.2: Performance Information - Output Group 1

Performance Measure	Unit of Measure	2014-15 Actual	2015-16 Actual	2016-17 Target	2017-18 Target
Audit Assurance					
All financial audit opinions to be issued within 45 days of receipt of final signed financial statements ¹	%	92	97	100	100
Overall client satisfaction survey - Financial Audit ²	%	80	nm	75	nm
Parliamentary Reports and Services					
Parliamentarian general satisfaction index ^{2,3}	%	97	nm	75	nm
Overall client satisfaction survey - Performance Audit ²	%	69	nm	75	nm
Number of Performance Audit reports tabled ⁴	Number	6	6	7	7
Number of Statutory Reports on outcomes of financial audits	Number	1	1	1	1
Average number of months Performance Audits are completed within ⁵	Average Months	10.0	9.0	9.0	9.0
Recommendations agreed and acted upon from performance audits	%	64	77	70	70
Number of 'employer' Performance Audits completed	Number	1	1	1	1
Office-wide Efficiency Indicators					
Total audit costs per \$'000 of public sector transactions	\$	0.4	0.4	0.4	0.4
Total audit costs per \$'000 of public sector assets	\$	0.2	0.2	0.2	0.2
Percentage of total (whole of office) paid hours charged to audit activities ⁶	%	48	49	55	55

nm = not measured

Notes:

1. Financial statement audits are completed on a cyclical basis. Audits of financial statements at 30 June 2016 will be completed in 2016-17.
2. The Satisfaction Indexes are calculated when the biennial Parliamentarian and Client Surveys are conducted.
3. The 2016-17 target represents the Australasian benchmark as used by Audit Offices in other jurisdictions.
4. The number of reports tabled includes compliance audits and investigations where applicable. The decrease by one report in 2014-15 and 2015-16 was due to staff absences and one staff departure.
5. The length of time taken to table performance reports for 2014-15 was 10 months. This was mainly due to the complexity in scoping of one of the reports.
6. The Percentage of total (whole of office) paid hours charged to audit activities in 2014-15 reflects the extra time taken to implement the upgrade of new audit methodology (IPSAM 4). This required an increase in training hours for all financial audit services staff. The effect of this has also been felt in 2015-16 along with the additional recruitment of graduate staff. The Office predicts it will return to expected operational levels in 2016-17 and across the Forward Estimates.

DETAILED BUDGET STATEMENTS

Table 19.3: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Appropriation revenue - recurrent ¹	2 313	2 493	2 532	2 559	2 617
Sales of goods and services ²	5 604	5 683	5 693	5 703	5 740
Other revenue ³	165	13	13	13	13
Total revenue and other income from transactions	8 082	8 189	8 238	8 275	8 370
Expenses from transactions					
Employee benefits	5 256	5 356	5 455	5 572	5 621
Depreciation and amortisation ²	54	49	49	49	74
Supplies and consumables ²	2 582	2 485	2 455	2 397	2 406
Other expenses ²	299	294	293	305	317
Total expenses from transactions	8 191	8 184	8 252	8 323	8 418
Net result from transactions (net operating balance)	(109)	5	(14)	(48)	(48)
Net result	(109)	5	(14)	(48)	(48)
Comprehensive result	(109)	5	(14)	(48)	(48)

Notes:

1. The increase in Appropriation revenue - recurrent in 2017-18 primarily reflects a permanent reallocation from the Department of Premier and Cabinet to the Tasmanian Audit Office of \$140 000 per annum for the provision of the State Service Employer Audit Function.
2. The variations in Sales of goods and services, Depreciation and amortisation, Supplies and consumables and Other expenses in 2017-18 reflect revised estimates based on 30 June 2016 actuals.
3. The decrease in Other revenue in 2017-18 reflects the cessation of the current reimbursement arrangement between the Department of Premier and Cabinet and the Tasmanian Audit Office for the provision of the State Service Employer Audit Function, which has been transferred and is now appropriated to the Audit Office.

Table 19.4: Revenue from Appropriation by Output

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Treasurer					
Output Group 1 - Public Sector Management and Accountability					
1.1 Public Sector Management and Accountability ¹	1 853	2 014	2 038	2 053	2 101
	1 853	2 014	2 038	2 053	2 101
Tasmanian Audit Office					
Total Recurrent Services	1 853	2 014	2 038	2 053	2 101
	1 853	2 014	2 038	2 053	2 101
Reserved by Law					
Salary and Travelling Allowance, Auditor-General (Audit Act 2008)	460	479	494	506	516
	460	479	494	506	516
Total Revenue from Appropriation	2 313	2 493	2 532	2 559	2 617
Controlled Revenue from Appropriation	2 313	2 493	2 532	2 559	2 617
	2 313	2 493	2 532	2 559	2 617

Note:

1. The increase in Public Sector Management and Accountability in 2017-18 primarily reflects a permanent reallocation from the Department of Premier and Cabinet to the Tasmanian Audit Office of \$140 000 per annum for the provision of the State Service Employer Audit Function.

Table 19.5: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	1 989	2 756	2 775	2 760	2 745
Receivables ¹	509	569	564	559	554
Other financial assets ¹	533	257	252	247	242
	3 031	3 582	3 591	3 566	3 541
Non-financial assets					
Property, plant and equipment	300	279	245	211	177
Intangibles	....	5	5	5	5
Other assets	27	29	25	21	17
	327	313	275	237	199
Total assets	3 358	3 895	3 866	3 803	3 740
Liabilities					
Payables ¹	79	65	62	59	56
Employee benefits ¹	1 170	995	990	985	980
Superannuation ¹	149	127	127	127	127
Other liabilities ¹	233	360	353	346	339
Total liabilities	1 631	1 547	1 532	1 517	1 502
Net assets (liabilities)	1 727	2 348	2 334	2 286	2 238
Equity					
Accumulated funds	559	1 180	1 166	1 118	1 070
Other equity	1 168	1 168	1 168	1 168	1 168
Total equity	1 727	2 348	2 334	2 286	2 238

Note:

1. The variations in Cash and deposits, Receivables, Other financial assets, Payables, Employee benefits, Superannuation and Other liabilities between 2017 Budget and 2018 Budget reflect revised estimates based on 30 June 2016 actuals.

Table 19.6: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Appropriation receipts - recurrent ¹	2 313	2 493	2 532	2 559	2 617
Sales of goods and services ²	5 872	5 936	5 946	5 956	5 956
GST receipts	635	672	672	672	672
Other cash receipts ³	165	13	13	13	13
Total cash inflows	8 985	9 114	9 163	9 200	9 258
Cash outflows					
Employee benefits	(4 868)	(4 954)	(5 011)	(5 152)	(5 196)
Superannuation	(648)	(657)	(699)	(675)	(680)
GST payments	(635)	(672)	(672)	(672)	(672)
Supplies and consumables ²	(2 579)	(2 478)	(2 448)	(2 390)	(2 399)
Other cash payments	(299)	(294)	(293)	(305)	(305)
Total cash outflows	(9 029)	(9 055)	(9 123)	(9 194)	(9 252)
Net cash from (used by) operating activities	(44)	59	40	6	6
Cash flows from investing activities					
Payments for acquisition of non-financial assets	(31)	(29)	(21)	(21)	(21)
Net cash from (used by) investing activities	(31)	(29)	(21)	(21)	(21)
Net increase (decrease) in cash and cash equivalents held	(75)	30	19	(15)	(15)
Cash and deposits at the beginning of the reporting period	2 064	2 726	2 756	2 775	2 760
Cash and deposits at the end of the reporting period	1 989	2 756	2 775	2 760	2 745

Notes:

1. The increase in Appropriation receipts - recurrent in 2017-18 primarily reflects a permanent reallocation from the Department of Premier and Cabinet to the Tasmanian Audit Office of \$140 000 per annum for the provision of the State Service Employer Audit Function.
2. The variations in Sales of goods and services and Supplies and consumables in 2017-18 reflect revised estimates based on 30 June 2016 actuals.
3. The decrease in Other cash receipts in 2017-18 reflects the cessation of the current reimbursement arrangement between the Department of Premier and Cabinet and the Tasmanian Audit Office for the provision of the State Service Employer Audit Function, which has now been permanently transferred to the Tasmanian Audit Office.

20 TOURISM TASMANIA

AGENCY OUTLINE

Tasmania's tourism industry is made up of around 2 000 separate businesses. Tasmania's tourism industry directly and indirectly supports around 36 700 jobs in Tasmania (15.3 per cent of total Tasmanian employment) and contributes about \$2.6 billion to the economy (9.9 per cent of the gross state product).

In the year to December 2016, we welcome a record-breaking 1.24 million visitors, seven per cent more than the previous year. At the same time, visitor expenditure increased 10 per cent to \$2.14 billion. This strong growth highlights our continuing appeal and puts us well on track to meeting our goal of 1.5 million visitors a year by 2020.

Our challenge now is to generate more demand for travel to Tasmania by growing our appeal, giving people more reasons to visit and making it easier for them to get here.

Through its destination marketing programs, Tourism Tasmania plays an important role in achieving the Government and tourism industry's goals of attracting 1.5 million visitors a year to Tasmania by 2020, generating \$2.5 billion of visitor spending, maintaining regional dispersal, increasing visitor satisfaction and creating 44 500 direct and indirect tourism jobs.

The 2017-18 Budget and Forward Estimates include an additional \$11 million for tourism marketing across the Forward Estimates. The additional funding will be directly invested in domestic and international marketing programs to stimulate demand for leisure travel in Tasmania.

The tourism goals are part of the industry and Government's tourism blueprint, *Tourism 21 (T21) - The Tasmanian Visitor Economy Strategy 2015-2020*, which was released in November 2015.

Through T21, the Government and industry are collectively focused on achieving these goals by growing demand for travel to Tasmania; expanding air and sea access; investing in quality tourism infrastructure and building capability, capacity and community.

Under this joint approach, Tourism Tasmania's main contribution to reaching the T21 goals is achieved by stimulating more demand for leisure travel to Tasmania and attracting more leisure visitors through the use of brand-aligned content, advocacy, partnerships and improved access.

Tourism Tasmania also collaborates with other government agencies and organisations involved with the visitor economy to ensure the growth in visitor numbers is matched with the supply of adequate air and sea access, new tourism experiences, accommodation, visitor services, infrastructure and a suitably skilled workforce.

As part of this collaboration, the Authority provides the Secretariat for the Premier's Visitor Economy Advisory Committee, the T21 Steering Committee and the Access Working Group. It also supports and works closely with a number of important industry stakeholders including the Tourism Industry Council Tasmania, the Tasmanian Visitor Information Network and, in particular, the State's four regional tourism organisations.

Tourism Tasmania is a State Authority operating under the Tourism Tasmania Act 1996. Tourism Tasmania's role is to grow economic and social value by attracting domestic and international leisure visitors to the State. Tourism Tasmania aims to connect people culturally and emotionally to Tasmania through its domestic and international marketing programs.

The Authority supports the Minister for Tourism, Hospitality and Events, Hon Will Hodgman MP.

This chapter details the Authority's financial information for 2017-18 and over the Forward Estimates period (2018-19 to 2020-21).

Further information on Tourism Tasmania is provided at www.tourismtasmania.com.au.

KEY DELIVERABLES

Table 20.1 provides a summary of the Budget and Forward Estimate allocations for key deliverables within the Authority.

Table 20.1: Key Deliverables Statement

	2017-18 Budget	2018-19 Forward Estimate	2019-20 Forward Estimate	2020-21 Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Tourism Marketing - Additional Funding	2 000	3 000	3 000	3 000

Tourism Marketing - Additional Funding

The 2017-18 Budget and Forward Estimates include an additional \$11 million for tourism marketing across the Forward Estimates. The additional funding will be directly invested in domestic and international marketing programs to stimulate demand for leisure travel to Tasmania.

Access

In line with the goals and priorities of Access 2020 and *T21 - The Tasmanian Visitor Economy Strategy 2015-20*, Tourism Tasmania engages with domestic air and sea carriers and international aviation carriers, to build market demand for visitors through commercial partnerships and cooperative marketing programs.

This includes the strengthening of business case demand modelling to support potential limited direct flights from key international markets, following the completion of the Hobart Airport Runway Extension project in early 2018.

Tourism Tasmania continues to engage with international carriers and develop dedicated cooperative international airline marketing partnerships through the establishment of specific airline codeshare arrangements and cooperative marketing agreements to accelerate growth of Tasmanian visitors on their networks. This will establish demand through domestic partner airlines and longer term marketing for direct aviation access services. It will also assist market take-up of increased domestic seat capacity into Tasmania, supporting domestic aviation partner activity.

Advocacy

Research shows that in today's travel marketplace, word of mouth and third party referrals play a crucial role in people's holiday decision making.

As part of its marketing repertoire, Tourism Tasmania engages its stakeholders and customers to support the destination brand, facilitating the sharing of Tasmania's rich stories and harnessing the power and passion of Tasmanians, to tell these stories and add depth to the Tasmanian visitor experience. The Authority shares this brand-aligned content and stories with followers, its target audience and other strategic marketing partners in Australia and overseas through the use of its social, digital and other marketing channels.

