



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

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**Budget Paper No 2**

# **Government Services**

## **Volume 2**

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Presented by the Honourable  
Michael Aird MLC, Treasurer, for the information of  
Honourable Members, on the occasion of the Budget, 2007-08

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## Useful 2007-08 Budget and Government Web sites

<b><a href="http://www.treasury.tas.gov.au">www.treasury.tas.gov.au</a></b>	Contains all Budget Papers and provides information on major Departmental initiatives, activities and publications.
<b><a href="http://www.media.tas.gov.au">www.media.tas.gov.au</a></b>	Contains the Government's Budget related media releases.
<b><a href="http://www.tas.gov.au">www.tas.gov.au</a></b>	Provides links to the Web sites of a wide range of Tasmanian public and private sector organisations.
<b><a href="http://www.service.tas.gov.au">www.service.tas.gov.au</a></b>	Provides a comprehensive entry point to Government services in Tasmania.
<b><a href="http://www.tasmaniatogether.tas.gov.au">www.tasmaniatogether.tas.gov.au</a></b>	Provides detailed information on Tasmania <i>Together</i> , including the current status of this important initiative.

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PART 1:

DEPARTMENTS (CONTINUED)

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# 9 DEPARTMENT OF POLICE AND EMERGENCY MANAGEMENT

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## AGENCY OUTLINE

The Department of Police and Emergency Management is responsible to the Minister for Police and Emergency Management and includes Tasmania Police, the State Emergency Service and Forensic Science Service Tasmania. The Department comprises geographic districts, which are assisted by specialised support areas. The Department of Police and Emergency Management plays a lead role in the achievement of the Tasmania *Together* goal of developing 'confident, friendly and safe communities'.

## STRATEGIC FOCUS

The Department's 2006-2009 Strategic Directions Framework provides the framework for resource allocation decisions. In assessing the climate within which budgetary decisions are made it is appropriate to reflect on progress made over the past ten years. Performance indicators show that during this period:

- total recorded offences has reduced by 21 per cent;
- the clearance rate for total offences has improved from 11 per cent to 45 per cent;
- burglary of private residences has decreased by 60 per cent;
- burglary of business premises has decreased by 70 per cent;
- serious injury crashes have decreased by 33 per cent; and
- the percentage of the population satisfied with services provided by police has increased from 67 per cent to 76 per cent.

These results have helped ensure that the Department can be widely recognised as 'Australia's Finest' police and emergency management service. The combined efforts of police officers, state servants and scientists from Forensic Science Service Tasmania have delivered tangible results that benefit all Tasmanians and which contribute to the best performance experienced in the history of the Department.

The strategic framework guiding the operations of the Department is based upon the core strategies of Readiness, Responsiveness, Reassurance and Accountability.

Through Readiness, the Department will ensure it is well positioned to provide an appropriate response to any trend, incident, emergency or other event, whether it is local, national or, on some occasions, an international event.

Responsiveness allows that the Department will deliver professional policing and emergency management services by responding to incidents, emergencies or other events in a timely and effective manner.

Through Accountability, the Department will ensure both organisation and individual performance is transparent, ethical and accountable by clearly setting standards, closely monitoring compliance and, where necessary, taking appropriate action.

Reassurance provides that the Department will reassure the community by effectively communicating and demonstrating a commitment to the highest levels of readiness, responsiveness and accountability.

These strategies have been supported by Government in the provision of resources. Police numbers are now at the highest they have ever been. The provision of an additional 85 police officers over the past three Budgets to deal with issues of public order, family violence and early intervention directly supports the Tasmania *Together* goal of developing 'confident, friendly and safe communities'.

The strategies will see the Department continuing to work in partnership with community groups and other government departments to tackle the causes of crime and divert young people from entering the criminal justice system. The Government supports early intervention and the diversion of young people into restorative justice programs. The continuation of strategies developed as part of the Government's 2006 Election commitments is fundamental to this cause. Continued implementation and expansion of early intervention teams, community respect orders and the U-Turn program will build on the steps taken in working with young people in the community.

This Budget will continue the funding identified for community groups. The completion of the Huonville Police and Community Youth Club recreation centre will be a major development in providing resources for the community which will aid in the diversion of young people from alternative less desirable activities.

Forensic Science Service Tasmania (FSST) is an integral part of the Police and Emergency Management portfolio. The completion of the FSST building refurbishment together with an upgrade of forensic equipment and implementation of a new forensic scientist's enterprise agreement, will further strengthen the Department's capability in the forensic science area.

The Government recognises the continued impact of international threats upon our community. Additional funding for the State Security Unit will ensure Tasmania remains vigilant in the fight against terrorism.



# KEY STRATEGIES

In order to continue with the achievements in crime reduction and clear up, and the strategic focus outlined in the 2006-2009 Strategic Directions Framework, the Department of Police and Emergency Management will focus on the following aims:

- increasing the number of people who feel safe;
- increasing the community satisfaction with police and emergency services;
- reducing fatal and serious injury crashes;
- reducing the total recorded offences, including a reduction in assaults, particularly those committed in public places or those associated with family violence;
- continuing the increase in crime clearance;
- increasing visibility in the community; and
- decreasing anti-social behaviour.

## 2007-08 MAJOR INITIATIVES

In 2007-08, major initiatives will build upon those identified as part of the Government's 2006 Election commitments. These include:

- continuing the implementation and evaluation of District Response Divisions incorporating Public Order Response Teams and Early Intervention and Youth Action teams;
- continuing to support the Neighbourhood Watch and Royal Volunteer Coast Guard organisations;
- completing building works associated with the Huonville Police and Community Youth Club and Forensic Science Service Tasmania;
- continuing to effectively manage the re-licensing of firearms owners, amid a large number of five year licenses approaching renewal during 2007-08;
- upgrading forensic equipment including an enhancement of digital photography capacity;
- acquiring the Ericsson Enhanced Digital Access Systems (EDACS) Radio Network;
- upgrading the police vessel fleet ensuring that marine police are equipped to respond in an appropriate manner; and
- recognising the performance of members of the Department through the negotiation and implementation of enterprise agreements covering sworn police, state servants and forensic scientists.

# PROGRESS OF 2006 ELECTION COMMITMENTS

The Department is responsible for the implementation of the following 2006 Election commitments.

## *Australian Volunteer Coast Guard*

The purpose of this Election commitment is to provide an annual \$50 000 payment to the Australian Volunteer Coast Guard Association to enable it to distribute funding as needed to assist with the maintenance of its eight flotillas.

## *Community Respect Orders*

The purpose of this Election commitment is to introduce Community Respect Orders which will divert young people caught vandalising or defacing property into community clean-up programs in their local area.

With an additional funding allocation of \$240 000 per annum, the Department has employed three additional youth justice coordinators located in the North, North West and South of the State to supervise offenders diverted into local work programs.

During 2007-08, an operational framework will be developed for the Community Respect Orders. Performance information will be identified in 2007-08 to enable appropriate Performance Measures to be established.

## *Huon PCYC*

The purpose of this Election commitment is to provide \$1.5 million over two years for a new Huon Police and Community Youth Club at Huonville. The centre will cater for sports, recreation, community groups and events.

During 2006-07 the Department provided the first of two \$750 000 instalments to the Huon PCYC to advance the construction of the centre. The final \$750 000 instalment for the centre will be paid in 2007-08.

## *Neighbourhood Watch*

The purpose of this Election commitment is to provide \$15 000 per annum to the Neighbourhood Watch Association to enable the Association to distribute funding as needed to assist the network to distribute its education and awareness material.

## *Police Support*

The purpose of this Election commitment is to establish teams of police officers in each of the four police districts and provide targeted support to young people at risk of offending and their families. This commitment builds upon the Government's Safe at Home initiative.

Additional police support has been provided by way of the establishment of Public Order Response Teams (PORT). The demands for service and impact of these teams is being monitored throughout 2006-07 which will enable performance measures to be established during 2007-08.

