

15 DEPARTMENT OF PRIMARY INDUSTRIES, WATER AND ENVIRONMENT

AGENCY OUTLINE

The Department of Primary Industries, Water and Environment's mission is to advance Tasmania's prosperity through the sustainable development of our natural resources and conservation of our natural heritage.

The Department drives sustainable development of Tasmania's natural resources through a central role in industry development, land and water management practices, land information services, and the conservation and protection of Tasmania's natural environment.

The Department's activities underpin many of the actions undertaken across Government and the private sector such as environmental health, industrial assessments, primary industry production, nature conservation, maintenance of the state's cadastral mapping system, and delivery of Government services through *Service Tasmania*. It is also the Government's primary interface with rural and regional communities. Recognising the integral nature of these activities, the Department continues to foster partnerships with the community, interest groups, Local and Commonwealth Government agencies, other State Government agencies, and the private sector.

The Department is also responsible for the administration of the State's Crown land and is custodian of venues such as the Theatre Royal and the Salamanca Arts Centre.

The Department has seven divisions. The operational divisions are Information and Land Services; Food, Agriculture and Fisheries; Resource Management and Conservation; Environment; and Water Resources. The activities of these divisions are closely aligned with the Department's Output structure. The Corporate Management Division and the Strategic Policy Division provide internal services supporting the activities and objectives of the operational divisions.

STRATEGIC FOCUS

In order to fulfil the Government's objectives, including meeting community aspirations as expressed through Tasmania *Together*, the Department established the following key areas of focus as defined in the Department's Corporate Plan:

- sustainable and profitable agriculture, aquaculture and fisheries industries;
- a conserved natural heritage;

- a healthy and clean environment;
- a foundation for investment in Tasmania; and
- self-reliant rural and regional communities.

The Department has coordinating responsibility for 34 of the Tasmania *Together* benchmarks. In particular, the Department has a key role to play in achieving the benchmarks identified by Government as having high priority:

- achieving sustainable land and water management through;
 - percentage of land independently certified for land management against international, national and state standards (Tasmania *Together* Benchmark 23.4.1); and
 - number of sampling sites which maintain or improve their AusRivAS bands and number of sampling sites which deteriorate (Tasmania *Together* Benchmark 24.7.2); and
- managing global climate change through reducing the level of greenhouse gas production (tonnes) (Tasmania *Together* Benchmark 24.6.3).

KEY STRATEGIES

In order to achieve the above outcomes, the Department of Primary Industries, Water and Environment is implementing the following strategies:

- implementing the Natural Resource Management Framework – The Tasmanian Natural Resource Management Framework was launched in 2002. The Framework provides a systematic way of integrating natural resource management to ensure consistency, efficiency and improved outcomes. An important element of the Framework is the establishment of three Regional Strategies for the North, North West and South. The Framework will help strengthen regional communities by ensuring that dollars spent on environment programs are targeted at addressing priorities identified by the regions, providing the skills and resources that will allow local communities to address environmental problems and on tackling those problems on the ground. (Tasmania *Together*, Goals 22 - Value, protect and maintain our natural diversity; 23 - Ensure there is a balance between environmental protection and economic and social development; and 24 – Ensure our natural resources are managed in a sustainable way now and for future generations);
- Sustainable Water Management and Development – Tasmania's economic, social and environmental future depends on clean, healthy, productive rivers, wetlands and estuaries. The major strategic focus for 2003-04 is to continue to facilitate community-driven sustainable water development projects consistent with the Water Development Plan, improve community access to water information to support water development and management decisions, accelerate the development of statutory Water Management Plans and to bring current water usage within the provisions of the statutory framework while making water users more accountable for their use of the resource. (Tasmania *Together*, Benchmarks 24.7.1 - Proportion of measurement sites showing no increase in turbidity; and 24.7.2 – Number of sampling sites which maintain or improve their AusRivAS bands and number of sampling sites which deteriorate);

- maintaining our relative disease and pest free status - Tasmania is relative free of pests and diseases which is important to support Tasmania's healthy environment and primary industries. Barrier control, monitoring and surveillance activities and industry response to pest and disease incursions, maintains this important position. To ensure Tasmania remains relative free of pests and diseases the Department is improving quarantine protection both pre and post barrier, managing pests incursions through weed management plans, progressing eradication programs such as the Fox Eradication Program, and ensuring we are ready to manage an emergency disease outbreak. (*Tasmania Together*, Benchmarks 23.4.2 – Number of new pests established, and 24.9.1 – Number of naturalised organisms);
- a strategic policy framework to maintain and improve Tasmania's environmental quality - Maintaining our quality environment is vital to the health and well being of all Tasmanians. Air, water, noise, contaminated sites, waste management and managing global climate change are the key elements which impact on the state of the environment and need to be managed through monitoring programs, improved sustainable management practises, remediation and mitigation programs. (*Tasmania Together* Goal 24 – Ensure our natural resources are managed in a sustainable way now and for future generations);
- improving Land Information – Fundamental to Tasmania's prosperity is the security of land ownership and land tenure provided by a reliable and effective cadastral mapping system. For most Tasmanians, interest in property provides the basis for long-term financial security. Ensuring the cadastral mapping system is accurate, maintained and the information is readily available, is critical for Tasmania's future economic stability. A particular priority for 2003-04 is to continue the maintenance and development of the Land Information System Tasmania (the LIST), a whole of government secure commercial interactive web based delivery platform for land information services. (A number of economic and environmental goals within *Tasmania Together* are dependent upon access to accurate land information provided through the LIST.);
- validating our clean green image – Tasmania's international clean green image is based on our natural environment and perceived healthy environmental practises. In order to continue to access markets based on our clean green image, our claims must be verified (*Tasmania Together*, Goal 20 – Promote our island advantages including our 'clean-green' image, natural resources, location and people; and Benchmark 23.4.1 – Percentage of land independently certified for land management against international, national and state standards); and
- Primary Industry Development – The Government is committed to increasing the contribution of Tasmania's primary industries. This is achieved through programs focusing on growth; profitability; competitiveness; and sustainability for Tasmania's primary industries and market access. Implementation of programs under this strategy will closely involve the primary industry sector, and the Department of Economic Development (*Tasmania Together* Benchmark 20.2.4 – Primary industry exports).

2003-04 MAJOR INITIATIVES

As part of the above key strategies, the Department of Primary, Industries, Water and Environment will focus on the following major initiatives:

- implementing the Water Development Plan for Tasmania to identify sustainable water development opportunities and emphasise the need to advance these developments to meet Tasmania's economic and social objectives. Through the Economic and Social Infrastructure Fund, funding of \$1.5 million has been made available in 2003-04 for the implementation of the Water Development Plan for Tasmania (Tasmania *Together* Goal 23 – Ensure there is a balance between environmental protection and economic and social development);
- maintaining Tasmania's pest and disease free status and enhancing and maintaining Tasmania's exotic disease preparedness for incursions of weed, disease and pest emergencies. The Government has committed additional funding of \$1.65 million in 2003-04 with ongoing funding of \$1.56 million from 2004-05, to maintain Tasmania's relative pest and disease free status. As well as ensuring quarantine barriers are effective the funding will also ensure that effective mechanisms are in place to manage an outbreak of exotic disease, and to implement a national livestock identification scheme. (Tasmania *Together*, Benchmark 20.2.4 – Primary industry exports, and 24.9.1 – Number of naturalised organisms);
- implementing the Tasmanian Natural Resource Management Framework and supporting the State's three Regional Natural Resource Management Committees and Regional Natural Resource Management strategies (Tasmania *Together*, Goal 24 – Ensure our natural resources are managed in a sustainable way now and for future generations, and Benchmark 10.6.2 – Level of Aboriginal satisfaction with processes and outcomes in natural resource management);
- facilitating the adoption of sustainable farming practices by primary producers and rural communities (Tasmania *Together* Benchmark 23.4.1 – Percentage of land independently certified for land management against international, national and state standards);
- developing strategic arrangements for the conservation of the State's freshwater ecosystem values (Tasmania *Together*, Benchmarks 24.7.1 – Proportion of measurement sites showing no increase in turbidity, and 24.7.2 – Number of sampling sites which maintain or improve their AusRivAS bands and number of sampling sites which deteriorate, and 24.8.2 – Emission of pollutants into waterways);
- continuing to examine global environmental issues and their consequences, such as the effects of greenhouse gas emissions and ozone depleting substances (Tasmania *Together*, Benchmarks 24.6.2 - Ozone-depleting potential of substances sold in Tasmania, 24.6.3 – Levels of greenhouse gas production (tonnes), and 24.6.4 – Carbon Store capacity);
- coordinating efforts to rid the State of foxes through the Fox Eradication Strategy (Tasmania *Together*, Benchmarks 23.4.2 and 24.9.1);
- developing and implementing strategies to grow the contribution that primary industries make to Tasmania's economy (Tasmania *Together* Benchmark 20.2.4 – Primary industry exports);
- implementing the Tasmanian vegetation mapping program with high priority being given to completing coverage and finalising reservation targets for non-forest vegetation (Tasmania *Together*, Benchmark

22.1.2 – Reservation shortfall in hectares in relation to Regional Forest Agreement targeted communities, and 22.1.3 – Reservation shortfall in hectares in non-forest communities);

- implementing Tasmania's revised Gene Technology policy for primary industries (*Tasmania Together*, Benchmark 23.3.1 – Use of commercial food and non-food GM crops in the open environment, and 24.5.3 – Levels of usage of environmentally toxic chemicals); and
- increasing the functionality of the LIST by implementing an open Geographic Information System platform, increasing the number of land related datasets and making the web interface more user friendly.

OUTPUT GROUP RESTRUCTURE

Following the State Election in 2002, the Government formed the new Department of Tourism, Parks, Heritage and the Arts. This new Department brought together Parks and Wildlife Service, Cultural Heritage Services, Tourism and the Arts creating a Department the focus of which is to conserve and promote Tasmania's unique heritage to the outside world.

The creation of the new Department resulted in changes to this Department's Output Group structure. These changes are summarised below:

- transferring Output 5.1 Parks and Wildlife Services and Output 3.3 Cultural Heritage Services to the new Department of Tourism, Parks , Heritage and the Arts;
- transferring Output 5.2 Crown Land Services to Output 1.5; and
- renumbering Output Group 6 Water Resources to Output Group 5.

The new Output numbering structure is used throughout this Chapter.