Global brand advocacy is also supported by social media and public relations activities through Tourism Australia's International Media Hosting Program and Tourism Tasmania's own Visiting Influencer Program to broaden the reach of its brand marketing campaigns and brand message.

Brand

All of Tourism Tasmania's marketing activity is guided by a strong and distinctive Tasmanian tourism brand. Tasmania's tourism brand focuses on key aspects of the State that are both good and different to differentiate the State from other travel destinations and encourage a clear, consistent and compelling marketing message.

The Authority is responsible for developing and managing Tasmania's tourism brand, which includes ensuring it aligns with the overall Tasmania brand, monitoring its relevance and application in marketing campaigns and programs, and overseeing the evolution of the tourism brand to ensure Tasmania continues to stand out from competing destinations.

The Authority also continues to broaden the industry's understanding of Tasmania's tourism brand through the education of key stakeholders including government, industry, commercial travel partners, regional tourism bodies and, internally, amongst its staff.

Content

To support its domestic and international marketing activities, Tourism Tasmania places great importance on creating, curating, publishing and sharing content about Tasmania that best conveys the destination's tourism brand and creates more demand for leisure travel to the State.

Outstanding content conveying the rich and deep stories of Tasmania is used to effectively and efficiently differentiate Tasmania in a competitive and crowded global travel marketplace. Content plays a vital role in a consumer's decision making process by building brand awareness, creating consumer engagement with the destination, increasing sales leads and travel bookings, and building consumer advocacy and loyalty.

The Authority creates and curates brand-aligned content about Tasmania from a variety of sources including the Tasmanian community, regional tourism organisations, visitors, tourism operators and professional content generators. It also shares content with its partners for their marketing and uses it across a range of its own marketing channels, including websites, social media platforms, direct marketing programs and mainstream media. Tourism Tasmania also ensures appropriate systems and processes are in place to streamline the sharing of brand-aligned content internally and externally between domestic and international marketing partners, tourism industry partners, tourism businesses and other stakeholders.

Partnerships

Tourism Tasmania invests in partnerships that deliver high-value visitors to Tasmania. These partnerships include cooperative marketing campaigns and promotions with a range of international and domestic partners to stimulate destination awareness as well as travel, sales and holiday bookings for Tasmania. The Authority's partners include, but are not limited to, sector and special interest groups, event organisers, wholesalers, retail travel networks, carriers and inbound tour operators.

The Authority also works in partnership with Tourism Australia to promote the State through global campaigns and programs, including Tourism Australia's 'There's Nothing Like Australia', Restaurant Australia, Aquatic and Coastal and its global Signature Experiences campaigns and programs.

Strategic partnerships with Tourism Australia also encompass travel trade and consumer promotions in selected international markets, and marketing partnerships with domestically based inbound tour operators and youth travel chains.

OUTPUT INFORMATION

Tourism Tasmania has a single Output Group: Output Group 1 - Tourism.

Table 20.2 provides an Output Group Expense Summary for the Authority.

Table 20.2: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Minister for Tourism, Hospitality and Events</i>					
Output Group 1 - Tourism					
1.1 Tourism ¹	27 377	29 877	29 673	30 019	30 520
	27 377	29 877	29 673	30 019	30 520
TOTAL	27 377	29 877	29 673	30 019	30 520

Note:

1. The increase in 2017-18 reflects additional funding for Tourism Marketing of \$2.0 million in 2017-18 and \$3.0 million in 2018-19, 2019-20 and 2020-21.

Output Group 1: Tourism

1.1 Tourism

Tourism Tasmania's role is to create demand for travel to the State by connecting people culturally and emotionally to Tasmania through domestic and international marketing programs that lead and activate the Tasmanian brand, and grow economic and social value.

This Output primarily undertakes marketing activities that focus on building a strong distinctive tourism brand, delivering targeted marketing campaigns, and facilitating public relations and social media activities to create destination exposure in key Australian and international markets.

The Output includes commercial marketing partnerships with carriers, retail travel networks, online travel retailers and other distributors of Tasmanian tourism products, to stimulate holiday sales and bookings to Tasmania.

This Output supports the development and the growth of a strong regional tourism platform and is also responsible for ensuring that the future development and growth of Tasmania's economy is matched with access capability.

Table 20.3: Performance Information

Performance Measure	Unit of Measure	2014-15 Actual	2015-16 Actual	2016-17 Target	2017-18 Target
Visitors to Tasmania ¹	'000	1 147	1 168	1 288	1 359
Interstate leisure visitation to Tasmania ^{1,2}	'000	na	na	782	815
International leisure visitation to Tasmania ^{2,3}	'000	na	na	185	201
Interstate visitation to Tasmania ^{1,4}	'000	988	998	na	na
International visitation to Tasmania ^{2,4}	'000	198	224	na	na
Total holiday visitation ^{1,5}	'000	542	554	na	na
Intrastate visitation ⁶	'000	1 271	1 252	na	na
Local tourism strategies with Regional Tourism Organisations (RTOs)	Number	4	4	4	4

Notes:

1. Visitors to Tasmania travelling on scheduled air and sea services.
2. Includes holiday and VFR (visiting friends and relatives) only. It does not include visitors to Tasmania for business, education or other purposes.
3. Data for this performance measure is sourced from the International Visitors Survey.
4. This data is no longer measured as a KPI for Tourism Tasmania. The change reflects a focus on leisure visitation as a subset of total visitors
5. This data is a no longer measured as a KPI for Tourism Tasmania. The change reflects a focus on total leisure.
6. This data is a no longer measured as a KPI for Tourism Tasmania. The change reflects a focus on total leisure interstate and international leisure visitors only.

DETAILED BUDGET STATEMENTS

Table 20.4: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Appropriation revenue - recurrent ¹	26 800	29 301	29 160	29 597	30 098
Other revenue	400	400	400	400	400
Total revenue and other income from transactions	27 200	29 701	29 560	29 997	30 498
Expenses from transactions					
Employee benefits	5 855	5 972	6 091	6 201	6 329
Depreciation and amortisation	177	176	113	22	22
Supplies and consumables ¹	19 761	22 114	21 822	22 117	22 470
Grants and subsidies	1 517	1 547	1 578	1 609	1 628
Other expenses	67	68	69	70	71
Total expenses from transactions	27 377	29 877	29 673	30 019	30 520
Net result from transactions (net operating balance)	(177)	(176)	(113)	(22)	(22)
Net result	(177)	(176)	(113)	(22)	(22)
Comprehensive result	(177)	(176)	(113)	(22)	(22)

Note:

1. The increases in Appropriation revenue - recurrent and Supplies and consumables reflect additional funding received for Tourism Marketing of \$2.0 million in 2017-18 and \$3.0 million in 2018-19, 2019-20 and 2020-21.

Table 20.5: Revenue from Appropriation by Output

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Tourism, Hospitality and Events					
Output Group 1 - Tourism					
1.1 Tourism ¹	26 800	29 301	29 160	29 597	30 098
	26 800	29 301	29 160	29 597	30 098
Tourism Tasmania					
Total Recurrent Services	26 800	29 301	29 160	29 597	30 098
	26 800	29 301	29 160	29 597	30 098
Total Revenue from Appropriation	26 800	29 301	29 160	29 597	30 098
Controlled Revenue from Appropriation	26 800	29 301	29 160	29 597	30 098
	26 800	29 301	29 160	29 597	30 098

Note:

1. The increase in appropriation reflects the additional funding received for Tourism Marketing of \$2.0 million in 2017-18 and \$3.0 million in 2018-19, 2019-20 and 2020-21.

Table 20.6: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	1	74	74	74	74
Receivables ¹	99	219	219	219	219
	100	293	293	293	293
Non-financial assets					
Property, plant and equipment ¹	202	305	283	261	239
Intangibles	246	91	....	....	....
Other assets ¹	450	505	505	505	505
	898	901	788	766	744
Total assets	998	1 194	1 081	1 059	1 037
Liabilities					
Payables ¹	75	49	49	49	49
Provisions ¹	96	....	....	....	....
Employee benefits	1 277	1 303	1 303	1 303	1 303
Other liabilities ¹	6	54	54	54	54
Total liabilities	1 454	1 406	1 406	1 406	1 406
Net assets (liabilities)	(456)	(212)	(325)	(347)	(369)
Equity					
Accumulated funds	(456)	(212)	(325)	(347)	(369)
Total equity	(456)	(212)	(325)	(347)	(369)

Note:

1. The variations in Cash and deposits, Receivables, Property, plant and equipment, Other assets, Payables, Provisions and Other liabilities reflect revised estimates based on 30 June 2016 actuals.

Table 20.7: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Appropriation receipts - recurrent ¹	26 800	29 301	29 160	29 597	30 098
Other cash receipts	400	400	400	400	400
Total cash inflows	27 200	29 701	29 560	29 997	30 498
Cash outflows					
Employee benefits	(5 287)	(5 393)	(5 501)	(5 601)	(5 715)
Superannuation	(568)	(579)	(590)	(600)	(614)
Grants and subsidies	(1 517)	(1 547)	(1 578)	(1 609)	(1 628)
Supplies and consumables ¹	(19 761)	(22 114)	(21 822)	(22 117)	(22 470)
Other cash payments	(67)	(68)	(69)	(70)	(71)
Total cash outflows	(27 200)	(29 701)	(29 560)	(29 997)	(30 498)
Net increase (decrease) in cash and cash equivalents held					

Cash and deposits at the beginning of the reporting period					
	1	74	74	74	74
Cash and deposits at the end of the reporting period					
	1	74	74	74	74

Note:

1. The increases in Appropriation receipts - recurrent and Supplies and consumables reflect the additional funding received for Tourism Marketing of \$2.0 million in 2017-18 and \$3.0 million in 2018-19, 2019-20 and 2020-21.

PART 3:

STATUTORY AUTHORITIES

21 INLAND FISHERIES SERVICE

AUTHORITY OUTLINE

The Inland Fisheries Service (IFS) has wide statutory powers under the *Inland Fisheries Act 1995* to regulate, manage and protect freshwater fish and improve fisheries in inland waters.

The responsible Minister is the Minister for Primary Industries and Water, Hon Jeremy Rockliff MP, and the supporting agency is the Department of Primary Industries, Parks, Water and Environment.

The IFS manages Tasmania's inland fisheries for the benefit of anglers and the Tasmanian community. This requires management of:

- Tasmanian inland recreational fisheries;
- inland commercial fisheries and associated aquaculture industries; and
- conservation of native fish and eradication of pest fish.

This chapter provides the IFS's financial information for 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information on the IFS is provided at www.ifs.tas.gov.au.

KEY DELIVERABLES

The key deliverables for the IFS include:

- continuing and reinforcing the extensive work completed to date in the eradication of carp in Lake Sorell with the aim of eradication in 2018-19. The Forward Estimates reflect the IFS funding the completion of the program with ongoing monitoring in subsequent years as Australian Government part-funding to the Carp Management Program (CMP) ceases on 30 June 2017;
- increasing angling opportunities in Southern Tasmania;
- continuing a number of projects to develop and improve angler access to lakes, rivers and streams throughout the State, including road and facilities improvements at various popular waters; and
- supporting the preparation for, and planning of, the 2019 World Fly Fishing Championships.

DETAILED BUDGET STATEMENTS

Table 22.1: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Grants	1 123	1 123	1 123	1 123	1 123
Sales of goods and services ¹	1 026	639	647	657	665
Fees and fines	1 699	1 634	1 650	1 666	1 683
Interest ²	110	50	51	51	52
Total revenue and other income from transactions	3 958	3 446	3 471	3 497	3 523
Expenses from transactions					
Employee benefits ³	2 089	2 223	2 265	2 149	2 173
Depreciation and amortisation	262	284	286	287	288
Supplies and consumables ⁴	1 534	1 306	1 283	1 235	1 003
Total expenses from transactions	3 885	3 813	3 834	3 671	3 464
Net result from transactions (net operating balance)	73	(367)	(363)	(174)	59
Net result	73	(367)	(363)	(174)	59
Other economic flows - other non-owner changes in equity					
Changes in physical asset revaluation reserve ⁵	10	120	....	100	....
Total other economic flows - other non-owner changes in equity	10	120	....	100	....
Comprehensive result	83	(247)	(363)	(74)	59

Notes:

1. The decrease in Sales of goods and services in 2017-18 reflects reduced Australian Government funding for the Carp Management Program and a reduction in the sales of elver due to a decrease in demand.
2. The decrease in Interest revenue in 2017-18 reflects current interest rate estimates and a reduction in the total value of interest earning assets held during the 2016-17 financial year.
3. The increase in Employee benefits in 2017-18 reflects the maintenance of fixed term staffing levels to facilitate the completion of the Carp Management Program. The decrease over the Forward Estimates reflects the progressive completion of the Program over those years.
4. The decrease in Supplies and consumables over the Budget and Forward Estimates reflects the progressive completion of the Carp Management Program.
5. The increase in Changes in physical asset revaluation reserve in 2017-18 represents the change in equity that results from the purchase of non-financial assets budgeted for in 2017-18.