## *Police Taskforces*

The Department of Police and Emergency Management was provided with funding in the 2005-06 Budget for an additional 48 police officers. These officers graduated in June 2006 and, since this time, District Response Divisions have been operating in each of the four geographic districts. These Divisions deal with

anti-social behaviour, prevent crime and offences in public places and support early intervention strategies throughout the State.

### *U-Turn*

The purpose of this Election commitment is to capitalise on the success of the U-Turn diversionary pilot project, and enhance the program through the addition of two part-time youth workers to improve the participants' educational and employment opportunities. U-Turn targets young vehicle theft offenders, engaging them in mechanical training while addressing life-skills and personal development issues.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 9.1: Summary Financial Information for the Department of Police and Emergency Management

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	157 312	170 075	8.1
Other <sup>2</sup>	2 250	....	(100.0)
Other Revenue	9 297	9 286	(0.1)
<b>TOTAL</b>	<b>168 859</b>	<b>179 361</b>	<b>6.2</b>
<b>EXPENSES</b>			
Policing Support to the Community	93 241	101 135	8.5
Crime Detection and Investigation	35 167	37 366	6.3
Traffic Law Enforcement and Road Safety	15 642	16 646	6.4
Protection of Primary Industry and Fisheries Resources	5 918	6 303	6.5
Emergency Management	4 339	4 258	(1.9)
Support to Judicial Services	9 699	10 304	6.2
Ministerial Support and Information Services	2 838	3 034	6.9
Special Capital Investment Funds	750	750	....
<b>TOTAL</b>	<b>167 594</b>	<b>179 796</b>	<b>7.3</b>
<b>NET OPERATING RESULT</b>	<b>1 265</b>	<b>(435)</b>	<b>(134.4)</b>

Notes:

1. The increase in the Annual Appropriation primarily reflects additional funding provided under revised Budget indexation arrangements and additional funding for the refurbishment of Forensic Science Services Tasmania, firearms re-licensing and transport maintenance.
2. The decrease in Other Revenue from Government reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07.

**Table 9.2: Special Capital Investment Fund Allocation for the Department of Police and Emergency Management**

	Estimated Total Cost	2007-08 Estimate
	\$'000	\$'000
<b>Economic and Social Infrastructure Fund</b>		
Huon PCYC	1 500	750
	1 500	750
<b>TOTAL SPECIAL CAPITAL INVESTMENT FUND ALLOCATION</b>	<b>1 500</b>	<b>750</b>

## DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

The individual Outputs of the Department of Police and Emergency Management are provided under the following Output Groups:

- Output Group 1: Policing Support to the Community;
- Output Group 2: Crime Detection and Investigation;
- Output Group 3: Traffic Law Enforcement and Road Safety;
- Output Group 4: Protection of Primary Industry and Fisheries Resources;
- Output Group 5: Emergency Management;
- Output Group 6: Support to Judicial Services; and
- Output Group 7: Ministerial Support and Information Services.

# Output Group 1: Policing Support to the Community

## *Description*

This Output Group is directed at maintaining and improving personal safety in the community, reducing the incidence of property offences, as well as promoting community participation in managing public order, safety initiatives and crime prevention. In addition, a counter terrorism and transnational crime capability is provided in terms of planning and readiness.

The objective of this Output Group is achieved by undertaking such activities as:

- proactive early intervention and support of Inter-Agency Support Panels;
- targeted and high visibility patrols and task forces;
- responding to requests from the public;
- responding to incidents;
- licensing;
- dispute intervention;
- maintaining readiness for major incidents;
- crime prevention education and awareness;
- protective security;
- search and rescue;
- providing custodial care and safety; and
- policing public events.

The focus is on programs that strengthen policing visibility in urban and rural communities. This involves programs such as 'Stop, Walk and Talk', CBD Patrols and Task Forces. In addition, strategies involve partnerships with the community and community organisations, which are aimed at reducing both the incidence and fear of crime in local communities.

The additional 48 officers provided in the 2005-06 Budget have been incorporated into District Response Divisions where, in addition to being fully operational frontline police committed to corporate priorities, they will have a particular imperative to engage actively with young people from both early intervention and enforcement perspectives.

The 2007-08 Budget includes funding for 12 police officers to be incorporated within 'Early Intervention and Youth Action' units. These positions will build on established programs and continue the ongoing coordination and expansion of Inter-Agency Support Panels throughout the State. The initiative will provide an integrated intervention and support service by Government for children, young people and their families, where the children and young people are at risk of offending or of being offended against.

Activities in this Output Group contribute to all of the Department's Outcomes.

**Table 9.3: Summary Financial Information - Output Group 1**

	2006-07	2007-08	
<b>Policing Support to the Community</b>	<b>Budget</b>	<b>Budget</b>	<b>Variation</b>
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation	87 592	95 486	9.0
Grants	2 580	2 580	....
Sales of Goods and Services	909	909	....
Other Revenue	1 334	1 334	....
<b>TOTAL</b>	<b>92 415</b>	<b>100 309</b>	<b>8.5</b>
<b>EXPENSES</b>			
<b>Employee Entitlements</b>			
Salaries and Wages	63 944	70 355	10.0
Other Employee Related Expenses	512	512	....
Superannuation	6 002	6 547	9.1
Depreciation and Amortisation	972	972	....
Grants and Transfer Payments	712	712	....
<b>Supplies and Consumables</b>			
Property Services	3 724	3 843	3.2
Maintenance	1 360	1 394	2.5
Other Supplies and Consumables	10 275	11 068	7.7
Other Expenses	5 740	5 732	(0.1)
<b>TOTAL</b>	<b>93 241</b>	<b>101 135</b>	<b>8.5</b>
<b>EXPENSES BY OUTPUT</b>			
1.1 Support to the Community	93 241	101 135	8.5
<b>TOTAL</b>	<b>93 241</b>	<b>101 135</b>	<b>8.5</b>

### *Major Issues and Initiatives for 2007-08*

Major issues and initiatives for this Output Group in 2007-08 include:

- deploying an additional 12 police officers to be incorporated within 'Early Intervention and Youth Action' units to deal with early intervention and the diversion of young people into restorative justice programs;
- evaluating the District Response Divisions and Public Order Response Teams;
- expanding and supporting the Inter-Agency Support Panels;
- further supporting the State Security Unit for counter-terrorism measures;
- continuing preparation for the introduction of an enhanced Tasmanian Government Radio Network, capable of meeting not only Tasmania Police, but also whole-of-government needs;
- supporting the Neighbourhood Watch Network;

- negotiating and implementing policing partnerships and programs in urban and rural areas; and
- continuing the implementation of the whole-of-government illicit drug diversion program aimed at treating and rehabilitating drug offenders.

**Table 9.4: Performance Information – Output Group 1**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
Community satisfaction with policing services	%	71	76	75	76
Community perception of police integrity	%	77	82	81	82
Community satisfaction with police support for community programs	%	72	74	77	77
Community satisfaction with police in dealing with public order problems	%	51	62	56	60
Requests for policing services <sup>1</sup>	Number	123 859	127 878	135 000	135 000
Number of complaints against police	Number	97	87	90	89
Number of deaths in police custody	Number	....	....	....	....

Note:

1. In order to provide consistent and accurate data for comparison across the years, the 2004-05 Actuals have been revised as part of preparing the 2005-06 Actuals.

### *Performance Information Comments*

Table 9.4 reports trend data for seven effectiveness indicators as reported annually in the *Steering Committee for the Review of Australian Government/State Service Provision, Report on Government Services*. Tasmania continues to remain above the national average in community attitudes towards policing and below the national average in complaints against police and deaths in police custody. Complaints against police have continued to remain at a low level.



## Output Group 2: Crime Detection and Investigation

### *Description*

This Output Group relates to the detection and apprehension of offenders against the person and property.