SUMMARY AGENCY 2003-04 BUDGET INFORMATION

Financial Summary

Table 15.1: Summary Financial Information for the Department of Primary Industries, Water and Environment

| | 2002-03 Budget | 2003-04 Budget | Variation |
|---|-------------------|-------------------|--------------|
| | \$'000 | \$'000 | % |
| OPERATING REVENUE | | | |
| Revenue from Government | | | |
| Annual Appropriation ¹ | 73 132 | 76 274 | 4.3 |
| Reserved by Law ² | 123 | .... | (100.0) |
| Other Revenue ³ | 41 245 | 37 204 | (9.8) |
| TOTAL | 114 500 | 113 478 | (0.9) |
| OPERATING EXPENSES | | | |
| Information and Land Services ⁴ | 35 792 | 46 633 | 30.3 |
| Food, Agriculture and Fisheries ⁵ | 28 950 | 31 588 | 9.1 |
| Resource Management and Conservation ³ | 11 547 | 9 950 | (13.8) |
| Environment Protection, Planning and Analytical Services ⁶ | 14 455 | 15 150 | 4.8 |
| Water Resources ⁷ | 5 504 | 4 923 | (10.6) |
| Grants and Subsidies ⁸ | 23 278 | 22 847 | (1.9) |
| Other | 154 | 154 | .... |
| TOTAL | 119 680 | 131 245 | 9.7 |
| NET OPERATING RESULT | (5 180) | (17 767) | 243.0 |

Notes:

1. The increase in Annual Appropriation reflects additional funding for the new initiative 'Maintaining Tasmania's relative pest and disease free status', the assessment of the Southwood, Basslink and Hydro Windfarm projects, the State Service Wage Agreement (SSWA) adjustment and the 27th Pay funding in 2003-04.
2. The decrease in Reserved by Law is due to the finalisation of State loans for the Cressy-Longford Irrigation Scheme.
3. The decrease in Other Revenue relates to the conclusion of the Natural Heritage Trust and other Commonwealth funded projects.
4. The increase in Information and Land Services represents the inclusion of the transfer of monies from the Crown Land Administration Fund to the Consolidated Fund as required under accrual budgeting principles.
5. The increase in Food, Agriculture and Fisheries is due to additional expenditure for the new initiative 'Maintaining Tasmania's relative pest and disease free status', SSWA adjustment and externally funded projects for 2003-04.
6. The increase in Environment Protection, Planning and Analytical Services relates to additional funding for the SSWA adjustment and the assessment of the Southwood, Basslink and Hydro Windfarm projects.
7. The decrease in Water Resources expenditure is due to a reduction in the grants provided under the Regional Flood Mitigation Program, a reduction due to the cessation of a three year revenue retention arrangement related to water licence revenue and the conclusion of Natural Heritage Trust projects.
8. The decrease in Grants and Subsidies is due to a reduction for Water Supply Grants due to the winding up of the project by the Commonwealth Government.

DETAILED OUTPUT GROUP 2003-04 BUDGET INFORMATION

The individual Outputs of the Department of Primary Industries, Water and Environment are provided under the following Output Groups:

- Output Group 1: Information and Land Services;
- Output Group 2: Food, Agriculture and Fisheries;
- Output Group 3: Resource Management and Conservation;
- Output Group 4: Environment Protection, Planning and Analytical Services; and
- Output Group 5: Water Resources.

Output Group 1: Information and Land Services

Description

The purpose of this Output Group is to contribute to Tasmania's growth, prosperity and conservation by providing land services and world class information infrastructure.

This is achieved by:

- providing government land valuations;
- providing a centralised government mapping and aerial photography service;
- providing and maintaining survey standards;
- administering the guaranteed lands title registry;
- producing, maintaining and integrating diverse spatial information into a comprehensive database of State land information called the Land Information System Tasmania (LIST);
- facilitating public and private sector use and development of Crown property; and
- managing the *Service Tasmania* shops.

This Output Group plays a significant role in the achievement of the Department's Outcome of a foundation for investment in Tasmania, through the provision of security of land tenure, by providing an effective and efficient cadastral system. It also supports a number of Tasmania *Together* goals by providing vital land information.

Through the management of *Service Tasmania* shops, this Output Group supports rural and regional communities by providing quality services and products across Tasmania through shop fronts and electronic commerce.

Users of this Output Group include the Commonwealth, State and Local Governments, the community, businesses and industry. Significant users in the private sector include the banking, legal, survey and real estate professions.

Table 15.2: Summary Financial Information – Output Group 1

| | 2002-03 | 2003-04 | |
|---|---------------|---------------|------------------|
| Information and Land Services | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| OPERATING REVENUE | | | |
| Revenue from Government | | | |
| Annual Appropriation | 18 057 | 18 934 | 4.9 |
| Sales of Goods and Services ¹ | 16 320 | 17 404 | 6.6 |
| Proceeds from the Disposal of Assets ² | 4 442 | 5 244 | 18.1 |
| Other Revenue | 649 | 766 | 18.0 |
| TOTAL | 39 468 | 42 348 | 7.3 |
| OPERATING EXPENSES | | | |
| Employee Entitlements | | | |
| Salaries and Wages | 17 707 | 17 273 | (2.5) |
| Other Employee Related Expenses | 1 520 | 1 591 | 4.7 |
| Superannuation | 1 824 | 1 788 | (2.0) |
| Depreciation and Amortisation | 803 | 1 047 | 30.4 |
| Grants and Transfer Payments ³ | .... | 11 603 | .... |
| Supplies and Consumables | | | |
| Travel and Transport | 847 | 829 | (2.1) |
| Advertising and Promotion | 41 | 44 | 7.3 |
| Rent | 1 970 | 1 999 | 1.5 |
| Other Accommodation Related Expenses | 969 | 1 055 | 8.9 |
| Information Technology ⁴ | 2 232 | 2 521 | 12.9 |
| Other Supplies and Consumables ⁵ | 7 879 | 6 883 | (12.6) |
| TOTAL | 35 792 | 46 633 | 30.3 |
| EXPENSE BY OUTPUT | | | |
| 1.1 Land Services and Systems | 8 325 | 9 145 | 9.8 |
| 1.2 Information Systems and Services | 11 247 | 11 098 | (1.3) |
| 1.3 Government Valuation Services ⁶ | 1 702 | 1 208 | (29.0) |
| 1.4 Service Tasmania Shop Fronts ⁷ | 8 232 | 9 072 | 10.2 |
| 1.5 Crown Land Services ³ | 6 286 | 16 110 | 156.3 |
| TOTAL | 35 792 | 46 633 | 30.3 |

Notes:

1. The increase in Sales of Goods and Services is due to additional revenue from Government properties in 2003-04 compared to the 2002-03 estimate.
2. The increase in Proceeds from the Disposal of Assets reflects estimated increase in revenue from shack sites disposals.
3. The increase in Grants and Transfer Payments represents the inclusion of the transfer of monies from the Crown Land Administration Fund to Consolidated Fund as required under accrual budgeting principles.
4. The increase in Information Technology is due to a number of new information technology development projects, including, the redevelopment of Crown Real Estate System Tasmania and the Valuation Information System Tasmania.
5. The decrease in Other Supplies and Consumables is due to the completion of shack site assessments in 2002-03.
6. The decrease in Government Valuation Services relates to a reduction in salary and related expenses arising from an increase in valuation services being undertaken by the private sector.

7. The variance in *Service Tasmania Shop Fronts* is primarily due to the transfer of driver testing from the Department of Infrastructure, Energy and Resources to *Service Tasmania*.

Major Issues and Initiatives for 2003-04

As well as undertaking the activities mentioned above, the major initiatives and issues for 2003-04 are:

- supporting the development of the Natural Resource Management Framework through the provision of land information (Tasmania *Together* Benchmark 24.1.1 - percentage of Tasmania covered by native vegetation);
- working closely with Councils to implement Partnership Agreements;
- continuing the legislative program including:
 - overseeing the passage of the *Retirement Villages Bill 2002*;
 - commencing a review of the *Land Titles Act 1980* and undertaking a post implementation review of the *Strata Titles Act 1998*;
 - commencing a post implementation review of the *Powers of Attorney Act 2000*;
 - assisting in the preparation of amendments to the *Land Use Planning and Approvals Act 1995*;
 - amending the *Crown Lands Act 1976* to define reserved roads and their management and use; and
 - reviewing the *Survey Coordination Act 1994*;
- increasing the functionality of the LIST, including:
 - implementing an open Geographic Information System (GIS) platform;
 - continuing to redevelop the LIST website to be more user friendly;
 - increasing the number of land related datasets available via the LIST; and
 - developing arrangements to facilitate effective and efficient data exchange with Emergency Services and other 'cluster' groups within government;
- continuing to work with existing information systems including the Infrastructure and Resource Information Service (IRIS), Trials of Innovative Government Electronic Regional Services (TIGERS) and the Tasmanian Information on Geoscience and Exploration Resources Project (Project TIGER) and facilitate access to core data sets by emerging systems (Tasmania *Together* Benchmark 15.4.2);
- implementing new services as requested by the *Service Tasmania* Board;
- pursuing opportunities for digital lodgement of title transaction and survey information;
- continuing phase two of the Shack Sites Project - facilitating the installation of required infrastructure and the completion of shack site sales;
- redeveloping the Crown Real Estate System Tasmania (CREST) to improve business efficiency and effectiveness, customer service and to provide for eBusiness opportunities;
- supporting major infrastructure developments through managing the land acquisition process;
- developing a project proposal for the examination of Crown land parcels as required by the Regional Forest Agreement; and

- reviewing and refining rating valuation system processes in consultation with Local Government including tender documentation, service agreements and revaluation cycles.

Table 15.3: Performance Information – Output Group 1

| Performance Measure | Unit of measure | 2000-01 Actual | 2001-02 Actual | 2002-03 Target | 2003-04 Target |
|--|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Accuracy of data held on LIST | % | n.a. | n.a. | 90 | 95 |
| Valuation notices issued resulting in an objection | % | 0.79 | 0.55 | 1 | 1 |
| Formal complaints received in <i>Service Tasmania</i> | % | 0.003 | 0.002 | 0.003 | 0.003 |
| DPIWE land related datasets delivered through LIST | % | n.a. | 80 | 100 | 100 |
| Average of brokered survey service costs against Institute of Surveyors Australia Guide to Fees | % | 50 | 60 | 50 | 65 |
| Plans registered in the Land Titles Office within 10 days | % | 67 | 58 | 80 | 80 |
| Average time to approve Crown land transaction | Days | 103 | 102 | 95 | 95 |

Performance Information Comments

The performance assessment for this Output Group focuses on the timely delivery of services and the provision of accurate information.

To ensure quality customer service is provided to clients, *Service Tasmania* has developed a complaints resolution mechanism, which ensures all complaints are acted upon to a satisfactory end. To improve customer service in the future, the Department is striving to:

- ensure land-related data sets are available through the LIST by 2003 with 90 per cent accuracy. This accuracy figure complies with the National Standard; and
- redeveloping the Crown Real Estate System Tasmania to produce future significant improvements in processing and registration times.

Output Group 2: Food, Agriculture and Fisheries

Description

This Output Group provides a range of services aimed at contributing to the economic, social and sustainable development of Tasmania's agricultural, aquaculture and fisheries industries by encouraging best practice production and facilitating access to domestic and export markets.

Principle activities undertaken as part of this Output Group include:

- quarantine area freedom surveys;
- quarantine barrier control;
- analysing animal and plant specimens and diagnosing animal and plant diseases;

- continuous learning activities through the delivery of programs such as Edge Network, TopCrop, Prograze and Wool Profit Map;
- wild fisheries management planning;
- marine farm planning, management and environmental impact management;
- fisheries licensing and quota management;
- meat inspection and quality assurance auditing;
- farm business skills development;
- animal welfare;
- regulating agricultural and veterinary chemical usage;
- assisting industries update, develop and implement strategic plans;
- promoting 'best practice' management, Integrated Pest Management and organic technologies;
- assisting industries to meet legislative and market requirements for safe and quality products;
- developing export market protocols for new market access; and
- facilitating the development of the State's intensive horticulture industries.

This Output Group supports the Department's Outcome of sustainable and profitable agriculture, aquaculture and fisheries and the Outcome of self-reliant rural and regional communities.

The Output Group contributes to a number of Tasmania *Together* goals primarily, Goal 20 - Promote our island advantages including our 'clean-green' image, natural resources, location and people; and Goal 23 - Ensure there is a balance between environmental protection and economic and social development.