Table 22.2: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	2 722	1 672	1 595	1 708	2 055
Receivables ²	174	150	160	160	160
	2 896	1 822	1 755	1 868	2 215
Non-financial assets					
Property, plant and equipment ²	3 906	4 273	3 928	3 792	3 456
Infrastructure ³	....	120	120	120	120
Investment property ²	2 435	2 894	2 959	2 877	2 915
	6 341	7 287	7 007	6 789	6 491
Total assets	9 237	9 109	8 762	8 657	8 706
Liabilities					
Payables ²	133	75	80	75	85
Employee benefits ²	555	594	605	579	559
Total liabilities	688	669	685	654	644
Net assets (liabilities)	8 549	8 440	8 077	8 003	8 062
Equity					
Reserves	2 274	2 308	2 308	2 408	2 408
Accumulated funds	3 075	2 932	2 569	2 395	2 454
Other equity	3 200	3 200	3 200	3 200	3 200
Total equity	8 549	8 440	8 077	8 003	8 062

Notes:

1. The decrease in Cash and deposits in 2018 reflects utilisation of cash for the purchase of fixed assets in 2016-17.
2. The variations in Receivables, Property, plant and equipment, Investment property, Payables and Employee benefits between 2017 Budget and 2018 Budget primarily reflects revised estimates based on 30 June 2016 actuals.
3. The increase in Infrastructure in 2018 reflects the purchase of the Hydro Creek Fish Trap.

Table 22.3: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Grants	1 123	1 123	1 123	1 123	1 123
Sales of goods and services ¹	1 026	639	647	657	665
Fees and fines	1 699	1 634	1 650	1 666	1 683
GST receipts	60	80	80	80	80
Interest received	110	50	51	51	52
Total cash inflows	4 018	3 526	3 551	3 577	3 603
Cash outflows					
Employee benefits ²	(1 889)	(2 009)	(2 046)	(1 941)	(1 963)
Superannuation	(200)	(214)	(219)	(208)	(210)
GST payments	(100)	(80)	(80)	(80)	(80)
Supplies and consumables ³	(1 534)	(1 306)	(1 283)	(1 235)	(1 003)
Total cash outflows	(3 723)	(3 609)	(3 628)	(3 464)	(3 256)
Net cash from (used by) operating activities	295	(83)	(77)	113	347
Cash flows from investing activities					
Payments for acquisition of non-financial assets ⁴	(200)	(120)	....	....	....
Proceeds from the disposal of non-financial assets ⁵	80	....	....	....	....
Net cash from (used by) investing activities	(120)	(120)	....	....	....
Net increase (decrease) in cash and cash equivalents held	175	(203)	(77)	113	347
Cash and deposits at the beginning of the reporting period	2 547	1 875	1 672	1 595	1 708
Cash and deposits at the end of the reporting period	2 722	1 672	1 595	1 708	2 055

Notes:

1. The decrease in Sales of goods and services in 2017-18 reflects reduced Australian Government funding for the Carp Management Program and a reduction in the sales of elver due to a decrease in demand.
2. The increase in Employee benefits in 2017-18 reflects the maintenance of fixed term staffing levels to facilitate the completion of the Carp Management Program. The decrease over the Forward Estimates reflects the progressive completion of the Program over those years.
3. The decrease in Supplies and consumables over the Budget and Forward Estimates reflects the progressive completion of the Carp Management Program.
4. The decrease in Payments for acquisition of non-financial assets in 2018-19 is due to the cessation of the capital works program. The amount of \$120 000 in 2017-18 relates to the construction of the Hydro Creek Fish Trap, which will be concluded in 2017-18.

5. The decrease in Proceeds from the disposal of non-financial assets in 2017-18 reflects the projected disposal schedule.

22 MARINE AND SAFETY TASMANIA

AUTHORITY OUTLINE

Marine and Safety Tasmania (MAST) seeks to be widely recognised as a proactive, approachable and knowledgeable organisation that performs the functions required under the *Marine and Safety Authority Act 1997*. These functions are to:

- ensure the safe operation of vessels;
- provide and manage marine facilities;
- manage environmental issues relating to vessels; and
- perform the functions delegated to the Authority by the Australian Maritime Safety Authority (AMSA).

The responsible Minister is the Minister for Infrastructure, Hon Rene Hidding MP, and the supporting agency is the Department of State Growth.

This chapter provides MAST's financial information for 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information on MAST is provided at www.mast.tas.gov.au.

KEY DELIVERABLES

Table 22.1 provides a summary of the Budget and Forward Estimate allocations for key deliverables within the Authority.

Table 22.1: Key Deliverables Statement

	2017-18	2018-19	2019-20	2020-21
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Marine Infrastructure Maintenance	829	831	833	834
National Maritime Reform - Transition	750	....	....	....
Recreational Boating Fund - Facilities and Services	1 685	1 889	1 592	1 695
Woodbridge and Brid River Jetties	600	600	....	....

Marine Infrastructure Maintenance

A comprehensive preventative maintenance program will continue on important marine infrastructure including navigation aids, jetties and breakwaters.

National Maritime Reform - Transition

From 1 July 2013, the *Marine Safety (Domestic Commercial Vessel) National Law Act 2012* (National Law) created a national safety system for domestic commercial vessels through a single national law for seafarers and commercial vessel owners. The Act replaced eight existing federal, state and territory regulators with one national marine safety regulator, the Australian Maritime Safety Agency (AMSA). MAST will remain responsible for the day-to-day administration of the National Law in Tasmania, under delegation from AMSA until AMSA assumes full service delivery on 1 July 2018. Significant internal resources have been diverted to the transition out of service delivery to ensure that MAST achieves the best outcome for commercial operators in Tasmania.

Recreational Boating Fund - Facilities and Services

The funding of community projects under the Recreational Boating Fund will continue during 2017-18 with \$1.7 million being made available for the upgrade of recreational boating facilities and continuation of safety initiatives and services. Projects are funded from revenue received from the registration of recreational vessels and licensing of operators. The level of expenditure associated with this initiative reflects the expected timing of expenditure on projects and services for the recreational boating community.

Woodbridge and Brid River Jetties

The inner section of the Brid River Jetty will be replaced in 2017-18 at a cost of \$500 000. The jetty is used extensively by commercial fisherman and the local boat building industry. The outer section was rebuilt in 2009.

The Woodbridge Jetty will be replaced in 2018-19 at a cost of \$700 000. The main users of the jetty are the tourism and education sectors. Commercial fisherman also use the jetty to offload catch and the structure is widely used by the general community.

DETAILED BUDGET STATEMENTS

Table 22.2: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Grants ¹	1 592	1 603	1 603	1 003	1 003
Sales of goods and services ²	3 890	5 453	3 866	2 987	5 165
Interest	67	69	70	71	73
Total revenue and other income from transactions	5 549	7 125	5 539	4 061	6 241
Expenses from transactions					
Employee benefits ³	2 213	1 871	1 736	1 758	1 780
Depreciation and amortisation	912	1 086	1 076	1 072	1 064
Supplies and consumables ⁴	4 023	3 849	3 784	3 510	3 744
Total expenses from transactions	7 148	6 806	6 596	6 340	6 588
Net result from transactions (net operating balance)	(1 599)	319	(1 057)	(2 279)	(347)
Net result	(1 599)	319	(1 057)	(2 279)	(347)
Comprehensive result	(1 599)	319	(1 057)	(2 279)	(347)

Notes:

1. The increase in Grants in 2017-18 and subsequent decrease in 2019-20 reflects additional grants funding for the Brid River and Woodbridge Jetties. The increase in 2017-18 is largely offset by the completion of the St Helens Barway Stabilisation Stage 2.
2. The increases in Sales of goods and services in 2017-18 and 2020-21 reflect the timing of recreational boating licence renewals which occur every three years.
3. The decrease in Employee benefits in 2017-18 reflects changes to staffing levels due to the transition out of commercial vessel service delivery.
4. The decrease in Supplies and consumables in 2017-18 reflects revised estimates based on 30 June 2016 actuals.

Table 22.3: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	1 009	2 862	2 218	1 016	1 728
Receivables	142	135	102	112	144
	1 151	2 997	2 320	1 128	1 872
Non-financial assets					
Property, plant and equipment ²	23	404	310	222	141
Infrastructure ³	24 708	27 568	27 185	26 201	25 218
Other assets	39	37	42	38	40
	24 770	28 009	27 537	26 461	25 399
Total assets	25 921	31 006	29 857	27 589	27 271
Liabilities					
Payables	343	339	355	323	287
Employee benefits ⁴	755	460	352	395	460
Total liabilities	1 098	799	707	718	747
Net assets (liabilities)	24 823	30 207	29 150	26 871	26 524
Equity					
Reserves	13 089	16 646	16 646	16 646	16 646
Accumulated funds	1 795	3 622	2 565	286	(61)
Other equity	9 939	9 939	9 939	9 939	9 939
Total equity	24 823	30 207	29 150	26 871	26 524

Notes:

1. The increases in Cash and deposits in 2018 and 2021 primarily reflect the receipt of triennial licence renewal income during June 2018 and June 2021. This additional revenue is then applied to projects over the following three years to improve boating infrastructure and safety services.
2. The increase in Property, plant and equipment in 2018 reflects the capitalisation of office fit-out costs. Costs will be depreciated over the life of the lease.
3. The increase in Infrastructure in 2018 reflects the capitalisation of works undertaken to improve the access to the port of St Helens as well as the re-construction of the Brid River Jetty.
4. The decrease in Employee benefits in 2018 reflects a reduction in FTEs due to the transition out of commercial vessel service delivery.

Table 22.4: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Grants ¹	1 592	1 603	1 603	1 003	1 003
Sales of goods and services ²	3 890	5 453	3 866	2 987	5 165
GST receipts	403	383	326	383	383
Interest received	67	69	70	71	73
Total cash inflows	5 952	7 508	5 865	4 444	6 624
Cash outflows					
Employee benefits ³	(1 984)	(1 710)	(1 582)	(1 601)	(1 621)
Superannuation ³	(194)	(161)	(154)	(157)	(160)
GST payments	(391)	(385)	(390)	(385)	(385)
Supplies and consumables ⁴	(4 024)	(3 849)	(3 783)	(3 503)	(3 746)
Total cash outflows	(6 593)	(6 105)	(5 909)	(5 646)	(5 912)
Net cash from (used by) operating activities	(641)	1 403	(44)	(1 202)	712
Cash flows from investing activities					
Payments for acquisition of non-financial assets ⁵	(589)	(600)	(600)	....	....
Net cash from (used by) investing activities	(589)	(600)	(600)	....	....
Net increase (decrease) in cash and cash equivalents held	(1 230)	803	(644)	(1 202)	712
Cash and deposits at the beginning of the reporting period	2 239	2 059	2 862	2 218	1 016
Cash and deposits at the end of the reporting period	1 009	2 862	2 218	1 016	1 728

Notes:

1. The increase in Grants in 2017-18 and subsequent decrease in 2019-20 reflects additional grants funding for the Brid River and Woodbridge Jetties. The increase in 2017-18 is largely offset by the completion of the St Helens Barway Stabilisation Stage 2.
2. The increases in Sales of goods and services in 2017-18 and 2020-21 reflect the timing of recreational boating licence renewals which occur every three years.
3. The decreases in Employee benefits and Superannuation in 2017-18 reflect changes to staffing levels due to the transition out of commercial vessel service delivery.
4. The decrease in Supplies and consumables in 2017-18 reflects revised estimates based on 30 June 2016 actuals.
5. Payments for acquisition of non-financial assets between 2016-17 and 2018-19 relate to the completion of the St Helens Barway Stabilisation project and reconstruction of the Brid River and Woodbridge Jetties.

23 ROYAL TASMANIAN BOTANICAL GARDENS

AUTHORITY OUTLINE

The Royal Tasmanian Botanical Gardens (RTBG) is a Statutory Authority, governed by the *Royal Tasmanian Botanical Gardens Act 2002* (RTBG Act). The RTBG Board, comprising seven members, is appointed by the Minister and is responsible for managing, conserving and enhancing the RTBG in accordance with the RTBG Act.

The responsible Minister is the Minister for Environment, Parks and Heritage, Hon Matthew Groom MP, and the supporting Agency is the Department of Primary Industries, Parks, Water and Environment.

The vision of the RTBG is to create and maintain an exceptional garden that enriches Tasmania's social and cultural life, showcases and contributes to the conservation of the flora of Tasmania, and educates the community about the importance of plants.

The mission of the RTBG is to sustainably manage the RTBG, conserve and develop the RTBG's living collections and heritage, and create and deliver an exemplary and enlightening visitor experience and thriving organisational culture.

This chapter provides the RTBG's budgeted financial information for 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information on the RTBG is provided at www.rtbg.tas.gov.au.