Crime detection strategies, together with legislative reform, link to the Government policy of safer and more secure communities. These strategies also link to a reduction in the fear of crime as well as to the Tasmania *Together* goal of having a community where people feel safe and are safe in all aspects of their lives.

This is achieved by the deployment of police throughout the State to undertake activities such as:

- participation in national intelligence sharing activities;
- targeted/directed patrols;
- covert operations; and
- investigation of crime.

Other activities include:

- maintenance of criminal intelligence; and
- forensic and scientific services.

Activities in this Output Group contribute to the following Department Outcomes:

- a reduction in crime;
- a safe and secure community; and
- an effective community service.

Table 9.5: Summary Financial Information - Output Group 2

Crime Detection and Investigation	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	34 271	36 470	6.4
Sales of Goods and Services	560	560	....
<b>TOTAL</b>	<b>34 831</b>	<b>37 030</b>	<b>6.3</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	23 145	25 098	8.4
Other Employee Related Expenses	133	133	....
Superannuation	2 276	2 422	6.4
Depreciation and Amortisation	285	285	....
Grants and Transfer Payments	447	447	....
Supplies and Consumables			
Property Services	898	924	2.9
Other Supplies and Consumables	6 030	6 008	(0.4)
Other Expenses	1 953	2 049	4.9
<b>TOTAL</b>	<b>35 167</b>	<b>37 366</b>	<b>6.3</b>
<b>EXPENSES BY OUTPUT</b>			
2.1 Investigation of Crime	35 167	37 366	6.3
<b>TOTAL</b>	<b>35 167</b>	<b>37 366</b>	<b>6.3</b>

### Major Issues and Initiatives for 2007-08

Major issues and initiatives for this Output Group in 2007-08 include:

- upgrading and enhancing forensic equipment including digital photography and specialist laboratory equipment;
- enforcing the Government's legislative reforms in the *Sex Industry Offences Act 2005* and the *Security and Investigation Agents Industry (Crowd Controllers) Act 2005*;
- continuing the enhancement of the integrated crime management strategy and intelligence led approach;
- enhancing DNA testing, recording and associated scientific analysis; and
- improving criminal intelligence data collection and analysis.

Table 9.6: Performance Information – Output Group 2

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
Number of recorded offences against the person <sup>1,2</sup>	Number	5 323	5 477	5 300	5030
Number of recorded offences against property <sup>1</sup>	Number	31 573	32 792	30 622	27 500
Outcome of investigations – crime against the person clearance	%	93	95	95	95
Outcome of investigations – property crime clearance <sup>2</sup>	%	31	32	33	33
Community perception of safety at home – by day (TT) <sup>3</sup>	%	95	94	96	96
Community perception of safety at home – by night (TT) <sup>3</sup>	%	86	85	87	87
Community perception of safety in public places – by day (TT) <sup>3</sup>	%	91	90	92	92
Community perception of safety in public places – by night (TT) <sup>3</sup>	%	50	50	50	51

Notes:

1. In order to provide consistent and accurate data for comparison across the years, the 2004-05 Actuals have been revised as part of preparing the 2005-06 Actuals.
2. The 2006-07 Target has been revised since the 2006-07 Budget Paper as part of the annual performance measurement review process. This process occurred after the preparation of the 2006-07 Budget Paper, but prior to the commencement of the 2006-07 financial year.
3. (TT) in the Performance Information table denotes the Performance Measure is linked directly to a Tasmania *Together* benchmark. These indicators have been expanded from those reported in the 2006-07 Budget Papers in order to accurately reflect the measure.

### Performance Information Comments

Table 9.6 reports trend data for a number of effectiveness indicators for crime detection and investigation. 'Recorded Offences' refers to crimes, which have been detected by police in the course of their investigations, as well as those reported to police by the public. In addition, it reports trend data for the Tasmania *Together* indicators 'feeling safe at home' and 'feeling safe in public places' by two categories – day and night. These four indicators show that the Department is well on the way to meeting its 2010 Tasmania *Together* performance targets.

The increase in crimes against the person in 2005-06 is primarily due to the level of demand on the Department from the Safe at Home initiative and the targeting of anti-social behaviour through the Public Order Response Teams. While the number of crimes against property increased slightly in 2005-06, this continues to be substantially less than the level of 44 661 recorded in 2001-02.

In 2005-06, Tasmania Police also continued to clear greater numbers of crimes against both property and people. The *Report on Government Services 2007* indicated that perceptions of safety remained high in Tasmania, and overall Tasmania can still lay claim to being the 'safest State in the nation'.

## Output Group 3: Traffic Law Enforcement and Road Safety

### *Description*

This Output Group comprises policing services aimed at minimising road trauma, improving the behaviour of road users, ensuring the free flow of traffic, detecting traffic offences, particularly those involving speed, inattentive driving and alcohol/drugs, and attending and investigating vehicle crashes. It directly relates to Government policy to improve road safety and create safer roads.

The Department achieves the aims of the Output Group by the deployment of resources throughout the State to undertake activities such as:

- general traffic law enforcement;
- traffic patrols;
- targeted patrols and operations;
- traffic control;
- attendance and investigation of crashes; and
- road safety education.

This Output Group contributes to all of the Department's Outcomes, particularly safer road use.

**Table 9.7: Summary Financial Information - Output Group 3**

	2006-07	2007-08	
Traffic Law Enforcement and Road Safety	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	14 027	15 031	7.2
Grants	1 340	1 340	....
Sales of Goods and Services	162	162	....
<b>TOTAL</b>	<b>15 529</b>	<b>16 533</b>	<b>6.5</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	10 773	11 613	7.8
Other Employee Related Expenses	58	58	....
Superannuation	1 163	1 230	5.8
Depreciation and Amortisation	132	132	....
Grants and Transfer Payments	180	180	....
Supplies and Consumables			
Property Services	493	506	2.6
Other Supplies and Consumables	1 875	1 914	2.1
Other Expenses	968	1 013	4.6
<b>TOTAL</b>	<b>15 642</b>	<b>16 646</b>	<b>6.4</b>
<b>EXPENSES BY OUTPUT</b>			
3.1 Accident Reduction and Road Safety	15 642	16 646	6.4
<b>TOTAL</b>	<b>15 642</b>	<b>16 646</b>	<b>6.4</b>

### *Major Issues and Initiatives for 2007-08*

Major issues and initiatives for this Output Group in 2007-08 include:

- proposing legislation for immediate disqualification where drivers exceed the blood alcohol limit of 0.15;
- continuing the implementation of the Drug Testing of Drivers program;
- continuing the Motor Accidents Insurance Board (MAIB) funded district road safety task forces;
- high visibility policing activities on a coordinated state-wide basis;
- continuing the replacement program for breathalyser devices and speed detection devices; and
- enhancing the intelligence led approach to traffic management and enforcement.

**Table 9.8: Performance Information – Output Group 3**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual<sup>1</sup></b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
Total number of serious injury crashes	Number	391	303	249	220
Speeding Offences Detected – Road Safety					
Cameras	Number	56 353	51 459	55 000	55 000
Random Breath Tests: Conducted	Number	478 672	608 471	600 000	650 000
Random Breath Tests: Exceed Offenders	%	0.85	0.68	0.69	0.63

Note:

1. In order to provide consistent and accurate data for comparison across the years, the 2004-05 Actuals have been revised as part of preparing the 2005-06 Actuals.

### *Performance Information Comments*

Table 9.8 includes information on four road safety effectiveness measures, reported on in the *Department of Police and Emergency Management Annual Report*. The number of serious injuries caused through road crashes declined in 2005-06 with analysis continuing to indicate that these were primarily caused through inappropriate road-user behaviour. The Department will continue to enhance and implement strategies to prevent and target inappropriate driver behaviour as a high priority during 2007-08.