Whilst the Department's contribution to funding the Tasmanian Institute of Agricultural Research (TIAR) is shown as an Administered Item, TIAR's research and development programs are fully integrated with the Outputs within this Output Group. In addition, during the course of the year, the Department will continue to contribute funding and work with the University of Tasmania and industry to ensure the success of the Tasmanian Aquaculture and Fisheries Institute (TAFI).

The majority of funding for the Outputs within this Output Group is sourced from the Consolidated Fund, although funding is also provided by external bodies such as research corporations and by the operation of research and demonstration farms, as well as from programs under the Commonwealth funded Natural Heritage Trust. Australian Quarantine and Inspection Service (AQIS) activities are also undertaken on behalf of the Commonwealth Government.

The main users of this Output Group are primary producers and primary industries, fishers and aquaculture industries, and regional communities.

Table 15.4: Summary Financial Information - Output Group 2

| Food, Agriculture and Fisheries | 2002-03 | 2003-04 | Variation |
|---|----------------|----------------|------------------|
| | Budget | Budget | |
| | \$'000 | \$'000 | % |
| OPERATING REVENUE | | | |
| Revenue from Government | | | |
| Annual Appropriation¹ | 20 914 | 23 336 | 11.6 |
| Grants² | 1 256 | 1 853 | 47.5 |
| Sales of Goods and Services³ | 3 645 | 2 930 | (19.6) |
| Other Revenue | 751 | 655 | (12.8) |
| TOTAL | 26 566 | 28 774 | 8.3 |
| OPERATING EXPENSES | | | |
| Employee Entitlements | | | |
| Salaries and Wages⁴ | 13 678 | 15 102 | 10.4 |
| Other Employee Related Expenses⁴ | 1 103 | 1 414 | 28.2 |
| Superannuation⁴ | 1 407 | 1 613 | 14.6 |
| Depreciation and Amortisation | 964 | 1 234 | 28.0 |
| Grants and Transfer Payments³ | 2 702 | 1 546 | (42.8) |
| Supplies and Consumables | | | |
| Travel and Transport | 1 315 | 1 435 | 9.1 |
| Advertising and Promotion | 156 | 211 | 35.3 |
| Rent | 1 645 | 1 653 | 0.5 |
| Other Accommodation Related Expenses | 903 | 993 | 10.0 |
| Information Technology⁵ | 154 | 332 | 115.6 |
| Other Supplies and Consumables⁶ | 4 923 | 6 055 | 23.0 |
| TOTAL | 28 950 | 31 588 | 9.1 |
| EXPENSE BY OUTPUT | | | |
| 2.1 Agriculture Industry Development Services⁷ | 8 594 | 10 659 | 24.0 |
| 2.2 Food Quality and Quarantine Services⁵ | 6 657 | 8 111 | 21.8 |
| 2.3 Marine Farming and Wild Fisheries Management³ | 9 194 | 7 791 | (15.3) |
| 2.4 Diagnostic Services⁵ | 4 505 | 5 027 | 11.6 |
| TOTAL | 28 950 | 31 588 | 9.1 |

Notes:

1. The increase in Annual Appropriation is due to additional funding for the new initiative 'Maintaining Tasmania's relative pest and disease free status', the 27th Pay and the SSWA adjustment for 2003-04.
2. The increase in Grants is due to additional funding from industry for the Fisheries Research Development Corporation and other externally funded projects.
3. The decrease is due to a change in treatment of revenue for the Rock Lobster Quota Management System. Rock Lobster Quota Management System revenue is recorded in Table 15.13: Revenue Collected on Behalf of the Consolidated Fund under other fishing licences.
4. The increase is due to additional expenditure for the new initiative 'Maintaining Tasmania's relative pest and disease free status', SSWA adjustment and externally funded projects for 2003-04.
5. The increase in expenditure is due to the new initiative 'Maintaining Tasmania's relative pest and disease free status' for 2003-04.

6. The increase in Other Supplies and Consumables expenditure is due to the new initiative 'Maintaining Tasmania's relative pest and disease free status' and externally funded projects for 2003-04.
7. The variance Agriculture Industry Development Services is due to a projected increase in expenditure for externally funded projects and the Agricultural Research Farms for 2003-04.

Major Issues and Initiatives for 2003-04

The Government has committed additional funding of \$1.65 million for 2003-04, with ongoing funding of \$1.56 million from 2004-05, to maintain Tasmania's relative pest and disease free status. As well as ensuring quarantine barriers are effective, the funding will also ensure that effective mechanisms are in place to manage an outbreak of exotic disease, and implement a national livestock identification scheme (Tasmania *Together* Benchmark 20.2.4).

Other major initiatives and issues for 2003-04 are:

- progressing and reporting on benchmarks relating to the agriculture, aquaculture and fisheries industries goals of Tasmania *Together*; and working with the Tasmania *Together* Progress Board to set targets for category 2 benchmarks;
- facilitating the adoption of up-to-date sustainable land management practices by primary producers (Tasmania *Together* Benchmark 23.4.1 – Percentage of land independently certified for land management against international, national and state standards);
- implementing Tasmania's revised Gene Technology policy for primary industries (Tasmania *Together* Benchmarks 23.3.1 – Use of commercial food and non-food GM crops in the open environment, and 24.5.3 – Levels of usage of environmentally toxic chemicals);
- developing and implementing strategies to increase the contribution that primary industries make to Tasmania's economy (Tasmania *Together* Benchmark 20.2.4 – Primary industry exports);
- implementing revised fisheries management plans and improving administrative procedures for key fisheries; such as the recreational fishing industry, commercial dive fishery, mackerel, wild pacific oysters, clam, octopus, and kelp fisheries;
- reviewing quarantine barrier activities and implementing strategies to service the increased traffic through our barriers (Tasmania *Together* Benchmark 20.1.1 – Kilos of private confiscations by state quarantine services);
- managing the implementation of the National Livestock Identification Scheme, which will provide identification of animals and enable producers to access international markets (Tasmania *Together* Benchmark 20.2.4 – Primary industry exports);
- completing marine farming plans for the D'Entrecasteaux Channel and the Huon Estuary;
- contributing to the implementation of the industry strategic plan for the Tasmanian organics industry (Tasmania *Together* Benchmark 24.5.2 – Level of organic agricultural production in Tasmania);
- implementing on-farm programs to promote improved irrigation practices and improved economic returns from on-farm water use;
- developing integrated systems to support through chain food safety and natural resource management requirements, particularly for the seafood sector in partnership with Food Standards Australia New Zealand;

- finalising the reforms to the egg industry;
- reviewing advice provided to industry to ensure it complies with internationally recognised ecolabelling benchmarks (Tasmania *Together* Benchmark 20.2.4 – Primary industry exports);
- developing and implementing strategies for integrated pest management to reduce chemical usage or to achieve the substitution of less environmentally toxic chemicals (Tasmania *Together* Benchmarks 24.5.3 - Levels of usage of environmentally toxic chemicals); and
- aligning the research priorities of the Tasmanian Aquaculture and Fisheries Institute and the Tasmanian Institute for Agricultural Research with the goals of the Department, and developing integrated research and development programs in relation to Tasmania's primary industries.

Table 15.5: Performance Information – Output Group 2

| Performance Measure | Unit of measure | 2000-01 Actual | 2001-02 Actual | 2002-03 Target | 2003-04 Target |
|---|------------------------|-----------------------|--------------------------|--|-----------------------|
| Primary industry exports (TT)¹ | | | | To be established in consultation with the Tasmania Together Progress Board | |
| | \$ million | 416.3 | 425.2 | | |
| Value of the aquaculture and fishing industries:² | GVP | | | | |
| | \$ million | Revised | Prelim | | |
| Aquaculture | | 115.0 | 127.8 | 135.0 | 140.0 |
| Scalefish and other | | 3.2 | 4.3 | 4.0 | 4.0 |
| Other | | 5.4 | 3.6 | 4.0 | 4.0 |
| Molluscs | | 130.1 | 121.4 | 120.0 | 120.0 |
| Crustaceans | | 60.3 | 68.1 | 65.0 | 65.0 |
| Quarantine Effectiveness: | | | | | |
| Quarantine detection levels³ | Tonnes | 152.8 | 217.5⁴ | 230.0 | 400.0 |
| No of Aircraft Passengers | Number | | | | |
| | ('000) | n.a. | 579.7⁵ | 1 000.0 | 1 200.0 |
| No of Sea Passengers | Number | | | | |
| | ('000) | n.a. | 64.2 | 64.0 | n.a. |
| No of certified organic producers | Number | 65 | 80 | 100 | 120 |
| Fishers Licensing transaction times | % completed | | | | |
| | in 3 days | n.a. | >90 | 95 | 95 |
| Diagnostic Services turn around time: | | | | | |
| General seed testing – purity analysis | Days | 3 | 3 | 3 | 3 |
| Veterinary Pathology – parasitology | Days | 1.3 | 1.3 | 2 to 5 | 2 to 5 |
| Veterinary Pathology – biochemistry/haematology | Days | 1.8 | 1.8 | 1 | 1 |
| Diagnosis by Enzyme Linked Immuno Sorbent Assay | Days | 8 | 8 | 8 | 8 |

Notes:

1. Targets for 2002-03 and 2003-04 are to be determined by the Tasmania Together Progress Board. The figures are calculated on the Tasmania Together counting rules and data from the Australian Bureau of Statistics. The figures do not exactly represent Tasmanian exports as some Tasmanian products are exported from Melbourne and therefore are not included in the Tasmanian figures (eg some wool and opium alkaloids). (TT) denotes that this Performance Information is linked directly to a Tasmania Together benchmark.
2. The targets have been revised from those reported in the Department's 2001-02 Annual Report, as there is up to a 12 month delay in receiving catch records from fisheries and other jurisdictions.
3. With Tasmania becoming an increasingly attractive holiday destination, and with additional sailings across Bass Strait, there is a projected increase in the number of visitors to Tasmania. This increase in volume of visitors will increase the overall level of detections.
4. This figure has been updated from that reported in the Department's 2001-02 Annual Report as late data was received post publishing.

5. This figure does not include passengers flying into Launceston on Virgin flights for the months while there were no facilities in the Airport.

Performance Information Comments

The performance assessment for this Output Group focuses on the provision of services aimed at increasing the contribution of primary industries to the State, improving the effectiveness of quarantine services, and the efficiency of diagnostic services.

As detailed in Table 15.5, the value of aquaculture and fisheries industries has continued to increase. However, the rate of development and expansion is expected to slow, particularly in wild fisheries production of the molluscs and crustaceans as the majority of these resources are fully utilised.

Quarantine detection levels have increased due to more effective detection procedures as additional quarantine detector dog teams are being used at the barrier. In addition, confiscation levels are predicted to increase due to the increased number of visitors expected from the State's two new ferries.

Diagnostic services have been effective in achieving quick turnaround times, in order to provide timely diagnostic information to primary producers so they can effectively manage their businesses.

Output Group 3: Resource Management and Conservation

Description

This Output Group provides for the management and conservation of Tasmania's natural resources on both public and private land by informing and encouraging sustainable land use in Tasmania and effectively engaging the community and stakeholders in the management of natural resources.

This Output Group contributes to the Department's Outcome of a conserved natural heritage, as well as the Outcomes of sustainable and profitable agriculture, aquaculture and fisheries industries and a clean and healthy environment.

In this way, this Output Group supports Tasmania *Together* Goal 22: Value, protect and maintain our natural diversity; Goal 23: Ensure there is a balance between environmental protection and economic and social development; and Goal 24: Ensure our natural resources are managed in a sustainable way now and for future generations.