KEY DELIVERABLES

The key deliverables for the RTBG include:

- implementing the Board's Business Operational Plan for 2016-2021 and continuing the implementation of the Strategic Master Plan and its associated recommendations;
- developing and implementing sustainable business strategies aimed at increasing donations and self-generated revenue;
- planning for, fundraising and implementing the RTBG's Bicentenary in 2018, including the completion of the Lily Pond Deck and the Sustainable Learning Centre projects;
- developing and implementing the early feasibility stage of the visitor infrastructure project aimed at enhancing the visitor experience and increasing earned income;
- developing and implementing a new Promotions and Marketing Plan;
- continuing to implement the outcomes of the structural and operational review of the organisation with the aim of ensuring the most efficient and effective use of resources;
- finalising and implementing the review of the strategic direction of the RTBG's education, learning and interpretation programs;
- developing and implementing a volunteer operational management plan;
- continuing to develop community engagement programs based around the Tasmanian Community Food Garden and other aspects of the RTBG's operations; and
- the ongoing operation of the Tasmanian Seed Conservation Centre and its associated research projects in partnership with the Royal Botanic Gardens Kew in London; the Department of Primary Industries, Parks, Water and Environment; the University of Tasmania; the Tasmanian Museum and Art Gallery Herbarium; and the Australian Seed Bank Partnership. The RTBG will continue to identify and secure ongoing funding for targeted collection and research programs both locally and in conjunction with the Australian Seed Bank Partnership.

DETAILED BUDGET STATEMENTS

Table 23.1: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Grants	2 665	2 749	2 828	2 894	2 894
Sales of goods and services ¹	593	695	709	723	738
Interest	35	35	35	35	35
Other revenue ²	80	431	234	238	243
Total revenue and other income from transactions	3 373	3 910	3 806	3 890	3 910
Expenses from transactions					
Employee benefits	2 451	2 494	2 544	2 595	2 647
Depreciation and amortisation ³	303	317	321	290	290
Supplies and consumables ⁴	910	1 548	1 193	1 216	1 240
Total expenses from transactions	3 664	4 359	4 058	4 101	4 177
Net result from transactions (net operating balance)	(291)	(449)	(252)	(211)	(267)
Net result	(291)	(449)	(252)	(211)	(267)
Comprehensive result	(291)	(449)	(252)	(211)	(267)

Notes:

1. The increase in Sales of goods and services in 2017-18 reflects the establishment of a Business Enterprise Unit focusing on increasing revenue streams including Sales of goods and services.
2. The increase in Other revenue in 2017-18 reflects additional revenue received for building and infrastructure projects. Ongoing increases from 2017-18 are due to the establishment of a Business Enterprise Unit focusing on increasing revenue streams including Other revenue.
3. The decrease in Depreciation and amortisation from 2019-20 onwards is due to existing plant and equipment being fully depreciated.
4. The increase in Supplies and consumables in 2017-18 reflects two major projects, being the renovation of the Sustainable Learning Centre and the building of the new Lily Pond Deck.

Table 23.2: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	695	258	327	406	429
Receivables ²	16	30	30	30	30
Other financial assets ²	....	67	67	67	67
	711	355	424	503	526
Non-financial assets					
Inventories ²	91	85	85	85	85
Property, plant and equipment ³	7 006	10 516	10 352	10 227	10 094
Infrastructure ²	3 330	2 923	2 783	2 629	2 467
	10 427	13 524	13 220	12 941	12 646
Total assets	11 138	13 879	13 644	13 444	13 172
Liabilities					
Payables ⁴	69	145	145	145	145
Employee benefits ²	578	567	584	595	590
Other liabilities ⁵	....	15	15	15	15
Total liabilities	647	727	744	755	750
Net assets (liabilities)	10 491	13 152	12 900	12 689	12 422
Equity					
Reserves ³	10 895	14 378	14 378	14 378	14 378
Accumulated funds	(404)	(1 226)	(1 478)	(1 689)	(1 956)
Total equity	10 491	13 152	12 900	12 689	12 422

Notes:

1. The decrease in Cash and deposits in 2018 reflects additional expenditure for two major projects within the Gardens: the renovation of the Sustainable Learning Centre and the building of the new Lily Pond Deck.
2. The variations in Receivables, Other financial assets, Inventories, Infrastructure and Employee benefits between 2017 Budget and 2018 Budget primarily reflect revised estimates based on 30 June 2016 actuals.
3. The increases in Property, plant and equipment and Reserves in 2018 reflect a revaluation of land carried out in June 2016.
4. The increase in Payables from 2018 reflects a change in the accounts payable process. From 1 July 2016, RTBG accounts payable are processed through the Department of Primary Industries, Parks, Water and Environment, then reimbursed to the Department in the following month.
5. The increase in Other liabilities in 2018 reflects an increase in forward-dated bookings for venue hire.

Table 23.3: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Grants	2 665	2 749	2 828	2 894	2 894
Sales of goods and services ¹	592	695	709	723	738
GST receipts	92	125	128	130	133
Interest received	35	35	35	35	35
Other cash receipts ²	98	431	234	238	243
Total cash inflows	3 482	4 035	3 934	4 020	4 043
Cash outflows					
Employee benefits	(2 196)	(2 216)	(2 260)	(2 306)	(2 352)
Superannuation	(255)	(278)	(284)	(289)	(295)
GST payments	(92)	(125)	(128)	(130)	(133)
Supplies and consumables ³	(907)	(1 252)	(1 173)	(1 196)	(1 220)
Total cash outflows	(3 450)	(3 871)	(3 845)	(3 921)	(4 000)
Net cash from (used by) operating activities	32	164	89	99	43
Cash flows from investing activities					
Payments for acquisition of non-financial asset ³	(10)	(298)	(20)	(20)	(20)
Net cash from (used by) investing activities	(10)	(298)	(20)	(20)	(20)
Net increase (decrease) in cash and cash equivalents held	22	(134)	69	79	23
Cash and deposits at the beginning of the reporting period	673	392	258	327	406
Cash and deposits at the end of the reporting period	695	258	327	406	429

Notes:

1. The increase in Sales of goods and services in 2017-18 reflects the establishment of a Business Enterprise Unit focusing on increasing revenue streams including Sales of goods and services.
2. The increase in Other cash receipts in 2017-18 reflects additional revenue received for major projects. Ongoing increases from 2017-18 reflect the establishment of a Business Enterprise Unit focusing on increasing revenue streams including Other revenue.
3. The increases in Supplies and consumables and Payments for acquisition of non-financial assets in 2017-18 reflect two major building and infrastructure projects, being the renovation of the Sustainable Learning Centre and the building of the new Lily Pond Deck.

24 STATE FIRE COMMISSION

AUTHORITY OUTLINE

The State Fire Commission's primary purpose is to minimise the social, economic and environmental impact of fire on the Tasmanian community. This is pursued through the provision of a rapid and effective response to emergencies and through the delivery of a broad range of fire prevention, reduction and safety programs.

The Commission is also responsible for:

- road crash rescue (in Hobart, Launceston, Burnie, Devonport and surrounding areas);
- managing incidents involving hazardous materials;
- providing an Urban Search and Rescue capability to manage the rescue of people from collapsed buildings and structures; and
- providing a rescue/mitigation response to terrorist incidents involving chemical, biological and radiological agents.

A Fuel Reduction Unit (FRU) has been established within the Tasmania Fire Service which has a key role in coordinating the implementation of the Fuel Reduction Program across the whole-of-Government.

The State Fire Commission reports to the Minister for Police, Fire and Emergency Management, Hon Rene Hidding MP, and the supporting agency is the Department of Police, Fire and Emergency Management. The Commission delivers all of its services through its operational arm, the Tasmania Fire Service.

This chapter provides the State Fire Commission's financial information for 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information on the Commission can be found at www.fire.tas.gov.au.

KEY DELIVERABLES

Table 24.1 provides a summary of the Budget and Forward Estimate allocations for key deliverables by the Commission.

Table 24.1: Key Deliverables Statement

	2017-18	2018-19	2019-20	2020-21
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Aerial Fire Appliances	3 750	....	....	....
Bushfire Ready Neighbourhoods Program	604	615	627	639
Fire Fighting Appliance Replacement Program	860	860	1 800	2 800
Fire Station Build Program	....	600	800	800
Fuel Reduction Program	9 000	9 000	9 000	9 000
State Emergency Service Transition to the Tasmania Fire Service ¹	1 431	....	....	....
State Fire Management Council	743	758	773	788

Note:

1. Funding was provided by the Government for two years commencing 2016-17, to assist in the transition of the State Emergency Service to the State Fire Commission whilst a longer term sustainable funding model is developed. This amount represents the second year of funding.

Aerial Fire Appliances

The Government has provided funding of \$3.8 million in 2017-18 for Aerial Fire Appliances to replace existing ageing infrastructure. Aerial Fire Appliances are specialist equipment primarily designed to provide an elevated platform for rescue or firefighting in high rise structures. They can be used as a high volume water tower or as a ground level firefighting appliance.

The additional funding has been allocated to the Department of Police, Fire and Emergency Management and is reflected in chapter 7 of this Budget Paper.

Bushfire Ready Neighbourhoods Program

The Bushfire Ready Neighbourhoods Program commenced in 2013-14. This Program is included in the Commission's corporate plan at a total cost of \$2.5 million. For many years, the Commission has been providing high quality bushfire information, which has led to an increase in awareness of bushfire risk and intention to take appropriate action. However, there are still many households in Tasmania that are not prepared for bushfire. This Program engages with people in bushfire-prone communities and strengthens community networks and community members' capacity to prepare for bushfires.

Fire Fighting Appliance Replacement Program

The Commission is committed to providing its fire fighters with safe and operationally effective fire trucks, allocated using a 'fitness for purpose' rationale. Each appliance category has an established, defined role and functionality, with a specific scope of application which is considered in the process of allocation to brigades matched to risk. The Commission has endorsed a sustainable fire truck replacement program that will ensure that all trucks remain viable for operation in a safe and effective manner.

Total funding of \$6.3 million over a four year period has been allocated to the Fire Fighting Appliance Replacement Program, which will see the medium and heavy tankers internally designed, refurbished and fabricated.

Fire Station Build Program

Total funding of \$2.2 million has been allocated over three years, from 2018-19, for capital upgrades to Commission facilities which will include a combination of replacement and refurbishment of fire stations. One of the key outcomes of the program will be further reducing the exposure to diesel particulate through better station design. This will include the separation of fire fighters' personal protective clothing from firefighting appliance diesel exhaust. This separation provides the added benefit of further eliminating any exposure to the possibility of residual contaminants in protective clothing used in fire fighting. This measure is consistent with mitigating actions related to presumptive legislation for cancer in fire fighters.

Fuel Reduction Program

The Government has committed to significantly increase fuel reduction burning across the State. Strategically reducing risk in the areas that provide the most protection to communities is the priority. Therefore, areas of both private and public land are included - a 'tenure-blind' approach.

The Government has provided additional funding of \$9 million per annum, for three years, from 2018-19 to ensure the continuation of the fuel reduction program. As part of this program, over four years from 2017-18, \$2 million will be directed to fuel reduction in the Tasmanian Wilderness World Heritage Area (TWWHA) through the Department of Primary Industries, Parks, Water and Environment.

A Fuel Reduction Unit (FRU) has been established within the Tasmania Fire Service which has a key role in coordinating the implementation of the program across the whole-of-Government. The Fuel Reduction Program utilises the resources of the Tasmania Fire Service, the Parks and Wildlife Service, Forestry Tasmania and local councils to mitigate bushfire risk in a strategic, systematic way in urban, semi-rural and some wilderness areas.

The program takes a strategic approach, and whilst other fuel treatments can and will be employed (for example mechanical removal), planned burning remains the most cost effective tool available for managing vegetation fuel loads, at the scale that is currently required.

State Emergency Service Transition to the Tasmania Fire Service

The 2016-17 Budget included funding to assist in the transition of the State Emergency Service to the State Fire Commission whilst sustainable funding options are developed. Management arrangements were revised in 2014-15 and the State Emergency Service now reports through the State Fire Commission.

State Fire Management Council

The State Fire Management Council (SFMC) is an independently chaired body established under section 14 of the *Fire Service Act 1979*. It has the following functions:

- to develop a state vegetation fire management policy to be used as the basis for all fire management planning;
- to advise and report regularly to the Minister on such matters relating to the administration of the Fire Service Act, as it applies to vegetation fire management; and
- to provide advice to the State Fire Commission regarding the prevention and mitigation of vegetation fires.

Legislative amendments in 2012 increased the roles and responsibilities of the SFMC, particularly in regard to re-establishing Fire Management Area Committees (FMACs) with broader strategic fire management goals. In order to meet these enhanced responsibilities, the Commission provides the necessary bushfire planning and risk assessment expertise, and administrative support to both the SFMC and FMACs.