## **Output Group 4: Protection of Primary Industry and Fisheries Resources**

### *Description*

This Output Group comprises policing services relating to the protection and security of poppy crops and the protection of State and Australian Government marine resources.

The detection and apprehension of offenders against the State and Australian fishing resources is the combined responsibility of the State and Australian Governments.

### *Poppy Security*

This Output is achieved by the management of police activities to undertake:

- protection of poppy crops;
- targeting of offenders;
- enhanced investigative techniques and focus on prosecution of offenders;
- reduction of poppy diversions onto the illicit market;
- industry participation in facilitating protection and security; and
- development of intelligence and auditing services.

## *Fisheries Security*

The aim of the Output is achieved by the management of police activities to undertake:

- protection of marine resources;
- high visibility patrolling;
- targeting of offenders;
- enhanced investigative techniques;
- industry participation in facilitating protection and security;
- maximisation of the seizure of confiscated assets; and
- development of intelligence and auditing services.

Activities within this Output Group contribute to the Department's Outcomes of:

- a safe and secure community;
- a reduction in crime; and
- an effective community service.

Table 9.9: Summary Financial Information - Output Group 4

	2006-07	2007-08	
Protection of Primary Industry and Fisheries Resources	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	5 585	5 970	6.9
Grants	219	219	....
Sales of Goods and Services	61	61	....
<b>TOTAL</b>	<b>5 865</b>	<b>6 250</b>	<b>6.6</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	3 931	4 250	8.1
Other Employee Related Expenses	22	22	....
Superannuation	414	440	6.3
Depreciation and Amortisation	52	52	....
Grants and Transfer Payments	174	174	....
Supplies and Consumables			
Property Services	335	344	2.7
Other Supplies and Consumables	644	659	2.3
Other Expenses	346	362	4.6
<b>TOTAL</b>	<b>5 918</b>	<b>6 303</b>	<b>6.5</b>
<b>EXPENSES BY OUTPUT</b>			
4.1 Poppy Security	1 020	1 087	6.6
4.2 Fisheries Security - State and Commonwealth	4 898	5 216	6.5
<b>TOTAL</b>	<b>5 918</b>	<b>6 303</b>	<b>6.5</b>

### *Major Issues and Initiatives for 2007-08*

Major issues and initiatives for this Output Group in 2007-08 include:

- upgrading the Department's marine vessel fleet including the replacement of the Freycinet;
- supporting the Royal Australian Volunteer Coastguards;
- ongoing security of both poppy crops and fishing resources;
- continuing collaboration and partnership with industry bodies; and
- implementing the memorandum of understanding between the Department and the fishing industry.



**Table 9.10: Performance Information – Output Group 4**

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
Total Sea Inspections <sup>1</sup>	Number	26 010	29 315	35 000	30 000
Total Marine Land Inspections	Number	18 386	20 565	20 000	20 000
Total Marine Offenders Detected	Number	2 007	2 399	2 850	2 800
Number of interferences to poppy crops	Number	35	11	22	20

Note:

1. The decrease in the target for Total Sea Inspections in 2007-08 is a result of decreased fisheries compliance activities required under contract by the Australian Fisheries Marine Authority.

### *Performance Information Comments*

Table 9.10 reports trend data for two marine workload measures and two effectiveness indicators, captured in the Department's Corporate Performance Reporting System.

The fishing industry is a multi million-dollar enterprise and requires a high level of control and security. Fisheries patrols are undertaken in both State waters and Australian waters south of latitude 30° 12' South.

There has been a specific focus on marine enforcement in recent years which has resulted in a significant increase in outputs and improved compliance by recreational and commercial fishers. Whilst the focus on marine enforcement will remain it is expected there will be a stabilisation in outputs over the next year.

## **Output Group 5: Emergency Management**

### *Description*

The State Emergency Service (SES) is responsible for the administration of the *Emergency Service Act 1976*. This Act details the State requirements for the prevention of, preparedness for, response to and recovery from emergency events. The SES, in particular, is responsible for the management of flood and storm events.

The SES is responsible for either producing this Output Group or coordinating its production by providing expert guidance to other agencies and the private sector where the majority of emergency management plans are produced.

The Government widely recognises the value and contributions of volunteers, local community organisations and emergency services make in having a safe community. In addition to funding already provided to the SES units through the 'in partnership' initiative, funding continues to be provided for developing emergency mitigation and relief strategies to combat emergency management risks.

Activities in this Output Group contribute to all Departmental Outcomes.

Table 9.11: Summary Financial Information - Output Group 5

Emergency Management	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	2 813	2 993	6.4
Other <sup>1</sup>	250	....	(100.0)
Grants	1 260	1 249	(0.9)
<b>TOTAL</b>	<b>4 323</b>	<b>4 242</b>	<b>(1.9)</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages <sup>2</sup>	1 165	1 317	13.0
Other Employee Related Expenses	15	15	....
Superannuation	125	130	4.0
Depreciation and Amortisation	16	16	....
Grants and Transfer Payments <sup>3</sup>	1 836	1 577	(14.1)
Supplies and Consumables			
Property Services	7	7	....
Maintenance	1	1	....
Other Supplies and Consumables	647	654	1.1
Other Expenses	527	541	2.7
<b>TOTAL</b>	<b>4 339</b>	<b>4 258</b>	<b>(1.9)</b>
<b>EXPENSES BY OUTPUT</b>			
5.1 State Emergency Management Services	4 339	4 258	(1.9)
<b>TOTAL</b>	<b>4 339</b>	<b>4 258</b>	<b>(1.9)</b>

Notes:

1. The decrease in Other Revenue from Government reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07.
2. The increase in Salaries and Wages reflects the salary increases provided through revised Budget indexation arrangements, coupled with the restructuring of positions within the State Emergency Service.
3. The decrease in Grants and Transfer Payments reflects the completion of the National Disaster Mitigation Program in 2006-07.

### Major Issues and Initiatives for 2007-08

Major issues and initiatives for this Output Group in 2007-08 include:

- continuing investment in disaster mitigation in Tasmania through commitment to emergency management, disaster relief management and management of disaster mitigation funding support programs;
- continuing the enhancement of Road Accident Rescue capabilities in respect to additional vehicle and equipment capabilities, the upgrade of storm damage and rescue equipment and the development of advanced volunteer training packages;

- continuing the review of Local Government and State-level emergency plans to ensure their currency;
- enhancing support for Local Government, road accident rescue and volunteer groups;
- implementing priorities identified in the Tasmanian Emergency Risk Management Plan;
- continuing the implementation of SES competency-based skills training, including accrediting volunteer trainers and assessors; and
- increasing levels of public awareness of, and skills in, emergency management through education programs.

**Table 9.12: Performance Information – Output Group 5**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
Completed emergency management plans that are current	%	37	98	98	98
Number of SES call outs	Number	536	677	550	600
Number of SES contact hours	Hours	6 337	8 090	10 000	10 000
Number of Registered Volunteers	Number	575	577	590	600
Total Volunteer training hours <sup>1</sup>	Number	43 508	27 560	30 000	35 000

Note:

1. The data description for training hours has changed in 2005-06. It no longer includes travel time and informal unit level training. It now represents the time committed to formal trainer delivered training and assessment. The 2006-07 Target has been revised from the figure presented in the 2005-06 Budget Papers to reflect this change.

### *Performance Information Comments*

Table 9.12 reports trend information relating to the preparation of emergency management plans for each municipal area and the call out and contact hours of SES volunteers in response to emergencies. The emergency management plans are developed by Local Government in consultation with the SES.

## Output Group 6: Support to Judicial Services

### *Description*

This Output Group relates to policing services that support the criminal justice system, including the prosecution of offenders, the provision of diversionary cautioning programs, investigative and clerical services on behalf of the coroner and the maintenance of a bail and warrants processing system.

All members of the community benefit from this Output Group, although it relates directly to the judicial system and its users.