Activities undertaken as part of this Output Group include:

- conserving and sustainably managing the State's natural heritage;
- maintaining populations of the State's threatened species of animals and plants;
- managing the conservation of wildlife species;
- developing and supporting a comprehensive, adequate and representative reserve system for vegetation, habitat and geodiversity in both terrestrial and marine environments;
- protecting the State's geoheritage features;
- developing community partnerships covering all areas of natural resource management;
- increasing sustainable productivity through improved soil, land and weed management practices;
- providing advice for the management, protection and rehabilitation of riparian land;

- providing geographic data storage, manipulation and presentation services to underpin and facilitate natural resource management; and
- undertaking regulatory activities to ensure compliance with legislative frameworks for weed and wildlife management.

Users of this Output Group include natural resource managers such as farmers, interstate and overseas visitors, a large percentage of the Tasmanian community, agricultural industries, scientific and educational organisations, and a wide range of special interest groups including conservation and resource user groups, other State departments and Local Government.

Table 15.6: Summary Financial Information - Output Group 3

| | 2002-03 | 2003-04 | |
|---|---------------|--------------|---------------|
| Resource Management and Conservation | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| OPERATING REVENUE | | | |
| Revenue from Government | | | |
| Annual Appropriation | 8 805 | 8 842 | 0.4 |
| Grants ¹ | 378 | .... | (100.0) |
| Sales of Goods and Services ¹ | 994 | 187 | (81.2) |
| Other Revenue ¹ | 524 | .... | (100.0) |
| TOTAL | 10 701 | 9 029 | (15.6) |
| OPERATING EXPENSES | | | |
| Employee Entitlements | | | |
| Salaries and Wages ¹ | 6 476 | 5 966 | (7.9) |
| Other Employee Related Expenses ² | 486 | 784 | 61.3 |
| Superannuation ¹ | 765 | 632 | (17.4) |
| Depreciation and Amortisation | 234 | 182 | (22.2) |
| Grants and Transfer Payments ¹ | 229 | .... | (100.0) |
| Supplies and Consumables | | | |
| Travel and Transport ¹ | 673 | 598 | (11.1) |
| Advertising and Promotion | 51 | 52 | 2.0 |
| Rent | 347 | 359 | 3.5 |
| Other Accommodation Related Expenses ¹ | 219 | 89 | (59.4) |
| Information Technology | 67 | 75 | 11.9 |
| Other Supplies and Consumables ¹ | 2 000 | 1 213 | (39.3) |
| TOTAL | 11 547 | 9 950 | (13.8) |
| EXPENSE BY OUTPUT | | | |
| 3.1 Land Management Services ¹ | 2 990 | 2 155 | (27.9) |
| 3.2 Conservation of Tasmania's flora, fauna and geoheritage | 8 557 | 7 795 | (8.9) |
| TOTAL | 11 547 | 9 950 | (13.8) |

Notes:

1. The decrease relates to the conclusion of the Natural Heritage Trust and other Commonwealth funded projects.
2. The increase in Other Employee Related Expenses is primarily due to the provision of long service leave for project staff.

Major Issues and Initiatives for 2003-04

As well as undertaking activities mentioned above, the major initiatives and issues for 2003-04 are:

- progressing and reporting on Tasmania *Together* benchmarks relating to resource management and conservation, and working with the Tasmania *Together* Progress Board to set targets for category 2 benchmarks;
- implementing the Tasmanian Natural Resource Management Framework and supporting the State's three Regional Natural Resource Management Committees and Regional Natural Resource Management strategies (Tasmania *Together*, Goal 24 – Ensure our natural resources are managed in a sustainable way now and for future generations, and Benchmark 10.6.2 – Level of Aboriginal satisfaction with processes and outcomes in natural resource management);
- continuing the fox eradication program to rid the State of foxes (Tasmania *Together* Benchmark 23.4.2 - Number of new pests established);
- working closely with Councils and local volunteers to rehabilitate and conserve flora, fauna and other natural heritage values (Tasmania *Together* Goal 24 – Ensure our natural resources are managed in a sustainable way now and for future generations);
- completing coverage of the Tasmanian vegetation mapping program (Tasmania *Together* Benchmark 22.1.2 – Reservation shortfall in hectares in relation to Regional Forest Agreement targeted communities, and 22.1.3 – Reservation shortfall in hectares in non-forest communities);
- implementing strategies for weed of national significance, and managing weed incursions (Tasmania *Together* Benchmarks 23.4.2 – Number of new pests established, and 24.9.1 – Number of naturalised organisms);
- implementing the National Environmental Management System in Tasmania (Tasmania *Together* Benchmark 23.4.1 – Percentage of land independently certified for land management against international, national and state standards);
- reviewing priorities for research on Macquarie Island as part of the development of the Macquarie Island management plan (Tasmania *Together* Benchmark 23.1.2 – Percentage of protected land covered by approved management plans);
- continuing to implement the Private Forest Reserve Program for the Regional Forest Agreement, to establish and maintain the best possible private land component of the Comprehensive, Adequate and Representative reserve system (Tasmania *Together* Benchmark 23.1.1 – Percentage of land protected either by legislation or by contract in conservation reserves, under covenant or heritage regimes);
- implementing the Tasmanian Marine Protected Areas Strategy which provides for a systematic process to develop a comprehensive, adequate and representative system of marine protected areas (Tasmania *Together* Benchmark 22.1.4 – Reservation shortfall in relation to marine-protected areas);
- developing a number of projects to address water quality and salinity issues under the National Action Plan for Salinity and Water Quality (NAPSWQ) (Tasmania *Together* Benchmarks 23.4.3 - Area of land

affected by salinity, and 24.7.2 – Number of sampling sites which maintain or improve their AusRivAS bands and number of sampling sites which deteriorate);

- improving management of native wildlife and expanding game management to control native game species and promote alternatives to 1080 (Tasmania *Together* Benchmark 24.5.1 – Levels of usage of 1080);
- administering and managing the finalisation of Natural Heritage Trust 1 (NHT1), and supporting the delivery of Natural Heritage Trust 2 (NHT2) and the National Action Plan for Salinity and Water Quality (NAPSWQ) in Tasmania (Tasmania *Together* Goal 22 – Value, protect and maintain our natural diversity);
- developing a strategy for protecting freshwater systems, including habitat, geomorphology and biodiversity (Tasmania *Together* Benchmark 22.1.5 – Reservation shortfall in hectares including landscapes and other elements of natural diversity); and
- continuing to implement the Threatened Species Protection Strategy (Tasmania *Together* Benchmark 22.1.1 – Number of species showing a decline or improvement in status on the schedules of the *Threatened Species Protection Act 1997*).

Table 15.7: Performance Information – Output Group 3

| Performance Measure | Unit of measure | 2000-01 Actual | 2001-02 Actual | 2002-03 Target | 2003-04 Target |
|--|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Percentage of land protected either by legislation or by contract in conservation reserves, under covenant or heritage regimes (TT) | % | 39.8 | 39.9 | 40.5 | 41.0 |
| Properties with active game management plans per year | Number | 300 | 310 | 330 | 360 |
| New WILDCARE groups established | Number | 10 | 15 | 20 | 25 |
| Registered volunteers | Number | 2000 | 3000 | 3300 | 3650 |
| Percentage of land independently certified against international, national and state standards (TT)¹ | % | 25 | 25 | 25 | 25 |
| Draft Weed Management plans developed² | Number | 0 | 25 | 77 | 10 |
| Maintenance advice for all sites on asset maintenance register | % | 100 | 100 | 100 | 100 |

Notes:

1. New indicator included supporting the Government's Tasmania *Together* priority benchmarks. The 2005 target set for the benchmark was reached during 2001. The Department is actively working to develop draft certification standard for key elements of private Agricultural Land Management, which meets international ecolabel certification requirement by 2003-04.
2. Targets for 2002-03 have been changed from those appearing in the Department's Annual Report 2002, as of the 86 declared weeds, nine weeds have been deemed invalid. Therefore, the target was changed from 86 to 77 draft weed management plans.

Performance Information Comments

The performance assessment for this Output Group focuses on the contribution made to protecting and conserving the natural environment.

The amount of land which is managed either under a conservation reserve or covenant or through independent certification already exceeds the targets set through *Tasmania Together*.

The 2003-04 financial year will involve assessing the validity of declaration for additional nominated weeds, developing weed management plans for declared weeds. It would be expected that an additional 10 to 15 plants may be declared weeds with weed management plans needed to be prepared.

The Department is committed to encouraging community participation in the management of Tasmania's natural resources. The membership of *WILDCARE* Inc has still continued to grow, with the target of 3 300 members being met by December 2002. Volunteers contributed in excess of 747 548 hours of volunteer assistance during the year, equating to approximately \$9.8 million in value. For example, during the Orange Bellied Parrot Survey program, volunteers contributed the equivalent of \$172 800 of time.

Output Group 4: Environment Protection, Planning and Analytical Services

Description

The primary purpose of this Output Group is to ensure that Tasmania has a clean and healthy environment for its community to enjoy and that contributes to Tasmania's attractiveness to tourists and potential new settlers.

This is achieved by:

- ensuring that development proposals meet appropriate environmental guidelines and standards;
- regulating environmental impacts of major industrial and municipal activities;
- providing environmental policy advice at National, State and Local levels;
- measuring and reporting on indicators of environmental performance;
- providing policy advice and research on planning related issues;
- assessing Local Government planning schemes and decisions on amendments to Local Government planning schemes;
- hearing and determining appeals and civil enforcement proceedings concerning the State's land, resources and environment; and
- contributing to the improved health and safety of the Tasmanian population through provision of a range of scientific and analytical services.

This Output Group supports the Outcome of a healthy and clean environment; and supports the Outcome of sustainable and profitable agriculture and fisheries industries; the Outcome of a conserved natural heritage; and the Outcome of a foundation for Investment in Tasmania.

The Output Group has a pivotal role in addressing *Tasmania Together*, Goal 23: Ensure there is a balance between environmental protection and economic and social development; and Goal 24: Ensure our natural resources are managed in a sustainable way now and for future generations.

Support is provided to State and Local Government on matters relating to the Resource Management and Planning System and professional advice and support is provided to the Board of Environmental Management and Pollution Control and the Resource Planning and Development Commission.

The Resource Planning and Development Commission is an independent statutory body established by the *Resource Planning and Development Commission Act 1997*. The Commission has responsibility for planning schemes and amendments under the *Land Use Planning and Approvals Act 1993*; the assessment of Projects of State Significance and State Policies under the *State Policies and Projects Act 1993* according to directions issued by the Premier; preparation of the State of Environment Report; and inquiries in accordance with terms of reference issued under the *Public Land (Administration and Forests) Act 1991*.

The Resource Management and Planning Appeal Tribunal is an independent statutory body which hears appeals relating to planning, heritage, marine and environmental decisions and determines applications for orders under relevant legislation. The planning system includes the assessment of development applications and the inspection and auditing of activities likely to cause significant environmental harm.

Users of this Output Group include the Commonwealth, State and Local Government, the building and other secondary industries, private businesses and the general public.