The SFMC plays a key role in the development of implementation strategies to deliver the Government's Fuel Reduction Program that delivers a tenure blind, risk based program of burns to reduce fuel in the areas that pose the greatest risk to the Tasmanian community.

DETAILED BUDGET STATEMENTS

Table 24.2: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Grants ¹	6 062	9 256	4 100	4 125	4 151
Taxation	67 197	68 215	71 088	74 176	76 583
Sales of goods and services	6 001	6 121	6 244	6 369	6 496
Fees and fines	164	167	171	174	178
Interest	10	10	11	11	11
Other revenue	10 403	10 433	10 461	10 490	10 520
Total revenue and other income from transactions	89 837	94 202	92 075	95 345	97 939
Expenses from transactions					
Employee benefits	52 454	53 797	55 046	56 130	56 717
Depreciation and amortisation	6 879	6 666	6 539	6 390	6 390
Supplies and consumables ²	28 772	28 630	28 904	29 130	29 870
Borrowing costs ³	418	134	131	97	....
Other expenses ²	2 943	4 028	4 116	4 199	4 199
Total expenses from transactions	91 466	93 255	94 736	95 946	97 176
Net result from transactions (net operating balance)	(1 629)	947	(2 661)	(601)	763
Net result	(1 629)	947	(2 661)	(601)	763
Other economic flows - other non-owner changes in equity					
Other movements taken directly to equity ⁴	(505)	....	....	....	....
Total other economic flows - other non-owner changes in equity	(505)	....	....	....	....
Comprehensive result	(2 134)	947	(2 661)	(601)	763

Notes:

1. The increase in 2017-18 in Grants relates to one-off funding for Aerial Fire Appliances. The decrease in 2018-19 relates to the cessation of additional funding for the transition of the State Emergency Service to the Tasmania Fire Service.
2. The decrease in Supplies and consumables and increase in Other expenses in 2017-18 primarily reflects the reclassification of the cost of sales.
3. The decrease in Borrowing costs reflects a reduction in interest payments due to the repayment of loans.
4. The Other movements taken directly to equity in 2016-17 reflects the timing of movements in the Commission's superannuation liability.

Table 24.3: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	(1 152)	5 579	6 157	6 706	5 789
Receivables ²	1 816	2 749	2 749	2 749	2 749
Other financial assets ³	1 657	2 581	2 581	2 581	2 581
	2 321	10 909	11 487	12 036	11 119
Non-financial assets					
Inventories	1 634	1 643	1 643	1 643	1 643
Property, plant and equipment ⁴	104 016	99 014	96 375	95 025	94 675
Other assets	1 446	1 446	1 446	1 446	1 446
	107 096	102 103	99 464	98 114	97 764
Total assets	109 417	113 012	110 951	110 150	108 883
Liabilities					
Payables	2 336	2 507	2 507	2 707	2 907
Interest bearing liabilities ⁵	4 830	3 830	3 830	2 830	....
Employee benefits	15 766	16 159	16 759	17 359	17 959
Superannuation ⁶	316	7 386	7 386	7 386	7 386
Total liabilities	23 248	29 882	30 482	30 282	28 252
Net assets (liabilities)	86 169	83 130	80 469	79 868	80 631
Equity					
Reserves	18 916	18 943	18 943	18 943	18 943
Accumulated funds	67 253	64 187	61 526	60 925	61 688
Total equity	86 169	83 130	80 469	79 868	80 631

Notes:

1. The increase in Cash and deposits is attributed to a decrease in cash payments for the procurement or construction of Property, plant and equipment in accordance with the State Fire Commission's Corporate Plan.
2. The increase in Receivables reflects a more accurate estimate based on the 30 June 2016 outcome and primarily relates to an increase in trade debtors.
3. The increase in Other financial assets reflects a more accurate estimate based on the 30 June 2016 outcome and primarily relates to an increase in accrued revenue.
4. The decrease in Property, plant and equipment reflects a reduction in the procurement or construction of buildings, fire appliances and equipment in accordance with the State Fire Commission's Corporate Plan.
5. The decrease in Interest bearing liabilities reflects the repayment of loans over the Forward Estimates.
6. The increase in Superannuation reflects an increase in the present value of defined benefit obligations as at 30 June 2016.

Table 24.4: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Grants ¹	6 062	9 256	4 100	4 125	4 151
Taxation	65 276	65 943	68 612	71 496	73 807
Sales of goods and services	6 001	6 121	6 244	6 369	6 496
Fees and fines	164	167	171	174	178
GST receipts	1 895	1 868	1 939	1 852	1 852
Interest received	10	10	11	11	11
Other cash receipts	10 404	10 433	10 461	10 490	10 520
Total cash inflows	89 812	93 798	91 538	94 517	97 015
Cash outflows					
Employee benefits	(47 126)	(48 280)	(49 411)	(50 382)	(50 854)
Superannuation	(5 328)	(5 517)	(5 635)	(5 748)	(5 863)
Borrowing costs ²	(418)	(134)	(131)	(97)	....
GST payments	(1 895)	(1 868)	(1 939)	(1 852)	(1 852)
Supplies and consumables	(26 561)	(26 848)	(26 936)	(26 918)	(27 662)
Other cash payments	(2 943)	(3 061)	(3 128)	(3 191)	(3 191)
Total cash outflows	(84 271)	(85 708)	(87 180)	(88 188)	(89 422)
Net cash from (used by) operating activities	5 541	8 090	4 358	6 329	7 593
Cash flows from investing activities					
Payments for acquisition of non-financial assets ³	(6 320)	(1 930)	(4 080)	(5 080)	(5 980)
Proceeds from the disposal of non-financial assets ⁴	300	120	300	300	300
Net cash from (used by) investing activities	(6 020)	(1 810)	(3 780)	(4 780)	(5 680)
Cash flows from financing activities					
Net borrowings ⁵	....	(1 000)	....	(1 000)	(2 830)
Net cash from (used by) financing activities	....	(1 000)	....	(1 000)	(2 830)
Net increase (decrease) in cash and cash equivalents held	(479)	5 280	578	549	(917)
Cash and deposits at the beginning of the reporting period	(673)	299	5 579	6 157	6 706
Cash and deposits at the end of the reporting period	(1 152)	5 579	6 157	6 706	5 789

Notes:

1. The increase in 2017-18 in Grants relates to one-off funding for Aerial Fire Appliances. The decrease in 2018-19 reflects the cessation of additional funding for the transition of the State Emergency Service to the Tasmania Fire Service.
2. The decrease in Borrowing costs reflects a reduction in interest payments due to the repayment of loans.
3. The movements in Payments for acquisition of non-financial assets reflects a reduction in the procurement or construction of buildings, fire appliances and equipment in accordance with the State Fire Commission's Corporate Plan.
4. The movement in Proceeds from the disposal of non-financial assets reflects a reduction in planned motor vehicle sale proceeds in 2017-18.
5. The movements in Net borrowings reflects the anticipated loan repayment schedule.

25 TASMANIAN HEALTH SERVICE

AUTHORITY OUTLINE

The Tasmanian Health Service (THS) commenced operation on 1 July 2015. The THS is a separate legal entity under the *Tasmanian Health Organisation Act 2011* (the Act) and is governed by the requirements of this Act.

The THS has a Governing Council, comprising a chairperson and skills based members with a spread of regional representation and a CEO supported by an executive that coordinates statewide services across Tasmania.

The THS is responsible for delivering integrated services aimed at maintaining and improving the health and wellbeing of Tasmanians. Under the Act, the responsible Ministers are the Minister for Health, Hon Michael Ferguson MP and the Treasurer, Hon Peter Gutwein MP.

The functions of the THS include:

- improving, promoting, protecting and maintaining the health of Tasmanians as required by its Service Agreement;
- managing public hospitals, health institutions, health services and health support services;
- achieving and maintaining standards of patient care and delivery of services;
- providing training and education relevant to the provision of health services;
- undertaking research and development relevant to the provision of health services; and
- collecting and providing health data for reporting and research purposes.

In addition to these functions, the THS is responsible for the implementation of the Tasmanian Clinical Services Profile, which is produced by the Department of Health and Human Services (DHHS) to inform decisions about services that represent the best clinical value to Tasmania as a whole.

Funding for the THS is provided by both the State and Australian Governments. Australian Government Activity Based Funding (ABF) and Block Funding, and State ABF, flows through the National Health Funding Pool, which is overseen by an independent statutory office holder known as the Administrator. Block funding for some activities is paid to the THS via a State-managed Fund. In addition to State and Australian Government funding, the THS also generates its own revenue to fund some of its activities.

This chapter provides financial information for 2017-18 and over the Forward Estimates period (2018-19 to 2020-21) for the THS. Further information about the THS is provided at www.ths.tas.gov.au.

KEY DELIVERABLES

Table 25.1 provides a summary of the Budget and Forward Estimates allocations for key deliverables within the THS.

Table 25.1: Key Deliverables Statement

	2017-18	2018-19	2019-20	2020-21
		Forward	Forward	Forward
	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000
Frontline Staffing Costs - Supplementation	3 600	3 600	3 600	3 600
John L Grove Rehabilitation Centre ¹	5 000	5 000	5 000	5 000
Launceston General Hospital - Ward 4D Boost ¹	2 140	2 140	2 140	2 140
Medical Cannabis Controlled Access Scheme - Paediatric Epilepsy	990	920	920	920
Mersey Community Hospital	78 140	80 880	83 710	86 640
Nurses Graduates - Additional Transition to Practice Placements	2 610	1 135	....	....
One Health System - Additional Investment	7 500	7 000	7 000	7 000
One Health System - New Services ¹	....	....	8 450	8 450
Patients First	1 000	1 000	1 000	1 000
Patients First - Stage 2 - New Hospital Beds and Staff				
North	6 800	6 800	6 800	6 800
North-West	3 000	3 000	3 000	3 000
South	8 300	6 600	6 600	6 600
Royal Hobart and Repatriation Hospital Support Package ¹	11 360	11 360	12 910	12 910
Statewide Operations and Command Centre ¹	1 500	1 500	1 500	1 500

Note:

1. Funding for this initiative is allocated within Finance-General.

Frontline Staffing Costs - Supplementation

Additional funding of \$3.6 million per annum is provided to meet nursing and midwifery staff costs in the THS. This funding is provided to support the implementation of a better career structure and allowances for nurses.

John L Grove Rehabilitation Centre

Additional funding of \$5.0 million per annum is provided for four years for the continued operation of the John L Grove Rehabilitation Centre in Launceston.

Launceston General Hospital - Ward 4D Boost

Additional funding of \$2.1 million per annum is provided for four years to open a further four permanent beds on Ward 4D, bringing the total number of beds opened to 19.

Medical Cannabis Controlled Access Scheme - Paediatric Epilepsy

This initiative will provide funding of \$3.8 million over four years to fund a screening and assessment program for children with severe refractory epilepsy. The program will include a controlled access scheme for medical cannabis as a treatment where it is deemed clinically suitable.

Mersey Community Hospital

Funding of \$329.4 million is provided over the 2017-18 Budget and Forward Estimates period for the continued operation of the Mersey Community Hospital, following transfer of ownership from the Australian Government to Tasmania, which is expected to occur by 30 June 2017.

The Tasmanian Government is continuing to implement new services at the Mersey, Tasmania's Dedicated Elective Surgery Centre, to deliver better health outcomes on the North West Coast and across the State as part of the One Health System Reforms.

In 2017-18, the Tasmanian Government will deliver increased access to subacute services at the Mersey, including rehabilitation, pain management services, palliative and geriatric care. The Government will also increase access to specialist and subspecialist care through the provision of an increased range of outpatient clinics.

Nurse Graduates - Additional Transition to Practice Placements

This 2014 election commitment provided \$5.4 million over four years for additional Transition to Practice Placement for nursing graduates. This will enable the employment of up to 85 additional graduate nurses across the State over four years. Funding has been profiled in the 2017-18 Budget to align with anticipated intake dates in 2017 and 2018.

One Health System - Additional Investment

The 2016-17 Budget provided ongoing funding to support One Health System reforms. The 2017-18 Budget allocation of \$7.5 million in 2017-18 will support high priority service reconfiguration as identified in the White Paper and Clinical Services Profile (CSP) Implementation Plan.

Actions funded under this investment include:

- consolidation of clinical services into sites that are equipped and capable of delivering services safely and efficiently;
- consolidation of all birthing and inpatient maternity services for the North West region into a single site;
- refocusing of the Mersey Community Hospital (MCH) towards sub-acute services and establishing the MCH as an elective surgery centre; and
- improving and growing hospital services to deliver optimal benefits to patients and improve efficiency.

One Health System - New Services

Additional funding of \$16.9 million is provided over two years in 2019-20 and 2020-21, to support high priority service reconfiguration as identified in the White Paper and CSP Implementation Plan.

This is in addition to funding allocated for this purpose in the 2016-17 Budget as part of the One Health System - Additional Investment initiative.