The Department undertakes the management of police participation in the administration of justice through:

- prosecution services;
- presenting evidence in court;
- victim support services;
- diversionary cautioning;
- coronial investigations; and
- bail / warrant processing.

Substantial resources continue to support the judicial system through Government funding of two programs, these being 'Safe at Home' – A Criminal Justice Framework for Responding to Family Violence in Tasmania and 'Project U-Turn'.

The 'Safe at Home' initiative is a whole-of-government initiative on behalf of the Departments of Justice, Health and Human Services, Premier and Cabinet, and Police and Emergency Management. This initiative has focused on pro-arrest, pro-prosecution, integrated criminal justice response to family violence. Funding provided to Police and Emergency Management has enabled teams of police officers in each district to provide a range of crisis and safety services to the victims of family violence. In addition, the provision of additional prosecutors to deal with family violence orders is made possible through this Budget initiative. The Department is committed to reducing the level of crime against the person and this initiative has resulted in expanded responsibilities across all areas of the Department.

Project U-Turn is a successful diversionary program for young people who have been involved in, or who are at risk of becoming involved in, motor vehicle theft. In the 2007-08 Budget, the Government continues to provide funding for, and has expanded on, the Program in order to enhance the post-support component, expand the supported accommodation service and to provide for youth mentor/trades assistants as part of the *Stepping Stone* initiative.

In addition, the 2007-08 Budget provides an additional three positions for at risk Youth Officers who will support the 'Early Intervention and Youth Action' units to be established under Output Group 1.

Activities in this Output Group contribute to all of the Department's Outcomes.

**Table 9.13: Summary Financial Information - Output Group 6**

	2006-07	2007-08	
Support to Judicial Services	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	9 540	10 145	6.3
Sales of Goods and Services	91	91	....
<b>TOTAL</b>	<b>9 631</b>	<b>10 236</b>	<b>6.3</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	6 299	6 805	8.0
Other Employee Related Expenses	33	33	....
Superannuation	604	649	7.5
Depreciation and Amortisation	68	68	....
Grants and Transfer Payments	103	103	....
Supplies and Consumables			
Property Services	277	285	2.9
Other Supplies and Consumables	1 806	1 822	0.9
Other Expenses	509	539	5.9
<b>TOTAL</b>	<b>9 699</b>	<b>10 304</b>	<b>6.2</b>
<b>EXPENSES BY OUTPUT</b>			
6.1 Prosecution, Conferencing, Coronial and Bail/Warrant Processing	9 699	10 304	6.2
<b>TOTAL</b>	<b>9 699</b>	<b>10 304</b>	<b>6.2</b>

### *Major Issues and Initiatives for 2007-08*

Major issues and initiatives for this Output Group in 2007-08 include:

- creating an additional three positions for at risk Youth Officers;
- identifying and implementing early intervention strategies to manage at risk young people out of a criminal environment;
- expanding the U-Turn program to enhance the post-support component of the program, expand the supported accommodation service and to provide for youth mentor/trades assistants as part of the *Stepping Stone* initiative; and
- continuing support to victims of family violence through the State-wide victim safety response teams funded through the 'Safe at Home' initiative.

**Table 9.14: Performance Information – Output Group 6**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Targets</b>
<b>Total juvenile offenders coming into contact with Police<sup>1</sup></b>	<b>Number</b>	<b>3 175</b>	<b>3 506</b>	<b>4 200</b>	<b>4 000</b>
<b>Juvenile prosecutions</b>	<b>Number</b>	<b>1 096</b>	<b>1 279</b>	<b>1 175</b>	<b>1 175</b>
<b>Report level of family violence (TT)<sup>1,2</sup></b>	<b>Reports</b>	<b>4 095</b>	<b>4 932</b>	<b>5 100</b>	<b>5 100</b>

**Notes:**

1. The 2006-07 Target has been revised since the 2006-07 Budget Paper as part of the annual performance measurement review process. This process occurred after the preparation of the 2006-07 Budget Paper, but prior to the commencement of the 2006-07 financial year.
2. (TT) in the Performance Information denotes the Performance Measure is linked directly to a Tasmania *Together* benchmark.

***Performance Information Comments***

Table 9.14 reports data for the number of juveniles dealt with by police and the number of juveniles prosecuted.

With the introduction of the *Youth Justice Act 1997* and the *Children, Young Persons and Their Families Act 1997*, Police are continuing to work cooperatively with other government agencies to enhance the diversionary conferencing program. This aims to divert young offenders from the court process and rehabilitate them as well as protecting young people at risk.

In particular, ongoing implementation of the Inter-Agency Support Teams (as well as continuing strategies being implemented through Departmental programs, including U-Turn and the 'Early Intervention and Youth Action' units), has resulted in the anticipated number of juvenile offenders police come into contact with being revised upwards in 2006-07. However, this is expected to result in a decline in the number of juvenile prosecutions due to the level of habitual offenders reducing.

In addition, under Tasmania *Together*, the Department has responsibility for reporting against the level of family violence in the community. Figures for this year reflect that the level in the reporting of family violence incidents is stabilising. Reducing family violence, and particularly repeated victimisation, as well as facilitating early intervention and changing community attitudes towards family violence is the focus of the 'Safe at Home' whole-of-government pro-interventionist strategy, with specially trained police also undertaking greater responsibility for victim safety.

## Output Group 7: Ministerial Support and Information Services

### *Description*

This Output Group covers the provision of strategic policy advice to the Minister for Police and Emergency Management as well as informative services to the community. The latter includes Freedom of Information (FOI), accident records, statistical services and analysis, insurance services and criminal records services.

The Department undertakes the management of ministerial services for the Minister for Police and Emergency Management through:

- ministerial and parliamentary correspondence;
- advice on legislation to the Government;
- policy advice to government agencies and non-government organisations;
- national common police services;
- research and planning;
- Freedom of Information;
- emergency management advice; and
- executive/administrative support.

Activities in this Output Group contribute to all of the Department's Outcomes.

Table 9.15: Summary Financial Information - Output Group 7

	2006-07	2007-08	
Ministerial Support and Information Services	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	2 784	2 980	7.0
Sales of Goods and Services	31	31	....
<b>TOTAL</b>	<b>2 815</b>	<b>3 011</b>	<b>7.0</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	1 910	2 073	8.5
Other Employee Related Expenses	11	11	....
Superannuation	208	221	6.3
Depreciation and Amortisation	23	23	....
Grants and Transfer Payments	38	38	....
Supplies and Consumables			
Property Services	61	63	3.3
Other Supplies and Consumables	413	423	2.4
Other Expenses	174	182	4.6
<b>TOTAL</b>	<b>2 838</b>	<b>3 034</b>	<b>6.9</b>
<b>EXPENSES BY OUTPUT</b>			
7.1 Ministerial Services, External Information and Policy Advice	2 838	3 034	6.9
<b>TOTAL</b>	<b>2 838</b>	<b>3 034</b>	<b>6.9</b>

### *Major Issues and Initiatives for 2007-08*

Major issues and initiatives for this Output Group in 2007-08 include:

- continuing the contribution to the formation of national performance indicators for policing; and
- continuing to provide support for the office of the Minister for Police and Emergency Management.



**Table 9.16: Performance Information – Output Group 7**

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
Number of FOI requests <sup>1</sup>	Number	543	606	610	610
Percentage of FOI requests completed within prescribed time	%	100	100	100	100
Percentage of Ministerial responses provided within 21 days	%	97	98	98	98

Note:

1. This performance indicator has been included in the 2007-08 Budget Papers in order to reflect a more quantifiable basis for the Department to measure its FOI requests.

### *Performance Information Comments*

Table 9.16 reports trend information for FOI responses and for Ministerial responses provided within the prescribed timeliness standard.

## Administered Items

### *Revenue Collected on Behalf of the Consolidated Fund*

Table 9.17 summarises the Revenue collected on behalf of the Consolidated Fund by the Department of Police and Emergency Management.