Table 15.8: Summary Financial Information – Output Group 4

| | 2002-03 | 2003-04 | |
|---|---------------|---------------|------------------|
| Environment Protection, Planning and Analytical Services | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| OPERATING REVENUE | | | |
| Revenue from Government | | | |
| Annual Appropriation ¹ | 10 254 | 10 894 | 6.2 |
| Grants ² | 323 | .... | (100.0) |
| Sales of Goods and Services | 2 192 | 2 177 | (0.7) |
| Other Revenue | .... | 18 | .... |
| TOTAL | 12 769 | 13 089 | 2.5 |
| OPERATING EXPENSES | | | |
| Employee Entitlements | | | |
| Salaries and Wages ¹ | 6 975 | 7 222 | 3.5 |
| Other Employee Related Expenses | 557 | 704 | 26.4 |
| Superannuation | 742 | 791 | 6.6 |
| Depreciation and Amortisation | 439 | 453 | 3.2 |
| Supplies and Consumables | | | |
| Travel and Transport | 418 | 423 | 1.2 |
| Advertising and Promotion | 77 | 76 | (1.3) |
| Rent ³ | 899 | 1 025 | 14.0 |
| Other Accommodation Related Expenses | 363 | 294 | (19.0) |
| Information Technology | 127 | 108 | (15.0) |
| Other Supplies and Consumables | 3 858 | 4 054 | 5.1 |
| TOTAL | 14 455 | 15 150 | 4.8 |
| EXPENSE BY OUTPUT | | | |
| 4.1 Environmental Management and Pollution Control ¹ | 9 887 | 10 395 | 5.1 |
| 4.2 Resource Management Planning Appeals Tribunal | 782 | 800 | 2.3 |
| 4.3 Analytical Services | 1 854 | 1 861 | 0.4 |
| 4.4 Resource Planning and Development Commission ³ | 1 932 | 2 094 | 8.4 |
| TOTAL | 14 455 | 15 150 | 4.8 |

Notes:

1. The increase relates to an increase in funding for the 27th Pay, SSWA adjustment and the assessment of the Southwood, Basslink and Hydro Windfarm projects.
2. The decrease in Grants is primarily due to the finalisation of Commonwealth funded programs.
3. The increase relates to the provision of additional funding for the extra lease area occupied by the Resource Planning and Development Commission.

Major Issues and Initiatives for 2003-04

As well as undertaking activities mentioned above, the major initiatives and issues for 2003-04 are:

- progressing and reporting on Tasmania *Together* benchmarks relating to environment protection, planning and analytical services, and working with the Tasmania *Together* Progress Board to set targets for category 2 benchmarks;
- working closely with Local Governments to implement partnerships, such as the partnership with Launceston to reduce the effects of smoke from woodheaters (Tasmania *Together* benchmark 24.3.1 - Breaches of National Environment Protection Measures air standards);
- implementing the Environmental Protection Policy on ambient air quality and developing an Environmental Protection Policy on noise (Tasmania *Together* Benchmark 24.3.1 – Breaches of National Environment Protection Measures air standards);
- reducing emission of pollutants into waterways (Tasmania *Together* Benchmark 24.3.2 – Breaches of Australian Drinking Water Standards, and 24.3.3 – Breaches of recreational water standards);
- continuing programs to address global environmental issues and their consequences, such as the effects of greenhouse gas emissions and ozone depleting substances (Tasmania *Together* Benchmarks 24.6.2 - Ozone-depleting potential of substances sold in Tasmania, 24.6.3 – Levels of greenhouse gas production (tonnes), and 24.6.4 – Carbon Store capacity);
- regulating the construction phase of major developments including Basslink, Southwood and Woolnorth (Tasmania *Together* Goal 23 – Ensure there is a balance between environmental protection and economic and social development);
- managing the Simplified Planning Schemes Project in partnership with Local Government, with a view to achieving a more consistent approach to planning (Tasmania *Together* Benchmark 21.1.1 – An enhanced planning system);
- leading the Government's interaction with the State's resource management and planning system (Tasmania *Together* Goal 21 – Value, protect and conserve our natural and cultural heritage, and Goal 24 - Ensure our natural resources are managed in a sustainable way now and for future generations);
- completing a major review of Level 2 activities and fees (Tasmania *Together* Benchmark 21.1.1 - An enhanced planning system);
- putting in place a new electronic management system for the environmental regulatory and monitoring process;
- improving controlled waste management, and improving infrastructure to reduce controlled waste to landfill (Tasmania *Together* Benchmark 24.8.1 - Waste disposal to landfill and incineration);
- undertaking major remediation programs for Mt Lyell and Savage River (Tasmania *Together* Goal 23 - Ensure there is a balance between environmental protection and economic and social development);
- facilitating development and implementation of coastal zone management projects through the Regional Natural Resource Management Framework (Tasmania *Together* Goal 24 – Ensure our natural resources are managed in a sustainable way now and for future generations); and

- reviewing the State of the Environment Report 2003, including data gathering methodology for future reports (Tasmania *Together* Goals 21 – Value, protect and conserve our natural and cultural heritage, 23 - Ensure there is a balance between environmental protection and economic and social development, and 24 – Ensure our natural resources are managed in a sustainable way now and for future generations).

Table 15.9: Performance Information – Output Group 4

| Performance Measure | Unit of measure | 2000-01 Actual | 2001-02 Actual | 2002-03 Target | 2003-04 Target |
|--|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Analytical Services – analysis performed | Number ('000) | 121 | 111 | 120 | 120 |
| Analytical Services turnaround time | Days | 10 | 6 | 9 | 9 |
| Air quality (TT): | Exceed | | | | |
| Hobart | PM₁₀ | 6 | 3 | 2 | 2 |
| Launceston | standards¹ | 34 | 22 | 20 | 17 |
| Review of Environmental management plans (existing and new) | Number | 84 | 74 | 57 | 50 |
| Permits reviewed (existing and new) | Number | 84 | 66 | 77 | 65 |
| Median time to complete assessments of Level 2 activities | Days | 89 | 103 | 103 | 90 |

Note:

1. PM₁₀ denotes air particles less than 10 micrometres in diameter. The measure counts the number of days that exceed the NEPM (National Environment Protection Measure) standard of 50 micrograms per cubic metre of air.

Performance Information Comments

The performance assessment for this Output Group includes monitoring the provision of timely environmental assessments and providing customers with efficient turnaround times for analytical services.

The Department has upgraded air quality monitoring equipment and is working in partnership with Councils to educate the community about air quality through the wood-heater use programs. The results show that air quality has improved in Hobart and Launceston with a reduction in the number of days on which particulate concentration exceeded the national PM₁₀ standards. Air quality is an important issue for the community recognised through Tasmania *Together* Benchmark 24.3.1 – Breaches of National Environmental Protection Measures air standards.

The number of reviews of environmental management plans and permits has fallen due to a greater proportion of resources being required to deal with incidents and ongoing regulation. The median time taken for assessments has increased as a result of the proportion of large and complex proposals increasing.

Output Group 5: Water Resources

Description

The purpose of this Output Group is to advance Tasmania's prosperity through managing the sustainable use and development of the State's water resources while ensuring that the resources will be able to meet the foreseeable needs of future generations.

This Output Group is responsible for a diverse range of water related functions including:

- implementing the *Water Management Act 1999* and the Water Development Plan for Tasmania;
- designing policy and regulatory frameworks to ensure the equitable, efficient and sustainable allocation and use of surface and ground water resources;
- facilitating water infrastructure development projects; and
- monitoring and assessing the condition of Tasmania's freshwater resources.

This Output Group directly contributes to the Outcome of sustainable and profitable agriculture and fisheries industries and the Outcome of a healthy and clean environment.

This Output Group contributes to the achievement of Tasmania *Together* Goal 20: Promote our island advantages including our 'clean-green' image, natural resources, location and people; and Goal 24: Ensure our natural resources are managed in a sustainable way now and for future generations.

The main users of this Output Group include the Tasmanian community, primary industries, the tourist industry, and water dependent industries such as Hydro Tasmania.

Table 15.10: Summary Financial Information - Output Group 5

| Water Resources | 2002-03 | 2003-04 | Variation |
|---|----------------|----------------|------------------|
| | Budget | Budget | |
| | \$'000 | \$'000 | % |
| OPERATING REVENUE | | | |
| Revenue from Government | | | |
| Annual Appropriation | 3 814 | 3 672 | (3.7) |
| Grants¹ | 484 | 226 | (53.3) |
| Sales of Goods and Services | .... | 100 | .... |
| Other Revenue | 700 | 700 | .... |
| TOTAL | 4 998 | 4 698 | (6.0) |
| OPERATING EXPENSES | | | |
| Employee Entitlements | | | |
| Salaries and Wages² | 2 591 | 2 267 | (12.5) |
| Other Employee Related Expenses | 162 | 271 | 67.3 |
| Superannuation | 218 | 289 | 32.6 |
| Depreciation and Amortisation | 81 | 286 | 253.1 |
| Grants and Transfer Payments³ | 425 | 150 | (64.7) |
| Supplies and Consumables | | | |
| Travel and Transport | 275 | 293 | 6.5 |
| Advertising and Promotion | 51 | 29 | (43.1) |
| Rent | 121 | 123 | 1.7 |
| Other Accommodation Related Expenses | 68 | 58 | (14.7) |
| Information Technology | 56 | 50 | (10.7) |
| Other Supplies and Consumables² | 1 456 | 1 107 | (24.0) |
| TOTAL | 5 504 | 4 923 | (10.6) |
| EXPENSE BY OUTPUT | | | |
| 5.1 Water Resource Management² | 3 452 | 2 914 | (15.6) |
| 5.2 Water Resource Assessment | 2 052 | 2 009 | (2.1) |
| TOTAL | 5 504 | 4 923 | (10.6) |

Notes:

1. The decrease in Grants is due to reduced revenue from the Commonwealth under the Natural Heritage Trust and Regional Flood Mitigation Program.
2. The decrease in expenditure is primarily related to the cessation of a three year revenue retention arrangement related to water licence revenue, and the conclusion of Natural Heritage Trust projects.
3. The decrease in Other Supplies and Consumables expenditure is due to a reduction in the grants provided under the Regional Flood Mitigation Program.

Major Issues and Initiatives for 2003-04

Through the Economic and Social Infrastructure Fund, funding of \$1.5 million has been made available in 2003-04 for the implementation of the Water Development Plan for Tasmania. The key actions undertaken as part of the implementation include:

- progressing irrigation and water supply infrastructure work;
- implementing the conservation of fresh water ecosystems values project; and
- promoting sustainable water use.

As well as undertaking activities mentioned above, the major initiatives and issues for 2003-04 are:

- progressing and reporting on Tasmania *Together* Benchmarks which require sustainable use of water resources, and working with the Tasmania *Together* Progress Board to set targets for category 2 benchmarks;
- forming effective partnerships with the Regional Natural Resource Management Committees to assist in the developing and implementing the water assessment, management and planning requirements of the Regional Natural Resource Management Strategies;
- implementing the Water Development Plan for Tasmania to identify water development opportunities and facilitating the advancement of these developments to meet Tasmania's economic and social objectives (Tasmania *Together* Goal 23 - Ensure there is a balance between environmental protection and economic and social development);
- working closely with Councils to implement individual and regional Partnership agreements to sustainably manage Tasmania's water resources, such as the Circular Head Council and Glamorgan Spring Bay Council (Tasmania *Together* Goal 24 - Ensure our natural resources are managed in a sustainable way now and for future generations);
- progressing the development of the Mersey, Little Swanport, Clyde, Ringarooma and South Esk Water Management Plans (Tasmania *Together* Goals 23 – Ensure there is a balance between environmental protection and economic and social development, and 24 – Ensure our natural resources are managed in a sustainable way now and for future generations);
- developing practical methodology for assessing the potential socioeconomic impacts of proposed environmental flow regimes and Water Management Plans;
- increasing the security of water dependent businesses and reducing the risk of unsustainable water use by arresting the ongoing creep in water extractions in advance of water management plans (Tasmania *Together* Goal 24 – Ensure our natural resources are managed in a sustainable way now and for future generations);
- reviewing water licence fees to reflect current costs of water management activities;
- implementing the new regulatory mechanisms to ensure the safe construction and operation of dams;
- developing and implementing mechanisms to improve the sustainable management of ground water users (Tasmania *Together* Benchmark 23.4.3 – Area of land affected by salinity);

- providing high quality information about water quantity and quality to enable sound decision making on short and long-term water resource management, including the implementation of the State Surface Water Quality Monitoring Strategy;
- continuing to improve community access to water resource information; and
- developing strategic arrangements for the conservation of the State's freshwater ecosystem values (Tasmania *Together* Benchmarks 24.7.1 – Proportion of measurement sites showing no increase in turbidity, and 24.7.2 – Number of sampling sites which maintain or improve their AusRivAS bands and number of sampling sites which deteriorate, and 24.8.2 – Emission of pollutants into waterways).