Patients First

Additional funding of \$1 million per annum is provided for the Patients First initiative to support the implementation of actions to ensure patients receive more timely care in EDs at the Royal Hobart Hospital (RHH) and the Launceston General Hospital (LGH). This additional funding allocation supports the Patients First actions, including:

- the employment of Clinical Initiative Nurses (CINs) to actively monitor and provide advice to patients and their families whilst they are in an ED waiting room, including developing plans of care for patients in consultation with ED doctors; and
- the continuation of Psychiatric Emergency Nurses (PEN) at the RHH, following the cessation of Australian Government funded PEN positions.

Patients First - Stage 2 - New Hospital Beds and Staff

Additional funding of \$67.3 million is provided over four years to deliver the second stage of the Patients First initiative. Funding for Patients First - Stage 2 is focused on increasing hospital bed capacity across all regions as a direct response to increasing demand. Actions delivered under this initiative will include:

- permanently opening 12 beds in Ward 4D and constructing three new single rooms, for three additional beds, for vulnerable patients at the Launceston General Hospital;
- opening eight new beds at the North West Regional Hospital, including four Emergency Department short stay beds and four surgical beds for elective surgery patients who need overnight stays; and
- supporting the RHH in delivering 27 additional beds, including beds in the Intensive Care Unit and beds at other facilities across the Southern Region.

Royal Hobart and Repatriation Hospital Support Package

Additional funding of \$48.5 million is provided to support measures to improve patient flow and access to the RHH including: providing more bed space; better use of the transit lounge; additional allied health staff; extended pharmacy opening hours; and recruitment of additional staff at the Tolosa Street Mental Health facility.

Funding allocated will also support the opening of an additional ward at the Repatriation Hospital in 2018-19.

Statewide Operations and Command Centre

Additional funding of \$6.0 million is provided for four years to implement a Statewide Operations and Command Centre in the THS. This Centre will have regional hubs that are systems driven, to ensure effective communication and allows for safe, efficient and effective management of public hospitals.

The Centre will support clinicians to deliver better care, with improved patient flow within and between Tasmania's major public hospitals, providing improve patient outcomes and more anticipatory, patient-centred care delivery.

OUTPUT INFORMATION

Outputs of the THS are provided under:

- Output Group 1 - Tasmanian Health Service.

Table 25.2 provides an Output Group Expense Summary for the THS.

Table 25.2: Output Group Expense Summary

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Health					
Output Group 1 - Tasmanian Health Service					
1.1 Admitted Services ¹	772 698	819 545	815 717	844 651	870 853
1.2 Non-admitted Services ²	167 534	197 398	200 131	203 079	203 231
1.3 Emergency Department Services ³	115 194	119 583	121 498	123 239	126 467
1.4 Community and Aged Care Services ⁴	194 407	208 225	208 461	209 929	212 367
1.5 Statewide and Mental Health Services ⁵	116 813	113 860	116 446	118 748	120 436
1.6 Forensic Medicine Service	1 435	1 479	1 521	1 559	1 599
	1 368 081	1 460 090	1 463 774	1 501 205	1 534 953
TOTAL	1 368 081	1 460 090	1 463 774	1 501 205	1 534 953

Notes:

1. The increase in Admitted Services in 2017-18 primarily reflects reclassification of expenditure to align with activity and additional funding for 2017-18 Budget initiatives. The decrease in 2018-19 primarily reflects the completion of the Rebuilding Health Services - Elective Surgery Program. The increase in 2019-20 and 2020-21 primarily reflect an increase to the estimated depreciation in relation to the completion of the Royal Hobart Hospital Redevelopment and a reallocation of depreciation between the outputs.
2. The increase in Non-admitted Services in 2017-18 is primarily due to increased expenditure in relation to the listing of Hepatitis C medications on the Pharmaceutical Benefits Scheme (PBS); reclassification of expenditure to align with activity; and additional funding for 2017-18 Budget initiatives.
3. The increase in Emergency Department Services in 2017-18 primarily reflects reclassification of expenditure to align with activity and additional funding for 2017-18 Budget initiatives.
4. The increase in Community and Aged Care Services in 2017-18 primarily reflects the transfer of the Child Health and Parenting Service from the Department to the THS on 1 January 2017.
5. The decrease in Statewide and Mental Health Services in 2017-18 primarily reflects reallocation of costs across outputs.

Output Group 1: Tasmanian Health Service

1.1 Admitted Services

This Output provides admitted acute and sub-acute inpatient services (elective and non-elective) provided by Tasmania's major public hospitals to patients either admitted to a ward or in an out-of-hospital setting. It excludes designated mental health wards in major public hospitals.

1.2 Non-admitted Services

This Output provides non-admitted services, including ambulatory acute and sub-acute services provided by Tasmania's major public hospitals either on-site or in an out-of-hospital setting. This includes the provision of Cancer Screening Services.

1.3 Emergency Department Services

This Output provides services relating to emergency presentations at Tasmania's major public hospital emergency departments.

1.4 Community and Aged Care Services

This Output comprises rural hospitals, residential aged care and community health based services including:

- rehabilitation, allied health assessments and case management;
- community nursing, continence, orthotics and prosthetics services, and equipment schemes; and
- the Child Health and Parenting Service.

In addition, community palliative care services provide interdisciplinary care, support and counselling to people living with life limiting illnesses and their families. These services are provided in a community health centre or home-based environment.

This Output provides emergency and general oral care and dentures to eligible adults (holders of Health Care or Pensioner Concession cards) and all children under the age of 18 years, as well as a range of health promotion and prevention activities.

1.5 Statewide and Mental Health Services

This Output provides services to clients and their families to treat, support and manage mental health disorders. The service also provides:

- crisis assessment and treatment, intensive support, community care and rehabilitation services;
- primary health care services in correctional facilities;
- forensic mental health services to people with mental illnesses who have come into contact with the criminal justice system; and
- alcohol and drug services at the individual and population level.

1.6 Forensic Medicine Services

This Output provides forensic and medical services, forensic pathology and clinical forensic medicine.

Table 25.3: Performance Information¹

Performance Measure	Unit of Measure	2014-15 Actual	2015-16 Actual	2016-17 Target	2017-18 Target
Admitted Services					
Admitted patients - Acute Admitted Weighted Inlier Units ²	Number	na	93 814	95 889	na
National Weighted Activity Unit (NWAU) ³	Number	na	na	na	92 840
Elective surgery patients seen on time ⁴					
Category 1 ⁴	%	74.6	77.1	90.0	100.0
Category 2 ⁴	%	49.4	43.4	70.0	98.0
Category 3 ⁴	%	72.0	63.0	80.0	98.0
Elective surgery patients - average overdue wait time for those waiting beyond the recommended time ⁵					
Category 1	Days	21.5	26.2	21.5	11
Category 2	Days	146.5	157.7	150	40
Category 3	Days	181.3	135.8	130	28
Elective surgery baseline admissions ⁶	Number	14 325	14 126	14 126	14 126
Hand hygiene compliance ⁷	%	76.6	79.3	80.0	80.0
Healthcare associated staphylococcus aureus (including MRSA) bacteraemia (rate per 10 000 patient days) ⁷					
	Rate	0.8	1.0	<2.0	<2.0
Cost per weighted separation ⁸	\$	5 419	5 198	5 390	5 589
Non-admitted Services					
Outpatient attendances ⁹	Number	487 136	523 404	523 404	523 404
Emergency Department Services					
Department of Emergency Medicine presentations ⁹	Number	150 350	153 524	154 122	156 174
Emergency Department (ED) patients who are admitted, referred for treatment or discharged within four hours ⁴					
	%	66.4	66.3	80.0	80.0
Percentage of all ED patients seen within the recommended triage time ⁴					
	%	70.0	66.5	80.0	80.0

Table 25.3: Performance Information¹ (continued)

Performance Measure	Unit of Measure	2014-15 Actual	2015-16 Actual	2016-17 Target	2017-18 Target
Community and Aged Care¹⁰					
Rural hospitals - separations	Number	4 660	4 479	4 700	4 700
Rural hospitals - occupancy rate ¹¹	%	55.0	59.0	55.0	55.0
Community nursing - occasions of service ¹²	Number	173 027	173 588	173 588	173 588
Residential aged care - occupancy rate	%	78.0	92.8	78.0	78.0
Aged Care Assessment Program - completed assessments ¹³	Number	4 950	4 080	4 500	4 000
Mothers attending the eight week Child Health Assessment	%	86.9	86.8	88.0	88.0
Oral Health Services¹⁴					
Adults - occasions of service - general	Number	15 551	15 114	14 526	14 963
Adults - occasions of service - episodic	Number	32 670	32 402	31 767	32 078
Adults - occasions of service - dentures	Number	18 933	19 953	19 765	19 753
Children - occasions of service	Number	66 239	65 675	62 420	63 051
General (adults) waiting list	Number	9 246	7 162	7 858	7 762
Dentures waiting list	Number	819	694	377	376
Mental Health and Alcohol and Drug Services¹⁵					
Inpatient Separations	Number	2 090	2 067	2 136	2 100
Community and Residential - active clients	Number	7 845	7 873	7 800	7 800
28 day readmission rate ⁴	%	16.4	14.5	13.9	<14.0
Proportion of persons with a mental illness whose needs are met by the Tasmanian Mental Health Service ¹⁶	%	na	62.7	58.2	63.0
Average length of acute inpatient stay Alcohol and Drug Services	Days	10.2	10.5	11.0	11.0
Alcohol and Drug Services - closed episodes of treatment ¹⁷	Number	3 241	3 840	1 821	4 000
Pharmacotherapy Program - total active participants	Number	931	924	931	930
Withdrawal Unit - bed occupancy	%	48.8	45.5	50.0	75.0
Withdrawal Unit - average length of stay	Days	6.3	6.0	7.0	7.0
Cancer Screening					
Eligible women screened for breast cancer ¹⁸	Number	30 482	31 696	32 010	33 597
BreastScreen - percentage of clients assessed within 28 days of screening	%	90.4	80.5	90.0	90.0

Notes:

1. The 2017-18 Service Agreement was not finalised at the time of this Table's preparation. Negotiations with the THS had commenced but were not completed. Accordingly, where there is a direct alignment between performance measures in this Table and KPIs included in the 2017-18 Service Agreement, targets in the final 2017-18 Service Agreement may differ from those reported in this Table.
2. Reporting of weighted inlier units as a measure of activity began in 2015-16 and will cease in 2016-17. In 2017-18, activity will be measured as a National Weighted Activity Unit (NWAU) to align the Tasmanian Funding Model with the National model (see note 3 below).
3. In 2017-18, activity will be measured as a National Weighted Activity Unit (NWAU). The 2017-18 target is derived from the activity schedule contained within the draft 2017-18 Service Agreement which was under negotiation at the time of this Table's preparation. The target in the final 2017-18 Service Agreement may therefore differ from that reported in this Table.
4. The 2017-18 target is derived from the draft 2017-18 Service Agreement which was under negotiation at the time of this Table's preparation. The target in the final 2017-18 Service Agreement may therefore differ from that reported in this Table.
5. The 2017-18 targets break down the overall target for average overdue days, as contained in the draft 2017-18 Service Agreement, by elective surgery urgency category, which provides a sequence of progressively improving quarterly targets, and expresses this as an annual average.
6. This indicator excludes additional activity funded under the *National Partnership Agreement (NPA) Improving Health Services in Tasmania - Schedule A - Reforming Elective Surgery* and Rebuilding Health Services - Elective Surgery Program. The 2017-18 target is derived from the draft 2017-18 Service Agreement which was under negotiation at the time of this Table's preparation. The target in the final 2017-18 Service Agreement may therefore differ from that reported in this Table.
7. These indicators have been updated in the 2017-18 Budget to include data from the four major hospitals only. The targets are consistent with those included in the draft 2017-18 Service Agreement, under negotiation at the time of this Table's preparation.
8. The 2015-16 result is based on the Round 20, National Hospital Cost Data Collection results (2015-16). The 2016-17 and 2017-18 targets are based on Round 20, National Hospital Cost Data Collection results (2015-16) indexed at the current Health CPI of 3.7 per cent.
9. The 2016-17 target has been revised to reflect projected activity based on year to date actuals. The 2017-18 target is derived from the activity schedule contained within the draft 2017-18 Service Agreement which was under negotiation at the time of this Table's preparation.
10. Targets are based on historical trends.
11. Occupancy is an average for all facilities and calculated from 'beds occupied daily average'.
12. The 2016-17 and 2017-18 targets have been adjusted to reflect 2015-16 actuals, due to smaller than expected increases in activity over 2014-15 and 2015-16. Work is currently underway to reform the community nursing service delivery model.
13. Targets are based on previous year's data and year to date projected figures. They indicate a decrease in assessments which is occurring nationally. There have been significant reforms in the aged care system over the past five years which may be contributing to this.
14. Australian Government funding has been provided under the NPA Treating More Public Dental Patients and the Child Dental Benefits Scheme (CDBS). The Australian Government has announced a commitment to the continued funding of dental services to 30 June 2019. The 2016-17 target has been revised to reflect this, comprising completed activity as at 28 February 2017 plus that projected to 30 June 2017. The 2017-18 target is a projection of expected activity under the continued Australian Government funding.
15. Targets are based on historical trends.
16. This indicator is based on the estimated 3 per cent of the Tasmanian population with severe mental illness. Australian Bureau of Statistics estimation of the Tasmanian population at the end of 2015-16 was 519 063, giving an estimated 15 572 people with a severe and persistent mental illness. The 2016-17 target is based on actual data to 30 April 2017 extrapolated to 30 June 2017.
17. The count for closed episodes of treatment now includes treatment services provided by non-government organisations funded by the Tasmanian Government and an update of the Tasmanian Public Alcohol and Drug Services.
18. The 2017-18 target is for 6 per cent growth on the 2015-16 attendance figure, reflecting growth in the demographic and an increase in participation. This target is contingent on continued Australian Government funding of screening in the 70-74 age cohort, which currently represents 11.5 per cent of women screened by BreastScreen Tasmania. The existing agreement expires in June 2017.