**Table 9.17: Revenue Collected on Behalf of the Consolidated Fund**

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>REVENUE</b>			
Grants	228	234	2.6
Sales of Goods and Services <sup>1</sup>	612	1 419	131.8
<b>TOTAL REVENUE</b>	<b>840</b>	<b>1 653</b>	<b>96.7</b>
<b>Transfers to the Consolidated Fund</b>			
Academy Trainees - Board Payments	94	96	2.1
Commonwealth Recurrent Grants	228	234	2.6
Other Sales of Services <sup>1</sup>	518	1 323	155.4
<b>TOTAL TRANSFERS TO THE CONSOLIDATED FUND</b>	<b>840</b>	<b>1 653</b>	<b>96.7</b>

Note:

1. The increase in Sales of Goods and Services and Other Sales of Services reflects the anticipated increase in annual returns to the Consolidated Fund of Firearm Licence and Registration Fees. This increase reflects a large number of five year licences being renewed during 2007-08.

# Capital Investment Program

The Department's Capital Investment Program for 2007-08 provides funding for the following projects:

## *Continuing Projects*

Forensic Science Service Tasmania – refurbishment to enable the accommodation of additional resources and specialised equipment at St John's Park.

**Table 9.18: Capital Investment Program<sup>1</sup>**

	2007-08
	<b>Budget</b>
	\$'000
<b>Continuing Projects</b>	
Refurbishment of the Forensic Science Service Tasmania	1 000
<b>TOTAL SPECIAL CAPITAL INVESTMENT FUND ALLOCATION</b>	<b>1 000</b>

Note:

1. For more information regarding the Capital Investment Program, see Chapter 7 in Budget Paper No 1 *The Budget*.

# DETAILED BUDGET STATEMENTS

Table 9.19: Output Group Expense Summary for the Department of Police and Emergency Management

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<i>Minister for Police and Emergency Management</i>			
<b>Output Group 1 - Policing Support to the Community</b>			
1.1 Support to the Community	93 241	101 135	8.5
	93 241	101 135	8.5
<b>Output Group 2 - Crime Detection and Investigation</b>			
2.1 Investigation of Crime	35 167	37 366	6.3
	35 167	37 366	6.3
<b>Output Group 3 - Traffic Law Enforcement and Road Safety</b>			
3.1 Accident Reduction and Road Safety	15 642	16 646	6.4
	15 642	16 646	6.4
<b>Output Group 4 - Protection of Primary Industry and Fisheries Resources</b>			
4.1 Poppy Security	1 020	1 087	6.6
4.2 Fisheries Security - State and Commonwealth	4 898	5 216	6.5
	5 918	6 303	6.5
<b>Output Group 5 - Emergency Management</b>			
5.1 State Emergency Management Services	4 339	4 258	(1.9)
	4 339	4 258	(1.9)
<b>Output Group 6 - Support to Judicial Services</b>			
6.1 Prosecution, Conferencing, Coronial and Bail/Warrant Processing	9 699	10 304	6.2
	9 699	10 304	6.2
<b>Output Group 7 - Ministerial Support and Information Services</b>			
7.1 Ministerial Services, External Information and Policy Advice	2 838	3 034	6.9
	2 838	3 034	6.9
<b>Special Capital Investment Funds</b>	750	750	....
<b>TOTAL AGENCY</b>	<b>167 594</b>	<b>179 796</b>	<b>7.3</b>

Table 9.20: Income Statement for the Department of Police and Emergency Management

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	157 312	170 075	8.1
Other <sup>1</sup>	2 250	....	(100.0)
Grants	6 149	6 138	(0.2)
Sales of Goods and Services	1 814	1 814	....
Other Revenue	1 334	1 334	....
<b>TOTAL</b>	<b>168 859</b>	<b>179 361</b>	<b>6.2</b>
<b>EXPENSES</b>			
Employee Entitlements	111 951	122 295	9.2
Superannuation	10 792	11 639	7.8
Depreciation and Amortisation	1 548	1 548	....
Grants and Transfer Payments <sup>2</sup>	3 490	3 231	(7.5)
Supplies and Consumables	29 596	30 665	3.6
Other Expenses	10 217	10 418	1.9
<b>TOTAL</b>	<b>167 594</b>	<b>179 796</b>	<b>7.2</b>
<b>NET OPERATING RESULT</b>	<b>1 265</b>	<b>(435)</b>	<b>(134.4)</b>
<b>ADMINISTERED ITEMS</b>			
<b>INCOME</b>			
Grants	228	234	2.6
Sales of Goods and Services <sup>3</sup>	612	1 419	131.8
<b>TOTAL</b>	<b>840</b>	<b>1 653</b>	<b>96.7</b>
<b>EXPENSES</b>			
Transfer to the Consolidated Fund <sup>3</sup>	840	1 653	96.7
<b>TOTAL</b>	<b>840</b>	<b>1 653</b>	<b>96.7</b>

Notes:

1. The decrease in Other Revenue from Government reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07.
2. The decrease in Grants and Transfer Payments reflects the completion of the National Disaster Mitigation Program in 2006-07.
3. The increase in Sales of Goods and Services and Transfers to the Consolidated Fund reflects the anticipated increase in annual returns to the Consolidated Fund of Firearm Licence and Registration Fees.

Table 9.21: Balance Sheet as at 30 June for the Department of Police and Emergency Management

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	816	1 290	58.0
Receivables <sup>1</sup>	248	1 588	540.3
Prepayments <sup>1</sup>	511	1 140	123.0
Tax Assets <sup>1</sup>	580	309	(46.8)
<b>TOTAL</b>	<b>2 155</b>	<b>4 327</b>	<b>100.7</b>
<b>NON-FINANCIAL ASSETS</b>			
Inventory	652	632	(3.1)
Land and Buildings	95 793	97 233	1.5
Plant and Equipment <sup>2</sup>	5 075	8 188	61.3
<b>TOTAL</b>	<b>101 520</b>	<b>106 053</b>	<b>4.4</b>
<b>TOTAL ASSETS</b>	<b>103 675</b>	<b>110 380</b>	<b>6.4</b>
<b>LIABILITIES</b>			
Payables <sup>1</sup>	774	1 887	143.7
Employee Entitlements	34 726	38 068	9.6
Accrued Expenses <sup>1</sup>	1 524	606	(60.3)
<b>TOTAL LIABILITIES</b>	<b>37 024</b>	<b>40 561</b>	<b>9.5</b>
<b>NET ASSETS</b>	<b>66 651</b>	<b>69 819</b>	<b>4.7</b>

Note:

1. The increase in Cash, Receivables, Prepayments and Payables and decrease in Tax Assets and Accrued Expenses reflects revised estimates based on the 2005-06 closing balances and the year-to-date actuals.
2. The increase in Plant and Equipment reflects the replacement of the ageing 'Seeker' and 'Devil Cat' vessel motors, the upgrade of the *Freycinet*, and replacement of key forensic assets.

**Table 9.22: Statement of Cash Flows for the Department of Police and Emergency Management**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Appropriation	157 312	170 075	8.1
Grants	6 149	6 138	(0.2)
Sales of Goods and Services	1 814	1 814	....
GST Receipts	3 000	3 000	....
Other Receipts	1 334	1 334	....
<b>Payments</b>			
Employee Entitlements	(112 075)	(122 419)	9.2
Superannuation	(10 781)	(11 628)	7.8
Grants and Transfer Payments	(3 490)	(3 231)	(7.5)
Supplies and Consumables	(29 596)	(30 665)	3.6
GST Payments	(3 000)	(3 000)	....
Other Payments	(10 217)	(10 418)	1.9
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>450</b>	<b>1 000</b>	<b>122.2</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets <sup>1</sup>	(2 700)	(1 000)	(63.0)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(2 700)</b>	<b>(1 000)</b>	<b>(63.0)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(2 250)</b>	<b>....</b>	<b>(100.0)</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>3 066</b>	<b>1 290</b>	<b>(58.0)</b>
<b>Cash at the End of Reporting Period</b>	<b>816</b>	<b>1 290</b>	<b>58.0</b>

Note:

1. The decrease in Purchase of Fixed Assets reflects the completion of the refurbishment of the Launceston Police Station.