Table 15.11: Performance Information – Output Group 5

| Performance Measure | Unit of measure | 2000-01 Actual | 2001-02 Actual | 2002-03 Target | 2003-04 Target |
|---|--------------------------------------|-----------------------|-----------------------|--|-----------------------|
| Number of sampling sites which maintain or improve their AusRivAS bands and number of sampling sites which deteriorate (TT):¹ | | | | To be established in consultation with the Tasmania Together Progress Board | |
| Sites maintained/improved | Number | n.a. | n.a. | | |
| Sites deteriorated | Number | n.a. | n.a. | | |
| Degree to which the Output Group involves stakeholders directly in its activities (Local Government Partnerships and Water Management Plans) | Number | 3 | 8 | 12 | 15 |
| Increase in user awareness of the value of water resources (users accessing water information website)² | | | Baseline data | | |
| | % increase in number of hits. | n.a. | 3175 | | |
| | | | Internal | | |
| | | | External | | |
| | | | 7956 | 10 | 5 |
| Licensed volume of water available for irrigation | % increase above baseline | | | | |
| | | 9.2 | 13.7 | 7 | 5 |
| Volume of water traded permanently | megalitres (ML) p.a. | 210 | 652 | 242 | 300 |
| Volume of water traded temporarily | megalitres (ML) p.a. | 375 | 651 | 395 | 450 |
| Average cost of developing Water Management Plans to approval stage | \$/ML of licensed users | n.a. | n.a. | 96 | 90 |
| Cost of Water Allocation and Compliance activities | \$/standard station | 3.01 | 3.00 | 3.54 | 3.54 |
| Cost of operating stream monitoring stations | | 4 750 | 8 500 | 5 250 | 5 250 |
| Percentage of dam permit applications dealt with in the statutory timeframe | % | 98 | 99 | 100 | 100 |
| Average time for processing dam permit applications, under delegation by the Assessment Committee for Dam Construction | Days | 110 | 58 | 77 | 70 |

Notes:

1. New indicator included supporting the Government's Tasmania *Together* priority benchmark 24.7.2. The whole-of-Agency effort in sustainable land and water management impacts on the outcome of this measure and the Water Resources Output is limited to maintaining the sampling sites which measure the AusRivAS band status and in ensuring sustainable water management. Targets for this measurement are yet to be set by the Tasmania *Together* Progress Board.
2. The 2003-04 targets for the Water Information web site have been reduced since the 2002-03 Budget, due to a significant underestimation of the baseline measurement, which occurred in 2001-02.

Performance Information Comments

The performance assessment for this Output Group focuses on the demand for services provided and the effectiveness and efficiency of water allocation, monitoring, and the effect of economic activity in the water industry.

As illustrated in Table 15.11, there has been an important increase in the level of involvement of stakeholders in the activities of the Output Group. An example of this is work undertaken with the Circular Head Council to study water storage and irrigation improvement opportunities.

The availability of irrigation water is expected to increase until the sustainable limits of water availability are reached in key catchments. Conversely the volume of water traded (permanently and temporarily) is a measure of economic activity in the water industry: the more confidence there is in the profitability of water-dependent industries, the greater the frequency and volume of water trading for higher-value uses. The actual figures for 2000-01 are the baseline figures, as the trading of water is a new activity. It is unclear whether the increase in 2001-02 is solely attributable to initial activity caused by the introduction of the concept and whether it is sustainable. Due to seasonal factors it is not possible to accurately predict the outcome of the figures for 2002-03. Once the actual figure for 2002-03 is known, it will provide a further datum point on which to base future targets.

In addition, the cost of developing Water Management Plans is expected to decrease as the preparation of plans becomes more efficient and the community's familiarity with the planning process grows.

Administered Items

Grants and Subsidies

Table 15.12 provides a summary of Grants and Subsidies paid by the Department of Primary Industries, Water and Environment. A brief description of each payment follows the Table.

Table 15.12: Grants and Subsidies Financial Summary

| | 2002-03 | 2003-04 | |
|---|---------------|---------------|---------------|
| | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| REVENUE | | | |
| Revenue from Government | | | |
| Annual Appropriation | 11 134 | 10 442 | (6.3) |
| Reserved by Law ¹ | 123 | .... | (100.0) |
| Other Revenue ² | 8 587 | 4 944 | (42.5) |
| TOTAL | 19 844 | 15 386 | (22.5) |
| EXPENSES | | | |
| Construction of Irrigation Schemes: Loan Charges Contribution | 2 763 | 2 763 | .... |
| Contribution to Commonwealth, State and Industry Organisations | 470 | 470 | .... |
| Contribution to Cressy-Longford Reserve Fund ¹ | 123 | .... | (100.0) |
| Grant to Tasmanian Aquaculture and Fisheries Institute | 2 422 | 2 422 | .... |
| Grant to Tasmanian Institute of Agricultural Research | 1 820 | 1 820 | .... |
| Grants to Rural Support Tasmania | 30 | 30 | .... |
| Grants to the Royal Society for the Prevention of Cruelty to Animals | 191 | 191 | .... |
| Inland Fisheries Service - Government Contribution ³ | 1 416 | 725 | (48.8) |
| Interest on borrowings for Minor Works (Rivers and Water Supply Commission) | 284 | 284 | .... |
| Launceston Flood Protection Scheme | 150 | 150 | .... |
| Local Authorities: Subsidies under the <i>Water Management Act 1999</i> | 475 | 475 | .... |
| Natural Heritage Trust ⁴ | 3 589 | 5 179 | 44.3 |
| RFA Private Land Reserve System | 4 899 | 5 000 | 2.0 |
| Rural Adjustment Scheme and FarmBi\$ Subsidies ⁵ | 879 | 751 | (14.6) |
| Savage River Remediation ⁶ | 431 | 330 | (23.5) |
| State River Care and Flood Mitigation | 373 | 372 | (0.3) |
| Valuation Services to Government | 740 | 740 | .... |
| Water Supply Grants ⁷ | 2 223 | 1 145 | (48.5) |
| TOTAL | 23 278 | 22 847 | (1.9) |

Notes:

1. The decrease is due to the finalisation of State loans for the Cressy-Longford Irrigation Scheme.
2. The decrease in Other Revenue relates to the conclusion of Natural Heritage Trust and other Commonwealth funded projects.
3. The funding of \$725 000 for 2003-04 represents current base funding and funding for the Carp Eradication Program. This amount has been incorporated in the Budget Papers pending the outcome of a review of IFS operations.

4. The increase in Natural Heritage Trust is due to the timing of the grants under the Natural Heritage Trust program.
5. The decrease in Rural Adjustment Scheme and FarmBis Subsidies expenditure is due to the finalisation of subsidies to farmers under the Drought Exceptional Circumstances Program (Rural Adjustment Scheme) during 2002-03.
6. The decrease in the Savage River Remediation is due to a reduction in the study and investigative work being undertaken.
7. The decrease in Water Supply Grants expenditure is due to the winding up of the project by the Commonwealth Government.

Construction of Irrigation Schemes: Loan Charges Contribution

The provision of this funding contributes to Output Group 2 - Food, Agriculture and Fisheries and represents a capital contribution to the Rivers and Water Supply Commission to meet loan charges on borrowings for the construction of irrigation schemes.

Contribution to Commonwealth, State and Industry Organisations

This funding is provided to meet the State contribution to cost sharing arrangements as agreed at meetings of the Natural Resource Management Ministerial Council, the Primary Industries Ministerial Council and the Environment Protection and Heritage Council. As such, it contributes to activities under Output Group 2 - Food, Agriculture and Fisheries and Output Group 3 - Resource Management and Conservation.

Contribution to Cressy-Longford Reserve Fund

Under section 3 of the *Cressy-Longford Irrigation Act 1969*, the Treasurer refunds to the Cressy-Longford Irrigation Scheme, after the end of the financial year, a sum equal to interest and principal repayments on both State loans and semi-government borrowings. The final year of the fund was 2002-03. This payment contributes to Output Group 2 - Food, Agriculture and Fisheries.

Grant to the Tasmanian Aquaculture and Fisheries Institute

The former Department of Primary Industry and Fisheries entered into a joint venture agreement with the University of Tasmania, effective from 1 July 1998, to undertake fisheries research under the auspices of the Tasmanian Aquaculture and Fisheries Institute (TAFI). The Government provides its contribution to the joint venture by way of an annual grant. Activities of TAFI contribute to Output Group 2 - Food, Agriculture and Fisheries.

Grant to the Tasmanian Institute of Agricultural Research

The former Department of Primary Industry and Fisheries entered into a joint venture agreement with the University of Tasmania in May 1997 to undertake agricultural research under the auspices of the Tasmanian Institute of Agricultural Research (TIAR). The Government provides its contribution to the joint venture by way of an annual grant. Activities of TIAR contribute to Output Group 2 - Food, Agriculture and Fisheries.

Grant to Rural Support Tasmania

Rural Support Tasmania receives funding which contributes to Output Group 2 - Food, Agriculture and Fisheries to provide rural counselling services for farmers and rural families experiencing difficulties because of drought and downturns in prices received for produce.

Grant to the Royal Society for the Prevention of Cruelty to Animals

The Royal Society for the Prevention of Cruelty to Animals receives funding which contributes to Output Group 2 - Food, Agriculture and Fisheries. The Society deals directly with all companion animal welfare issues and, in providing a 24 hour service for the receipt and investigation of reports of animal cruelty, provides an excellent, fair and impartial service to the community and the Government at low cost.

Inland Fisheries Service - Government Contribution

This contribution is linked to Output Group 3 - Resource Management and Conservation. It represents the community service functions of the Inland Fisheries Service in relation to the conservation, protection and management of Tasmania's native freshwater fauna and the carp management program.

Interest on Borrowings for Minor Works

This funding contributes to Output Group 2 - Food, Agriculture and Fisheries to meet interest payable on works and services funds advanced by the State for the purposes of stream gauging works, river improvement works and water resources surveys.

Launceston Flood Protection Scheme

The payment to this project represents the completion of construction of the Launceston flood levee system, including measures to counteract foundation settlement problems and ensure ongoing protection of the city from major South Esk River floods.

Local Authorities: Subsidies under the Water Management Act 1999

The funding contributes to Output Group 5 - Water Resources to assist municipal councils in the operation and maintenance of water supply, sewerage and storm water drainage schemes. With the introduction of the *Water Management Act 1999*, funding provided under this item is now limited to the provision of existing subsidies to municipal councils to assist in the operation and maintenance of water supply, sewerage and storm water drainage schemes.