Performance Information Comments

Sections 44 and 45 of the Act detail the provisions for the Service Agreement, the key mechanism of accountability between the Minister for Health and the THS.

The Service Agreement includes:

- a schedule of services to be provided by or on behalf of the THS and the funding to be provided in relation to the provision of those services;
- performance standards, targets and measures;
- standards of patient care and service delivery;
- reporting requirements; and
- a performance management process.

The 2017-18 Service Agreement will be finalised following the delivery of the State Budget.

THS performance in relation to the Service Agreement targets will be monitored by the Department of Health and Human Services throughout 2017-18.

Performance monitoring through the Service Agreement process focuses on improving the efficiency and effectiveness of service delivery, and the safety and quality of care.

DETAILED BUDGET STATEMENTS

Table 25.4: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Grants ¹	1 160 953	1 253 406	1 220 534	1 872 176	1 272 953
Sales of goods and services ²	140 275	187 564	195 779	201 363	199 674
Interest	302	317	325	334	343
Other revenue ³	30 642	22 396	22 403	21 662	21 745
Total revenue and other income from transactions	1 332 172	1 463 683	1 439 041	2 095 535	1 494 715
Expenses from transactions					
Employee benefits ⁴	933 086	959 452	968 609	985 941	1 014 639
Depreciation and amortisation ⁵	39 536	40 615	36 533	44 871	40 102
Supplies and consumables ⁶	368 281	429 613	427 789	438 962	447 710
Grants and subsidies ⁷	7 494	7 070	7 246	7 449	7 633
Other expenses ⁸	19 684	23 340	23 597	23 982	24 869
Total expenses from transactions	1 368 081	1 460 090	1 463 774	1 501 205	1 534 953
Net result from transactions (net operating balance)	(35 909)	3 593	(24 733)	594 330	(40 238)
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	....	2	2	1	1
Total other economic flows included in net result	....	2	2	1	1
Net result	(35 909)	3 595	(24 731)	594 331	(40 237)
Other economic flows - other non-owner changes in equity					
Changes in physical asset revaluation reserve	48 058	22 002	22 638	36 727	37 552
Total other economic flows - other non-owner changes in equity	48 058	22 002	22 638	36 727	37 552
Comprehensive result	12 149	25 597	(2 093)	631 058	(2 685)

Notes:

1. The increase in Grants in 2017-18 primarily reflects the timing in updates to estimated hospital activity in 2016-17 and anticipated activity in 2017-18; the transfer of the Child Health and Parenting Service from the Department to the THS on 1 January 2017; and additional funding provided for 2017-18 Budget initiatives. The profile across the Budget and Forward Estimates period primarily reflects the transfer of completed assets from the Department to the THS including the transfer of the RHH Redevelopment in 2019-20. The Department undertakes capital works on behalf of the THS and transfers these assets to the THS once completed. The decrease in 2018-19 also reflects National Partnership Agreements (NPAs) ceasing from 2018-19 including the Better Access to Palliative Care and Emergency Department components of the Improving Health Services in Tasmania NPA; and the Expansion of BreastScreen Australia Program NPA.
2. The increase in Sales of goods and services in 2017-18 primarily reflects increased revenues in relation to the listing of Hepatitis C medications on the PBS.
3. The decrease in Other revenue in 2017-18 is primarily due to the completion of the Training More Specialist Doctors initiative, which was funded by the Australian Government through the medical professional colleges.
4. The increase to Employee benefits primarily reflects the transfer of the Child Health and Parenting Service from the Department to the THS on 1 January 2017, and activity delivered through 2017-18 Budget initiatives.
5. The movements in Depreciation and amortisation reflect anticipated depreciation schedules for existing and budgeted purchases of non-financial assets over the Budget and Forward Estimates period, including an increase in 2019-20 as a result of additional depreciation associated with the completed Royal Hobart Hospital Redevelopment project. The decrease in 2020-21 relates to the depreciation schedule for plant and equipment.
6. The increase in Supplies and consumables in 2017-18 primarily reflects increased expenditure in relation to the listing of Hepatitis C medications on the PBS, and expenditure related to timing in updates to estimated hospital activity and anticipated activity in 2017-18 including activity delivered through 2017-18 Budget initiatives.
7. The decrease in Grants and subsidies in 2017-18 primarily reflects reclassification of own source expenditure to more accurately align with anticipated costs.
8. The increase in Other expenses primarily reflects the anticipated increased cost in workers' compensation and the Tasmanian Risk Management Fund premiums.

Table 25.5: Sources of Revenue

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from the Tasmanian Government					
Activity based funding ¹	363 118	414 848	400 651	408 577	418 425
Block funding ²	309 829	311 572	319 034	352 994	334 999
Mersey Community Hospital Funding ³	....	78 140	80 880	83 710	86 640
	672 947	804 560	800 565	845 281	840 064
Revenue from the Australian Government					
Activity based funding ⁴	293 755	310 375	318 135	326 088	334 240
Block funding ⁴	57 378	61 123	62 717	64 259	65 865
Mersey Community Hospital Funding ³	75 500	....	....	....	....
National Partnership funding ⁵	25 404	4 223	105	105	105
Commonwealth Own Purpose Expenditure ⁶	30 917	33 785	32 512	32 532	32 679
	482 954	409 506	413 469	422 984	432 889
Transfers of Infrastructure from the Department of Health and Human Services⁷	5 052	39 340	6 500	603 911	....
Other Sources of Revenue⁸	171 219	210 277	218 507	223 359	221 762
Total	1 332 172	1 463 683	1 439 041	2 095 535	1 494 715

Notes:

1. The increase in Activity based funding from the Tasmanian Government in 2017-18 is primarily due to revisions to the classification of purchased activity between Block funding and ABF, and additional funding provided for 2017-18 Budget initiatives. The decrease in 2018-19 reflects the cessation of fixed term funding for 2014 election commitments.
2. The increase in Block funding from the Tasmanian Government in 2019-20 primarily reflects additional funding for the one-off cost of the 27th pay in 2019-20.
3. The increase in Mersey Community Hospital Funding from the Tasmanian Government in 2017-18 reflects the revised funding arrangements following the Australian Government's announcement that ownership of the facility would return to the Tasmanian Government (expected to occur by 30 June 2017). From 1 July 2017, funding will be provided through the Department of Health and Human Services.
4. The increase in Activity based funding and Block funding from the Australian Government in 2017-18 primarily reflects updates to anticipated activity estimated over the Budget and Forward Estimates period.
5. The decrease in National Partnership funding reflects the level of funding for current NPAs with the Australian Government. NPAs ceasing with respect to the THS from 2017-18 include the John L Grove and Elective Surgery components of the Improving Health Services in Tasmania NPA. NPAs ceasing from 2018-19 include: the Better Access to Palliative Care and Emergency Department components of the Improving Health Services in Tasmania NPA; the Adult Public Dental Services NPA; and the Expansion of BreastScreen Australia Program NPA.
6. The increase in Commonwealth Own Purpose Expenditure in 2017-18 reflects the continuation of the Aged Care Assessment Program and the inclusion of the Australian Government Initiative for Organ Donation.
7. The profile of Transfers of Infrastructure from the Department of Health and Human Services reflects the estimated completion dates for major capital projects, and includes the transfer of the Royal Hobart Hospital Redevelopment to the THS.
8. The increase in Other Sources of Revenue in 2017-18 primarily reflects increased revenues in relation to the listing of Hepatitis C medications on the PBS.

National Health Reform Agreement

The National Health Reform Agreement (NHRA) sets out arrangements for the Tasmanian and Australian Government contributions to the provision of health services in Tasmania as delivered by the THS. Under the NHRA, State and Australian Government funding is provided on the basis of activity through ABF wherever practicable. Where it is not practical, funding is provided on a Block basis.

Block funded services include smaller regional or rural hospitals and teaching, training and research, and non-admitted mental health services. Pricing under the NHRA is determined by the Independent Hospitals Pricing Authority (IHPA).

Under the NHRA, funding from the Australian Government is split between ABF and Block Funding. From 1 July 2014 to 30 June 2017, National Health Reform funding is linked to the level of services delivered by public hospitals, as provided under the NHRA. During this period, each state's entitlement is directly linked to the growth in public hospital activity. From 2014-15 the NHRA funding guarantees ceased.

From 1 July 2014, the Australian Government has provided growth funding equivalent to 45 per cent of the efficient growth in activity under the NHRA. The IHPA determines the efficient price of ABF and the efficient cost of block grants.

At the Council of Australian Government (COAG) meeting of 1 April 2016, all jurisdictions agreed to extend the current NHRA activity based and block funding arrangements under a Heads of Agreement that will form the basis of negotiation of an addendum to the NHRA for the period from 1 July 2017 to 30 June 2020. This agreement preserves the current arrangement of the Australian Government contributing 45 per cent of the efficient growth in activity based funded services and block grants. It was also agreed that growth in Australian Government funding will have a national cap of 6.5 per cent per annum.

National Partnership Funding

National Partnership Agreements (NPAs) are time limited agreements to support the delivery of specific outcomes or projects. The decrease in NPA funding over the Budget and Forward Estimates period reflects the expiry of agreements. NPA funding to be expended by the THS in 2017-18 includes:

- Adult Public Dental Services (\$2.4 million);
- Expansion of BreastScreen Australia Program (\$780 000);
- National Bowel Cancer Screening Program - Cancer Screening and Control Services Recruitment and Community Engagement Unit (\$342 000); and
- Improving Health Services in Tasmania - Better Access to Palliative Care (\$337 000).

Commonwealth Own Purpose Expenditure

Commonwealth Own Purpose Expenditure (COPE) is paid from the responsible Australian Government agency to the THS. COPE agreements in 2017-18 include:

- Commonwealth Home Support Program (\$15.3 million);
- Transition Care Program (\$5.9 million);
- Multi-Purpose Services at Beaconsfield and Campbell Town (\$3.4 million);
- Aged Care Assessment Program (\$2.9 million);

- Medicare - Aged Care Places (\$2.9 million); and
- Radiation Oncology Capital Equipment (\$660 000).

Other Sources of Revenue

Other Sources of Revenue represents THS generated own source revenue which in 2017-18 primarily includes:

- Patient Fees, including DVA revenue (\$85.4 million);
- Revenue related to the listing of Hepatitis C medications on the Pharmaceutical Benefits Scheme (\$44.5 million); and
- Pharmacy, Prosthesis and Other Pharmaceutical Benefits Scheme Revenue excluding Hepatitis C medication related revenue (\$37 million).

Table 25.6: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	67 819	54 139	56 180	61 182	62 704
Receivables ²	20 718	24 374	24 775	25 262	25 328
Other financial assets	18 824	18 551	18 932	19 284	19 237
	107 361	97 064	99 887	105 728	107 269
Non-financial assets					
Inventories ²	8 713	14 160	14 405	14 773	15 169
Property, plant and equipment ³	999 391	1 019 847	1 017 644	1 617 482	1 619 029
Heritage and cultural assets	949	944	944	944	944
Intangibles	610	520	430	340	250
Other assets	4 249	4 505	4 506	4 618	4 812
	1 013 912	1 039 976	1 037 929	1 638 157	1 640 204
Total assets	1 121 273	1 137 040	1 137 816	1 743 885	1 747 473
Liabilities					
Payables ²	61 791	65 570	65 959	67 341	69 465
Employee benefits ⁴	213 591	233 693	237 607	212 702	218 341
Other liabilities	9 121	7 612	6 178	4 712	3 222
Total liabilities	284 503	306 875	309 744	284 755	291 028
Net assets (liabilities)	836 770	830 165	828 072	1 459 130	1 456 445
Equity					
Reserves ⁵	286 270	249 195	271 833	308 560	346 112
Accumulated funds ⁶	81 041	(2 826)	(27 557)	566 774	526 537
Other equity	469 459	583 796	583 796	583 796	583 796
Total equity	836 770	830 165	828 072	1 459 130	1 456 445

Notes:

1. The decrease in Cash and deposits in 2018 primarily reflects a more accurate estimate based on the 2016 actuals, along with movements related to own source revenue. The own source revenue changes include a revised estimate of the timing of revenue and expenses related to the Child Dental Benefit Schedule and the implementation of TrakCare. The decrease also reflects the utilisation of cash in 2017 to manage ongoing operational expenditure.
2. The increase in Receivables, Inventories and Payables in 2018 primarily reflects a more accurate estimate based on the 2016 actuals and changes to the accruals for 2018.
3. The increase in Property, plant and equipment in 2020 anticipates the transfer of assets from the Department to the THS as a result of the completion of the Royal Hobart Hospital Redevelopment.
4. The decrease in Employee benefits in 2020 reflects the impact of the 27th pay that will occur in that year.
5. The decrease in Reserves in 2018 primarily reflects a more accurate estimate of the balance based on 2016 actuals, as a result of a change in the Property Valuation Adjustment Factor as determined by the Valuer-General.