**Table 9.22: Statement of Cash Flows for the Department of Police and Emergency Management (continued)**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ADMINISTERED ITEMS</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Grants	228	234	2.6
Sales of Goods and Services <sup>1</sup>	612	1 419	131.8
<b>Payments</b>			
Transfers to the Consolidated Fund <sup>1</sup>	(840)	(1 653)	96.7
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	....	....	....
<b>Net Increase/(Decrease) in Cash Held</b>	....	....	....
<b>Cash at the Beginning of Reporting Period</b>	....	....	....
<b>Cash at the End of Reporting Period</b>	....	....	....

**Note:**

1. The increase in Sales of Goods and Services and Transfers to the Consolidated Fund reflects the anticipated increase in annual returns to the Consolidated Fund of Firearm Licence and Registration Fees.

Table 9.23: Reconciliation of Operating Expenses to Consolidated Fund Appropriation

	2006-07	2007-08
	Budget	Budget
	\$'000	\$'000
<b>Total Operating Expenses</b>	<b>167 594</b>	<b>179 796</b>
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	124	124
Depreciation	(1 548)	(1 548)
<b>Total Cash Cost of Outputs</b>	<b>166 170</b>	<b>178 372</b>
<b>Other Funding Sources</b>	<b>(11 558)</b>	<b>(9 297)</b>
<b>Purchase of Capital Items</b>	<b>2 700</b>	<b>1 000</b>
<b>Total Consolidated Fund Appropriation</b>	<b>157 312</b>	<b>170 075</b>



# 10 DEPARTMENT OF PREMIER AND CABINET

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## AGENCY OUTLINE

The Department of Premier and Cabinet is a central agency of the Tasmanian State Government. The Ministers to whom the Department is responsible are the Premier, the Minister for Community Development and the Minister Assisting the Premier on Local Government.

The Department provides a broad range of services to the Cabinet, other members of Parliament, government agencies and the community. The Department works closely with the public sector, the community, Local Government, the Australian Government and other State and Territory Governments.

The Department also provides administrative support to the State Service Commissioner and the Tasmania *Together* Progress Board. Each of these bodies is separately accountable and reports directly to Parliament.

## STRATEGIC FOCUS

The broad strategic focus of the Department is based on the priorities of the Government, relevant benchmarks of Tasmania *Together* and the legislation it administers.

This focus is reflected in the Department's vision: 'excellence in public service supporting the Tasmania *Together* vision of an island community, unique for its natural and cultural environment, where people enjoy a prosperous lifestyle based on quality, creativity and opportunity'; and in the mission statement: 'to support the Government's priorities by leading the public sector; working collaboratively both within government and with the community; and contributing to a prosperous, inclusive and fair Tasmania'.

The Department contributes to the following priorities of the Government:

- community development including partnerships and infrastructure;
- major projects;
- Tasmania *Together*;
- social policy development, in particular issues relating to people with disabilities, children and the Stolen Generations;
- participation in the Council of Australian Governments (COAG) national reform agenda and the Council for the Australian Federation (CAF);
- eGovernment;
- valuing the State Service; and
- state security.

The focus and priorities of the Department are to:

- create ways of greater collaboration and cooperation between government agencies to develop and implement effective public policy through:
  - public sector leadership;
  - whole-of-government Budget development and prioritisation;
  - the implementation of the COAG national reform agenda and CAF;
  - support and contribution to Tasmania *Together* and partnerships across the community; and
  - strategic support for key government projects and priority issues;
- implement improved data collection and analysis processes that support the development of sound evidence-based public policy;
- manage and coordinate processes to support major projects and other initiatives;
- continually review agency operations to make best use of resources;
- value and develop the skills and talents of the Department's staff; and
- safeguard the health, safety and security of staff.

## KEY STRATEGIES

The key strategies to be used by the Department in delivering its Outputs will include:

- leading and implementing policies, strategies and projects across Government on priority issues;
- continuing to develop partnerships between Government and the Tasmanian community;
- leading and collaborating both within Government and with the community to achieve more effective service delivery;
- refocusing the Government's contribution to achieving the revised Tasmania *Together* goals and benchmarks;
- continuing to develop the State Service;
- meeting our legislative responsibilities; and
- providing effective government administration.

# 2007-08 MAJOR INITIATIVES

The major initiatives of the Department for 2007-08 include:

- implementing the Government's response to the Stolen Generations;
- continuing the consolidation of those operating units that focus on community development;
- coordinating the pulp mill assessment process;
- reviewing the State Service regulatory framework;
- leading the Government's response to, and prioritising involvement in the COAG and CAF agendas;
- implementing a new funding model for *Service Tasmania*; and
- implementing an influenza pandemic action plan.

## PROGRESS OF 2006 ELECTION COMMITMENTS

The Department is responsible for the implementation of the following 2006 Election commitments:

### *Main Street Makeover Program*

The Main Street Makeover Program that provides grants to Local Governments to improve town streetscapes, enhance local communities and encourage visitors to spend more time in the district. In 2006-07, the Government provided an additional \$2.0 million for the Main Street Makeover Program to meet its 2006 Election commitment. This funding has been supplemented with a further \$2.0 million to be expended over 2007-08 and 2008-09. During 2006-07, Main Street Makeover Program grant deeds were signed with Local Governments including Central Coast, Break O'Day, Clarence, Derwent Valley and Huon Valley. It is estimated that \$1.5 million in grants will be paid from the Main Street Makeover Program to Local Governments during 2006-07, with a further \$3.0 million paid in 2007-08 and \$1.3 million in 2008-09.

### *Kingston Service Tasmania Shop*

A new *Service Tasmania* shop was opened at Kingston in May 2007.

### *Anti-Bullying, Harassment and Discrimination Training*

An anti-bullying, harassment and discrimination training program commenced for senior managers of the State Service in July 2006. The Program will focus on understanding legislative requirements and how to prevent bullying and harassment in the workplace. The program will continue to be held on a regular basis and be available for all State Service managers.

### *Keeping the Skills in the Workplace - Mentoring Program*

This commitment establishes a government-wide mentoring program to allow experienced senior workers to move away from direct service delivery and into the mentoring of younger workers. An inter-agency working group has been established to advance this Election commitment with intra and inter-jurisdictional scans of mentoring models and arrangements being undertaken. The program will continue in 2007-08.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 10.1: Summary Financial Information for the Department of Premier and Cabinet

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	40 095	47 678	18.9
Reserved by Law <sup>2</sup>	....	5 000	....
Other <sup>3</sup>	849	193	(77.3)
Other Revenue <sup>4</sup>	76 966	49 520	(35.7)
<b>TOTAL</b>	<b>117 910</b>	<b>102 391</b>	<b>(13.2)</b>
<b>EXPENSES</b>			
Support for Executive Decision Making	5 240	5 635	7.5
Government Processes and Services <sup>5</sup>	8 987	10 247	14.0
Electronic Services for Government Agencies and the Community <sup>6</sup>	33 157	37 305	12.5
State Service Management <sup>7</sup>	2 874	3 412	18.7
Tasmania <i>Together</i> Progress Board	1 205	1 221	1.3
Community Development <sup>8</sup>	5 159	5 923	14.8
Development of Local Government	1 741	1 862	7.0
Grants and Subsidies <sup>9</sup>	48 300	34 144	(29.3)
Capital Investment Program <sup>10</sup>	500	350	(30.0)
Special Capital Investment Funds <sup>11</sup>	2 000	3 002	50.1
<b>TOTAL</b>	<b>109 163</b>	<b>103 101</b>	<b>(5.6)</b>
<b>NET OPERATING RESULT</b>	<b>8 747</b>	<b>(710)</b>	<b>(108.1)</b>

Notes:

1. The increase in the Annual Appropriation is primarily due to: expenses associated with the increased workload arising from the growth in the Council of Australian Governments (COAG) agenda, including the National Reform Agenda; the agreement of all States and Territories to establish and fund the Council for the Australian Federation (CAF); activities of and support for the Stolen Generations Assessor; a revised *Service Tasmania* funding model; funding of activities of the Seniors Bureau; support for the Early Years Foundation; and additional funding provided under revised Budget indexation arrangements.
2. The increase in Reserved by Law income reflects the additional funding for ex-gratia payments to eligible people in accordance with the provisions of the *Stolen Generations of Aboriginal Children Act 2006*.
3. The decrease in Other Revenue from Government reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07.