Natural Heritage Trust

Funds are provided by the Commonwealth Government to community organisations and individuals for projects that conserve, repair and replenish Australia's environment and natural resources. These grants are linked to Output Group 3 - Resource, Management and Conservation.

Regional Forest Agreement (RFA) Private Land Reserve System

This item is linked to Output Group 3 - Resource Management and Conservation. This payment provides for the compensation payable to landowners under the Comprehensive and Adequate (CAR) Private Lands Reserve System. Provision is also made for the costs of administering the system.

Rural Adjustment Scheme and FarmBis Subsidies

The Rural Adjustment Scheme and FarmBis Program contribute to Output Group 2 - Food, Agriculture and Fisheries Service. FarmBis assists farm businesses to profit from change by building on their business management skills. The Rural Adjustment Scheme provides assistance to farmers in the event of drought by way of interest rate subsidies.

Savage River Remediation

This payment is linked to Output Group 4 - Environment, Planning and Analytical Services. The payment forms part of the Environment Protection Fund, which is specifically allocated to rehabilitation at Savage River and Port Latta. It represents funds paid to the Government by Pickands Mather and Co. International in lieu of the company meeting its rehabilitation obligations at Savage River and Port Latta under the *Iron Ore (Savage River) Deed of Variation Act 1990* and associated legislation.

State Rivercare and Flood Mitigation Program

The funding contributes to Output Group 5 - Water Resources and Output Group 3 - Resource Management and Conservation to provide technical support to local Rivercare Groups and State funding support to approved flood mitigation schemes in urban and semi-urban flood-prone area in partnership with councils and the Commonwealth Government under the Regional Flood Mitigation Program (RFMP).

Valuation Services to Government

This payment is linked to Output Group 1 - Information and Land Services. It represents funding for services provided by the Office of the Valuer-General.

Water Supply Grants

This payment is linked to Output Group 5 - Water Resources. These grants are supplied through the Strategic Natural Heritage Plan for Tasmania. Funds will be used to upgrade sewerage treatment plants and water supply treatment plants for a number of local councils.

Revenue Collected on Behalf of the Consolidated Fund

The fees summarised in Table 15.13 below represent revenue collected by the Department that is returned to the Consolidated Fund and not retained in the operating account for Departmental purposes.

Table 15.13: Revenue Collected on Behalf of the Consolidated Fund

| | 2002-03 | 2003-04 | Variation |
|--|---------------|---------------|------------|
| | Budget | Budget | |
| | \$'000 | \$'000 | % |
| REVENUE | | | |
| Fines and Regulatory Fees | 16 543 | 16 446 | (0.6) |
| Other Revenue | 11 603 | 11 603 | .... |
| Sales of Goods and Services ¹ | 12 573 | 13 381 | 6.4 |
| Total Revenue | 40 719 | 41 430 | 1.7 |
| Transfers to the Consolidated Fund | | | |
| Abalone licences | 7 397 | 7 397 | .... |
| Animal Health Laboratory fees and recoveries | 294 | 287 | (2.4) |
| Animal quarantine fees and recoveries | 2 | 2 | .... |
| Commissional Water Rights fees and recoveries | 216 | 212 | (1.9) |
| Cost recovery – trading schemes | 97 | 94 | (3.1) |
| Crown Lands Administration Fund | 11 603 | 11 603 | .... |
| Environment and Planning Charges | 1 546 | 1 546 | .... |
| Land Information Charges ² | 822 | 729 | (11.4) |
| Lands Titles Office Dealings ¹ | 9 510 | 10 557 | 11.0 |
| Marine Farms fees and recoveries ³ | 1 079 | 968 | (10.3) |
| Meat hygiene inspections and licences ⁴ | 159 | 96 | (39.7) |
| Other DPIWE fees and recoveries | 51 | 83 | 62.7 |
| Other fishing licences | 2 569 | 2 506 | (2.5) |
| Parks and Wildlife Charges | 215 | 204 | (5.2) |
| Planning and Local Government Levy | 2 744 | 2 778 | 1.2 |
| Plant quarantine fees and recoveries | 211 | 211 | .... |
| Seed testing fees and recoveries | 158 | 154 | (2.6) |
| Water Royalties | 1 912 | 1 911 | (0.1) |
| Wildlife animal management fees and recoveries | 134 | 92 | (31.4) |
| Total Transfers to the Consolidated Fund | 40 719 | 41 430 | 1.7 |

Notes:

1. The increase reflects the expected continuing high level of Land Titles Office dealings lodged as a result of the buoyant real estate and financial sectors in Tasmania.
2. The decrease in Land Information Charges reflects an ongoing trend for reduced demand for cadastral data by the private sector.
3. The decrease in Marine Farms fees and recoveries is due to the surrender of several marine farming leases during 2002-03.
4. The decrease in Meat hygiene inspections and licences revenue is due to the withdrawal of the Government's inspection service, replaced by a quality assurance system undertaken by industry during 2002-03.

Capital Investment Program

Table 15.14: Capital Investment Program

| | 2003-04 |
|---|----------------|
| | Budget |
| | \$'000 |
| Continuing Projects | |
| Building Services Maintenance | 154 |
| TOTAL CAPITAL INVESTMENT PROGRAM | 154 |

DETAILED BUDGET STATEMENTS

Table 15.15: Output Group Expense Summary for the Department of Primary Industries, Water and Environment

| | 2002-03 | 2003-04 | |
|--|----------------|----------------|------------|
| | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| Output Group 1 - Information and Land Services | | | |
| 1.1 Land Services and Systems | 8 325 | 9 145 | 9.8 |
| 1.2 Information Systems and Services | 11 247 | 11 098 | (1.3) |
| 1.3 Government Valuation Services ¹ | 1 702 | 1 208 | (29.0) |
| 1.4 Service Tasmania Shop Fronts ² | 8 232 | 9 072 | 10.2 |
| 1.5 Crown Land Services ³ | 6 286 | 16 110 | 156.3 |
| | 35 792 | 46 633 | 30.3 |
| Output Group 2 - Food, Agriculture and Fisheries | | | |
| 2.1 Agriculture Industry Development Services ⁴ | 8 594 | 10 659 | 24.0 |
| 2.2 Food Quality and Quarantine Services ⁵ | 6 657 | 8 111 | 21.8 |
| 2.3 Marine Farming and Wild Fisheries Management ⁶ | 9 194 | 7 791 | (15.3) |
| 2.4 Diagnostic Services ⁵ | 4 505 | 5 027 | 11.6 |
| | 28 950 | 31 588 | 9.1 |
| Output Group 3 - Resource Management and Conservation | | | |
| 3.1 Land Management Services ⁷ | 2 990 | 2 155 | (27.9) |
| 3.2 Conservation of Tasmania's flora, fauna and geoheritage | 8 557 | 7 795 | (8.9) |
| | 11 547 | 9 950 | (13.8) |
| Output Group 4 - Environment Protection, Planning and Analytical Services | | | |
| 4.1 Environmental Management and Pollution Control ⁸ | 9 887 | 10 395 | 5.1 |
| 4.2 Resource Management Planning Appeals Tribunal | 782 | 800 | 2.3 |
| 4.3 Analytical services | 1 854 | 1 861 | 0.4 |
| 4.4 Resource Planning and Development Commission ⁹ | 1 932 | 2 094 | 8.4 |
| | 14 455 | 15 150 | 4.8 |
| Output Group 5 - Water Resources | | | |
| 5.1 Water Resource Management ¹⁰ | 3 452 | 2 914 | (15.6) |
| 5.2 Water Resource Assessment | 2 052 | 2 009 | (2.1) |
| | 5 504 | 4 923 | (10.6) |
| Grants and Subsidies | 23 278 | 22 847 | (1.9) |
| Other | 154 | 154 | .... |
| TOTAL AGENCY | 119 680 | 131 245 | 9.7 |

Notes:

1. The decrease in Government Valuation Services relates to a reduction in salary and related expenses arising from an increase in valuation services being undertaken by the private sector.
2. The variance *Service Tasmania Shop Fronts* is primarily due to the transfer of driver testing from the Department of Infrastructure, Energy and Resources to *Service Tasmania*.
3. The increase in Crown Land Services represents the inclusion of the transfer of monies from the Crown Land Administration Fund to the Consolidated Fund as required under accrual budgeting principles.
4. The increase in Agriculture Industry Development Services is due to a projected increase in expenditure for externally funded projects and the Agricultural Research Farms for 2003-04.
5. The increase in expenditure is due to the new initiative 'Maintaining Tasmania's relative pest and disease free status' for 2003-04.
6. The decrease in Marine Farming and Wild Fisheries Management is due to a change in treatment of revenue for the Rock Lobster Quota Management System. Rock Lobster Quota Management System revenue is recorded in Table 15.13: Revenue Collected on Behalf of the Consolidated Fund under other fishing licences.
7. The decrease in Land Management Services relates to the conclusion of the Natural Heritage Trust and other Commonwealth funded projects.
8. The increase relates to additional funding for SSWA adjustment and the assessment of the Southwood, Basslink and Hydro Windfarm projects.
9. The increase in Resource Planning and Development Commission relates to the provision of additional funding for the extra lease area occupied by the Resource Planning and Development Commission.
10. The decrease in Water Resource Management expenditure is primarily related to the cessation of a three year revenue retention arrangement related to water licence revenue, and the conclusion of Natural Heritage Trust projects.

Table 15.16: Statement of Financial Performance for the Department of Primary Industries, Water and Environment

| | 2002-03 | 2003-04 | |
|---|-----------------|------------------|------------------|
| | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| OPERATING REVENUE | | | |
| Revenue from Government | | | |
| Annual Appropriation¹ | 61 998 | 65 832 | 6.1 |
| Grants² | 2 441 | 2 079 | (14.9) |
| Sales of Goods and Services | 23 151 | 22 798 | (1.6) |
| Proceeds from the Disposal of Assets³ | 4 442 | 5 244 | 18.0 |
| Other Revenue² | 2 624 | 2 139 | (18.5) |
| TOTAL | 94 656 | 98 092 | 3.6 |
| OPERATING EXPENSES | | | |
| Employee Entitlements | 51 255 | 52 594 | 2.6 |
| Superannuation | 4 956 | 5 113 | 3.1 |
| Depreciation and Amortisation | 2 521 | 3 202 | 27.0 |
| Grants and Transfer Payments⁴ | 3 356 | 13 299 | 296.2 |
| Supplies and Consumables | 34 314 | 34 190 | (0.4) |
| TOTAL | 96 402 | 108 398 | 12.4 |
| NET OPERATING RESULT | (1 746) | (10 306) | 490.2 |

Notes:

1. The increase in Annual Appropriation is due to additional funding for the new initiative 'Maintaining Tasmania's relative pest and disease free status', the assessment of the Southwood, Basslink and Hydro Windfarm projects, the SSWA adjustment and the 27th Pay funding in 2003-04.
2. The decrease relates to the conclusion of the Natural Heritage Trust and other Commonwealth funded projects.
3. The increase in Proceeds from the Disposal of Assets revenue reflects an increase in shack sites disposals.
4. The increase in Grants and Transfer Payments represents the inclusion of the transfer of monies from the Crown Land Administration Fund to the Consolidated Fund as required under accrual budgeting principles.