6. The movement in Accumulated funds primarily reflects variations in the timing of completed asset transfers from the Department to the THS, including the Royal Hobart Hospital Redevelopment in 2020.

Table 25.7: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Grants ¹	1 155 901	1 214 066	1 214 034	1 268 265	1 272 953
Sales of goods and services ²	141 289	189 002	194 947	200 602	199 773
GST receipts	30 552	32 873	31 895	32 450	33 836
Interest received	302	317	325	334	343
Other cash receipts ³	30 642	22 396	22 403	21 662	21 745
Total cash inflows	1 358 686	1 458 654	1 463 604	1 523 313	1 528 650
Cash outflows					
Employee benefits ⁴	(835 679)	(858 988)	(864 195)	(905 446)	(905 170)
Superannuation ⁴	(95 944)	(99 385)	(100 500)	(105 399)	(103 828)
GST payments	(30 538)	(32 772)	(31 820)	(32 502)	(33 956)
Grants and subsidies ⁵	(7 494)	(7 070)	(7 246)	(7 449)	(7 633)
Supplies and consumables ⁶	(368 752)	(431 610)	(429 104)	(439 551)	(447 665)
Other cash payments ⁷	(20 006)	(23 301)	(23 597)	(23 982)	(24 869)
Total cash outflows	(1 358 413)	(1 453 126)	(1 456 462)	(1 514 329)	(1 523 121)
Net cash from (used by) operating activities	273	5 528	7 142	8 984	5 529
Cash flows from investing activities					
Payments for acquisition of non-financial assets	(5 039)	(11 035)	(5 103)	(3 983)	(4 008)
Proceeds from the disposal of non-financial assets	....	2	2	1	1
Net cash from (used by) investing activities	(5 039)	(11 033)	(5 101)	(3 982)	(4 007)
Net increase (decrease) in cash and cash equivalents held	(4 766)	(5 505)	2 041	5 002	1 522
Cash and deposits at the beginning of the reporting period	72 585	59 644	54 139	56 180	61 182
Cash and deposits at the end of the reporting period	67 819	54 139	56 180	61 182	62 704

Notes:

1. The increase in Grants in 2017-18 primarily reflects updates to estimated hospital activity in 2016-17 and anticipated activity in 2017-18; the transfer of the Child Health and Parenting Service from the Department to the THS; and additional funding provided for 2017-18 Budget initiatives. The decrease in 2018-19 primarily reflects NPAs ceasing from 2018-19 including the Better Access to Palliative Care and Emergency Department components of the Improving Health Services in Tasmania NPA; the Adult Public Dental Services NPA; and the Expansion of BreastScreen Australia Program NPA. The increase in 2019-20 primarily reflects additional funding for the one-off cost of the 27th pay in 2019-20.
2. The increase in Sales of goods and services in 2017-18 primarily reflects increased revenues in relation to the listing of Hepatitis C medications on the PBS.

3. The decrease in Other cash receipts in 2017-18 is primarily due to the completion of the Training More Specialist Doctors initiative which was funded by the Australian Government through the medical professional colleges.
4. The increase in Employee benefits and Superannuation in 2019-20 primarily reflects additional expenditure for the one-off cost of the 27th pay in 2019-20.
5. The decrease in Grants and subsidies in 2017-18 primarily reflects reclassification of own source expenditure to more accurately align with anticipated costs.
6. The increase in Supplies and consumables primarily reflects increased expenditure in relation to the listing of Hepatitis C medications on the PBS, and expenditure related to the timing in updates to estimated hospital activity in 2016-17 and anticipated activity in 2017-18 including activity delivered through 2017-18 Budget initiatives.
7. The increase in Other cash payments primarily reflects the anticipated increased cost in workers' compensation and the Tasmanian Risk Management Fund premiums.

26 TAsTAFE

AUTHORITY OUTLINE

TasTAFE is a Statutory Authority established by the *Training and Workforce Development Act 2013*. Governed by a Board of Directors, TasTAFE is the single entity responsible for public sector post-compulsory Vocational Education and Training (VET) in Tasmania. Through its status as a registered training organisation (RTO) its role is to enable Tasmanians to gain skills and qualifications needed for the State's workforce and to support the community to succeed and prosper.

TasTAFE operates predominantly in a contestable training market in Tasmania as well as in a commercial international student market. It services the training needs of individual learners as well as providing training and workforce skills development services to Tasmanian employers and their employees.

The scope of training provided by TasTAFE aims to support the economic and policy priorities of the Tasmanian Government, business and industry, and covers the major trade, technical and vocational occupations represented in the Tasmanian economy.

Training is conducted statewide at training centres in Hobart, Clarence, Claremont, Launceston, Devonport and Burnie; in Trade Training Centres; regional locations; and workplaces across the State. TasTAFE is also offering increasing opportunities for students to access online training services.

The TasTAFE Board of Directors is accountable to the Minister for Education and Training, Hon Jeremy Rockliff MP.

This chapter provides financial information for TasTAFE for 2017-18 and over the Forward Estimates period (2018-19 to 2020-21). Further information on TasTAFE is provided at www.tastafe.tas.gov.au.

KEY DELIVERABLES

TasTAFE's key deliverables are driven by the Government's priorities and the TasTAFE Board's corporate plan.

TasTAFE continues to develop a new organisational education strategy aimed at creating a more holistic system of VET delivery across Tasmania, with a strong emphasis on industry partnerships and focus on growth areas. This strategy will include a focus on the advanced manufacturing, agricultural, construction, human services and the tourism and hospitality sectors. It seeks to re-position TasTAFE to be more responsive to the needs of communities that do not have ready access to existing TasTAFE infrastructure. The 2016-17 Budget included a commitment of \$3 million over two years commencing in 2017-18 to support this agenda, particularly through capital investments that aim to build responsive capabilities.

In addition, the 2017-18 Budget commits \$3.2 million across two years to support TasTAFE to establish Drysdale as a Centre of Excellence in the Tasmanian tourism and hospitality sector. This initiative seeks to bring the Drysdale brand to prominence in the sector through enabling greater collaboration and connection with industry organisations and businesses, to maximise use of government resources for a more skilled and profitable tourism and hospitality sector. The funding will also support improvements to Drysdale's training infrastructure.

Further, the 2017-18 Budget includes a commitment of \$200 000 in 2017-18 to support TasTAFE's involvement in the development of a new international hospitality training college at Kangaroo Bay. The hospitality training college will contribute to meeting the skills needed by the Tasmanian tourism and hospitality sector by providing Tasmania with a high-end, contemporary training facility. This will help to open the door to Tasmanians looking for a future in the sector and also enhance Tasmania's growing reputation as a destination of choice for international students.

Other initiatives include:

- the implementation of Phase 3 of TasTAFE's Education Architecture project. This will establish more flexible and contemporary models and methods of training across the State and will be undertaken in partnership with key TasTAFE partners, with a strong focus on industry and community needs;
- the implementation of TasTAFE's new learning management system, CANVAS, an innovative platform that will support and increase student engagement, retention and completion and that will also support TasTAFE's changing educational strategy;
- the development of formal, structured TasTAFE teacher skills capability programs and initiatives to ensure contemporary, capable and collaborative approaches to design, assessment and facilitation;
- designing new program models for training delivery with a focus on key growth industry markets in Tasmania and a particular emphasis on industry input and student demand in existing and emerging labour markets; and
- developing a new mapping profile of vocational curriculum that seeks to increase flexibility and access to education and training for prospective and existing students.

DETAILED BUDGET STATEMENTS

Table 26.1: Statement of Comprehensive Income

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and other income from transactions					
Grants ¹	75 350	79 171	80 960	78 407	79 433
Sales of goods and services	24 500	25 651	26 420	27 213	28 030
Total revenue and other income from transactions	99 850	104 822	107 380	105 620	107 463
Expenses from transactions					
Employee benefits	69 860	69 484	70 782	72 043	73 729
Depreciation and amortisation	7 445	7 365	7 365	7 365	7 365
Supplies and consumables ²	29 750	31 440	32 368	33 006	33 656
Total expenses from transactions	107 055	108 289	110 515	112 414	114 750
Net result from transactions (net operating balance)	(7 205)	(3 467)	(3 135)	(6 794)	(7 287)
Net result	(7 205)	(3 467)	(3 135)	(6 794)	(7 287)
Comprehensive result	(7 205)	(3 467)	(3 135)	(6 794)	(7 287)

Notes:

1. The increase in Grants in 2017-18 and 2018-19 reflects additional funding for the Drysdale Centre of Excellence.
2. The increase in Supplies and consumables in 2017-18 reflects the implementation of Education Architecture initiatives and a more accurate estimate of anticipated expenditure.

Table 26.2: Statement of Financial Position as at 30 June

	2017	2018	2019	2020	2021
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits ¹	1 466	6 896	5 850	5 548	4 038
Receivables	3 059	3 359	3 137	2 896	3 279
Other financial assets	1 289	1 289	1 289	1 289	1 289
	5 814	11 544	10 276	9 733	8 606
Non-financial assets					
Inventories	226	226	226	226	226
Property, plant and equipment ²	169 835	172 963	169 933	163 468	157 003
Heritage and cultural assets	21	21	21	21	21
Intangibles ²	7 020	....	....	....	....
Other assets ¹	2 383	1 075	1 025	975	925
	179 485	174 285	171 205	164 690	158 175
Total assets	185 299	185 829	181 481	174 423	166 781
Liabilities					
Payables ¹	6 997	8 247	7 197	7 097	6 497
Employee benefits	16 482	16 318	16 155	15 991	16 236
Total liabilities	23 479	24 565	23 352	23 088	22 733
Net assets (liabilities)	161 820	161 264	158 129	151 335	144 048
Equity					
Contributed capital	228 037	228 037	228 037	228 037	228 037
Reserves	5 653	5 653	5 653	5 653	5 653
Accumulated funds	(71 870)	(72 426)	(75 561)	(82 355)	(89 642)
Total equity	161 820	161 264	158 129	151 335	144 048

Notes:

1. The movements in Cash and deposits, Other assets and Payables in 2018 reflects revised estimates based on 30 June 2016 actuals.
2. The increase in Property, plant and equipment and decrease in Intangibles in 2018 reflects a reclassification of the new student management system.

Table 26.3: Statement of Cash Flows

	2016-17	2017-18	2018-19	2019-20	2020-21
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Cash inflows					
Grants ¹	75 350	79 171	80 960	78 407	79 433
Sales of goods and services	24 775	25 451	26 570	27 363	27 555
GST receipts ²	7 147	3 360	3 640	3 712	3 766
Total cash inflows	107 272	107 982	111 170	109 482	110 754
Cash outflows					
Employee benefits	(62 000)	(61 764)	(62 839)	(63 939)	(65 051)
Superannuation	(7 860)	(7 884)	(8 106)	(8 268)	(8 433)
GST payments ²	(7 368)	(3 464)	(3 568)	(3 621)	(3 674)
Supplies and consumables ³	(29 850)	(30 190)	(33 418)	(33 106)	(34 256)
Total cash outflows	(107 078)	(103 302)	(107 931)	(108 934)	(111 414)
Net cash from (used by) operating activities	194	4 680	3 239	548	(660)
Cash flows from investing activities					
Payments for acquisition of non-financial assets	(3 450)	(3 065)	(4 285)	(850)	(850)
Net cash from (used by) investing activities	(3 450)	(3 065)	(4 285)	(850)	(850)
Net increase (decrease) in cash and cash equivalents held	(3 256)	1 615	(1 046)	(302)	(1 510)
Cash and deposits at the beginning of the reporting period	4 722	5 281	6 896	5 850	5 548
Cash and deposits at the end of the reporting period	1 466	6 896	5 850	5 548	4 038

Notes:

1. The increase in Grants in 2017-18 and 2018-19 reflects additional funding for the Drysdale Centre of Excellence.
2. The decrease in GST receipts and GST payments in 2017-18 reflects revised estimates for these items based on 30 June 2016 actuals.
3. The increase in Supplies and consumables in 2018-19 reflects the implementation of Education Architecture initiatives and a more accurate estimate of anticipated expenditure.