Table 15.16: Statement of Financial Performance for the Department of Primary Industries, Water and Environment (continued)

| | 2002-03 | 2003-04 | |
|--|---------------|---------------|--------------|
| | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| ADMINISTERED ITEMS | | | |
| REVENUE | | | |
| Revenue from Government | | | |
| Annual Appropriation ¹ | 11 134 | 10 442 | (6.3) |
| Reserved by Law ² | 123 | .... | (100.0) |
| Fines and Regulatory Fees | 16 543 | 16 446 | (0.6) |
| Investment Income ³ | .... | 400 | .... |
| Grants ⁴ | 7 707 | 3 505 | (54.6) |
| Sales of Goods and Services ⁵ | 13 453 | 14 420 | 7.1 |
| Other Revenue | 11 603 | 11 603 | .... |
| TOTAL | 60 563 | 56 816 | (6.2) |
| EXPENSES | | | |
| Grants and Subsidies | | | |
| Employee Entitlements | 1 301 | 1 263 | (3.0) |
| Superannuation | 120 | 117 | (2.5) |
| Grants and Transfer Payments | 20 567 | 20 207 | (1.8) |
| Supplies and Consumables | 1 290 | 1 260 | (2.4) |
| Total Grants and Subsidies | 23 278 | 22 847 | (1.9) |
| Transfer to the Consolidated Fund | 40 719 | 41 430 | 1.7 |
| TOTAL | 63 997 | 64 277 | 0.4 |

Notes:

1. The decrease in Annual Appropriation primarily reflects the reduction in funding shown for the IFS in Table 15.12. Funding of \$725 000 for the IFS in 2003-04 represents current base funding and funding for the Carp Eradication Program. This amount has been incorporated in the Budget Papers pending the outcome of a review of IFS operations.
2. The decrease in Reserved by Laws is due to the finalisation of State loans for the Cressy-Longford Irrigation Scheme.
3. The increase in Investment Income is due to the recognition of the interest due on the Savage River Remediation Project Funds as required under accrual budgeting principles.
4. The decrease in Grants relates to the conclusion of the Natural Heritage Trust and other Commonwealth funded projects
5. The increase in Sales of Goods and Services relates to the expected continuing high level of Land Titles Office dealings lodged as a result of the buoyant real estate and financial sectors in Tasmania.

Table 15.17: Statement of Financial Position as at 30 June for the Department of Primary Industries, Water and Environment

| | 2003 | 2004 | |
|------------------------------------|----------------|----------------|------------------|
| | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| CURRENT ASSETS | | | |
| Cash ¹ | 23 472 | 15 969 | (32.0) |
| Receivables ² | 2 521 | 16 905 | 570.5 |
| Other ³ | 2 999 | 1 814 | (39.6) |
| TOTAL | 28 992 | 34 688 | 19.6 |
| NON-CURRENT ASSETS | | | |
| Land and Buildings | 225 674 | 224 504 | (0.6) |
| Plant and Equipment ⁴ | 12 855 | 11 566 | (10.1) |
| Infrastructure ⁵ | 4 676 | 4 189 | (10.5) |
| Other | 3 423 | 3 315 | (3.2) |
| TOTAL | 246 628 | 243 574 | (1.3) |
| TOTAL ASSETS | 275 620 | 278 262 | 0.9 |
| CURRENT LIABILITIES | | | |
| Payables | 1 327 | 1 408 | 6.1 |
| Employee Entitlements | 5 813 | 5 466 | (6.0) |
| Other ⁶ | 176 | 289 | 64.2 |
| TOTAL | 7 316 | 7 163 | (2.1) |
| NON-CURRENT LIABILITIES | | | |
| Payables ⁷ | 1 500 | 935 | (37.7) |
| Employee Entitlements ⁸ | 8 382 | 7 642 | (8.9) |
| TOTAL | 9 882 | 8 577 | (13.3) |
| TOTAL LIABILITIES | 17 198 | 15 740 | (8.5) |
| NET ASSETS | 258 422 | 262 522 | 1.5 |

Table 15.17: Statement of Financial Position as at 30 June for the Department of Primary Industries, Water and Environment (continued)

| | 2002-03 | 2003-04 | |
|----------------------------------|---------------|---------------|----------------|
| | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| ADMINISTERED ITEMS | | | |
| CURRENT ASSETS | | | |
| Cash ⁹ | 18 000 | 10 539 | (41.5) |
| Receivables ¹⁰ | 1 515 | 741 | (51.1) |
| Other ¹⁰ | 878 | .... | (100.0) |
| TOTAL | 20 393 | 11 280 | (44.7) |
| NON-CURRENT ASSETS | | | |
| Land and Buildings ¹⁰ | 212 | .... | (100.0) |
| Other ¹⁰ | 2 | .... | (100.0) |
| TOTAL | 214 | .... | (100.0) |
| TOTAL ASSETS | 20 607 | 11 280 | (45.3) |
| CURRENT LIABILITIES | | | |
| Other ¹⁰ | 191 | .... | (100.0) |
| TOTAL | 191 | .... | (100.0) |
| NON-CURRENT LIABILITIES | | | |
| TOTAL | .... | .... | .... |
| TOTAL LIABILITIES | 191 | .... | (100.0) |
| NET ASSETS | 20 416 | 11 280 | (44.8) |

Notes:

1. The decrease represents expenditure on externally funded projects where the revenue was received in prior years.
2. The increase is due to the recognition of a receivable for the Savage River Remediation Project as required under accrual budgeting principles. The value of the remediation project is estimated to be approximately \$14.0 million.
3. The decrease in Other is due to a downward revaluation in the value of stock on hand.
4. The decrease in Plant and Equipment represents the effect of depreciation on the value of Plant and Equipment.
5. The decrease in Infrastructure represents the effect of depreciation on the value of Infrastructure.
6. The increase in Other Current Liabilities is due to the holding of a contract bond for Duke Energy.
7. The decrease in Other Non Current Payables is due to the repayment of a finance lease for the refurbishment of the Lands Building.
8. The decrease in non-current employee entitlements is due to a reduction in excess annual leave and long service leave balances.
9. The decrease represents expenditure on externally funded projects where the revenue was received in prior years.
10. The decrease is due to the reclassification of a number of items in 2003-04 from Administered to Controlled.

Table 15.18: Statement of Cash Flows for the Department of Primary Industries, Water and Environment

| | 2002-03 | 2003-04 | |
|---|-----------------|------------------|---------------|
| | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Revenue from Government | | | |
| Appropriation ¹ | 61 998 | 65 832 | 6.1 |
| Grants ² | 2 441 | 2 079 | (14.9) |
| Sales of Goods and Services | 23 151 | 22 798 | (1.6) |
| Other Receipts ² | 2 624 | 2 121 | (19.2) |
| Payments | | | |
| Employee Entitlements | (52 109) | (52 594) | 0.9 |
| Superannuation | (4 956) | (5 113) | 3.1 |
| Grants and Transfer Payments ³ | (3 356) | (13 299) | 296.2 |
| Supplies and Consumables | (34 314) | (34 091) | (0.7) |
| NET CASH FROM/(USED IN) OPERATING ACTIVITIES | (4 521) | (12 267) | 171.3 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Sale of Fixed Assets ⁴ | 4 442 | 5 244 | 18.0 |
| Purchase of Fixed Assets | (259) | .... | (100.0) |
| NET CASH FROM/(USED IN) INVESTING ACTIVITIES | 4 183 | 5 244 | 25.3 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| NET CASH FROM/(USED IN) FINANCING ACTIVITIES | .... | .... | .... |
| Net Increase/(Decrease) In Cash Held | (338) | (7 023) | .... |
| Cash at the Beginning of Reporting Period | 23 810 | 22 992 | (3.5) |
| Cash at the End of Reporting Period | 23 472 | 15 969 | (32.0) |

Notes:

1. The increase in Appropriation is due to additional funding for the new initiative 'Maintaining Tasmania's relative pest and disease free status', the assessment of the Southwood, Basslink and Hydro Windfarm projects, the SSWA adjustment and the 27th Pay funding in 2003-04.
2. The decrease relates to the conclusion of the Natural Heritage Trust and other Commonwealth funded projects.
3. The increase in Grants and Transfer Payments represents the inclusion of the transfer of monies from the Crown Land Administration Fund to the Consolidated Fund as required under accrual budgeting principles.
4. The estimated increase in Sale of Fixed Assets revenue reflects additional shack sites disposals.

Table 15.18: Statement of Cash Flows for the Department of Primary Industries, Water and Environment (continued)

| | 2002-03 | 2003-04 | |
|---|-----------------|-----------------|---------------|
| | Budget | Budget | Variation |
| | \$'000 | \$'000 | % |
| ADMINISTERED ITEMS | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Revenue from Government | | | |
| Appropriation ¹ | 11 134 | 10 442 | (6.3) |
| Reserved By Law ² | 123 | .... | (100.0) |
| Fines and Regulatory Fees | 16 543 | 16 446 | (0.6) |
| Interest Received ³ | .... | 400 | .... |
| Grants ⁴ | 7 707 | 3 505 | (54.6) |
| Sales of Goods and Services ⁵ | 13 453 | 14 420 | 7.1 |
| GST Receipts ⁶ | 2 760 | 5 270 | 90.9 |
| Other Receipts | 11 603 | 11 603 | .... |
| Payments | | | |
| Employee Entitlements | (1 301) | (1 263) | (3.0) |
| Superannuation | (120) | (117) | (2.5) |
| Grants and Transfer Payments | (20 567) | (20 207) | (1.8) |
| Supplies and Consumables | (1 290) | (1 260) | (2.4) |
| Transfers to the Consolidated Fund | (40 719) | (41 430) | 1.7 |
| GST Payments ⁶ | (2 760) | (5 270) | 90.9 |
| NET CASH FROM/(USED IN) OPERATING ACTIVITIES | (3 434) | (7 461) | 117.2 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| NET CASH FROM/(USED IN) INVESTING ACTIVITIES | .... | .... | .... |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| NET CASH FROM/(USED IN) FINANCING ACTIVITIES | .... | .... | .... |
| Net Increase/(Decrease) In Cash Held | (3 434) | (7 461) | 117.2 |
| Cash at the Beginning of Reporting Period | 21 434 | 18 000 | (16.1) |
| Cash at the End of Reporting Period | 18 000 | 10 539 | (41.5) |

Notes:

1. The decrease in Appropriation primarily reflects the reduction in funding shown for the IFS in Table 15.12. Funding of \$725 000 for the IFS in 2003-04 represents current base funding and funding for the Carp Eradication Program. This amount has been incorporated in the Budget Papers pending the outcome of a review of IFS operations.
2. The decrease in Reserved by Law is due to the finalisation of State loans for the Cressy-Longford Irrigation Scheme.
3. The increase in Interest Received recognises the interest due on the Savage River Remediation Project Funds.

4. The decrease in Grants relates to the conclusion of Natural Heritage Trust and other Commonwealth funded projects.
5. The increase in Sales of Goods and Services relates to the expected continuing high level of Land Titles Office dealings lodged as a result of the buoyant real estate and financial sectors in Tasmania.
6. The increase relates to an underestimate of GST reimbursements and payments from the Commonwealth in 2002-03.

Table 15.19: Reconciliation of Operating Expenses to Consolidated Fund Appropriation

| | 2002-03 | 2003-04 |
|--|-----------------|-----------------|
| | Budget | Budget |
| | \$'000 | \$'000 |
| Total Operating Expenses | 119 680 | 131 245 |
| Adjustments for non-cash items | | |
| Depreciation | (2 521) | (3 202) |
| Employee Entitlements | 854 | .... |
| Supplies and Consumables | .... | (99) |
| Total Cash Cost of Outputs | 118 013 | 127 944 |
| Other funding sources | (44 758) | (51 670) |
| Total Consolidated Fund Appropriation | 73 255 | 76 274 |