4. The decrease in Other Revenue is primarily due to a reduction in the expected level of the Australian Government's contribution to the Tasmanian Community Forest Agreement Fund in 2007-08, in accordance with the Tasmanian Community Forest Agreement.
5. The increase in Government Processes and Services is due to: the activities of and support for the Stolen Generations Assessor; revised staffing arrangements in the Executive Division; implementation of an internal audit function; expenses relating to Ministerial Council meetings; and increased expenses for the Tasmanian Government Courier.
6. The increase in Electronic Services for Government Agencies and the Community is due to: increased operational costs of the *Service Tasmania* delivery channels; revised billing arrangements for Networking Tasmania, which involve the service provider billing TMD for whole-of-government network charges previously billed direct to individual agencies; increased mobile phone expenditure and a growth in the number of services managed by TASINET; additional costs associated with new Telecommunications Management Division (TMD) accommodation; and an increase in depreciation of assets, including the TMD Data Centre, new TMD facilities and additional hardware.
7. The increase in State Service Management is due to: revised staffing arrangements in the Public Sector Management Office following the transfer of responsibility for private sector industrial relations to the Department of Justice; and higher costs associated with the increased business activity undertaken by the Tasmanian Training Consortium.
8. The increase in Community Development is due to: the establishment of the Community Development Division; increased funding for the Seniors Card and Seniors Week programs; funding of a small grants program to assist seniors in the community, which is administered by the Seniors Bureau; increased funding for a grant to the Aboriginal Land Council of Tasmania to assist with the management of land returned to the Aboriginal community; an additional staff position in Multicultural Tasmania; additional staff in the Office of Children and Youth Affairs; support for the Early Years Foundation; and enhancement of the grants program administered by the Office of Children and Youth Affairs.
9. The decrease in Grants and Subsidies reflects the reduced level of funding expected to be disbursed in 2007-08 under the Tasmanian Community Forest Agreement.
10. The decrease in the Capital Investment Program reflects the final capital expenses associated with establishing a *Service Tasmania* shop in Kingston. This is offset by additional funds to refurbish *Service Tasmania* shops, in accordance with a rolling shop refurbishment program, and the regular replacement of essential *Service Tasmania* shop related technology.
11. The increase in Special Capital Investment Funds reflects additional funding of \$1.0 million for the Main Street Makeover Program in 2007-08 and the carry forward of projects from 2006-07.

## Special Capital Investment Funds

Table 10.2: Special Capital Investment Fund Allocation for the Department of Premier and Cabinet

	Estimated Total Cost	2007-08 Estimate
	\$'000	\$'000
<b>Economic and Social Infrastructure Fund</b>		
<b>Main Street Makeover Program<sup>1</sup></b>	6 000	3 002
	6 000	3 002
<b>TOTAL SPECIAL CAPITAL INVESTMENT FUND ALLOCATION</b>	<b>6 000</b>	<b>3 002</b>

Note:

1. The Main Street Makeover Program provides grants to Local Government towns to improve town streetscapes, enhance local communities and encourage visitors to spend more time in the district.

# OUTPUT GROUP RESTRUCTURE

In accordance with the *Administrative Arrangements Order (No 2) 2006*, the functions of Output 4.2: Industrial Relations and Policy Advocacy Services that dealt with industrial relations policy concerning the private sector were transferred to the Department of Justice. The remaining Industrial Relations and Policy Advocacy Services functions were transferred to Output 4.1: State Service Employment and Management. Output Group 4, which was previously known as Industrial Relations and State Service Management, has been renamed State Service Management.

In 2007-08, the Department's community development related Outputs will be consolidated. Output Group 6: Women Tasmania has been renamed Community Development, with all Outputs providing Policy Advice and Community Services transferred to this Output Group. The Output Group will include Women Tasmania, the Disability Bureau, the Seniors Bureau, Aboriginal Affairs, Multicultural Tasmania, and Children and Youth Affairs. In addition, a new Output, Output 2.6: Support for the Stolen Generations Assessor, has been created for the purpose of providing assistance and support to the Stolen Generations Assessor.

Also in accordance with the Administrative Arrangements Order, responsibility for administration of the Early Years Foundation has been transferred from the Department of Education to the Department of Premier and Cabinet. In 2007-08, funding for the Early Years Foundation is provided under Output 6.6: Children and Youth Affairs – Policy Advice and Community Services.

## DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

The individual Outputs of the Department of Premier and Cabinet are provided under the following Output Groups:

- Output Group 1: Support for Executive Decision-Making;
- Output Group 2: Government Processes and Services;
- Output Group 3: Electronic Services for Government Agencies and the Community;
- Output Group 4: State Service Management;
- Output Group 5: Tasmania *Together* Progress Board;
- Output Group 6: Community Development; and
- Output Group 7: Development of Local Government.

# Output Group 1: Support for Executive Decision-Making

## *Description*

The objective of this Output Group is to provide services to assist the Premier and Cabinet to make informed decisions. The primary services include:

- research, advice and policy development on issues relevant to the Government's overall policy framework and agenda;
- reviewing and coordinating policy proposals from other government agencies;
- intergovernmental liaison and coordination;
- monitoring the impact of the Government's policies and programs;
- managing issues of critical importance to Government; and
- developing and coordinating strategies, programs and projects designed to progress the Government's priority objectives.

Table 10.3: Summary Financial Information - Output Group 1

	2006-07	2007-08	
Support for Executive Decision-Making	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	4 750	5 639	18.7
Other <sup>2</sup>	494	....	(100.0)
<b>TOTAL</b>	<b>5 244</b>	<b>5 639</b>	<b>7.5</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages <sup>3</sup>	2 522	2 919	15.7
Other Employee Related Expenses	61	58	(4.9)
Superannuation <sup>3</sup>	266	313	17.7
Depreciation and Amortisation	25	25	....
Supplies and Consumables			
Consultants <sup>4</sup>	296	16	(94.6)
Property Services	353	334	(5.4)
Maintenance	29	30	3.4
Communications	51	54	5.9
Information Technology <sup>4</sup>	267	151	(43.4)
Travel and Transport <sup>5</sup>	101	112	10.9
Advertising and Promotion	7	7	....
Other Supplies and Consumables <sup>6</sup>	1 062	1 379	29.8
Other Expenses <sup>3</sup>	200	237	18.5
<b>TOTAL</b>	<b>5 240</b>	<b>5 635</b>	<b>7.5</b>
<b>EXPENSE BY OUTPUT</b>			
1.1 Strategic Policy and Advice	5 240	5 635	7.5
<b>TOTAL</b>	<b>5 240</b>	<b>5 635</b>	<b>7.5</b>

Notes:

1. The increase in the Annual Appropriation is primarily due to: expenses associated with the increased workload arising from the growth in the Council of Australian Governments (COAG) agenda, including the National Reform Agenda; the agreement of all States and Territories to establish and fund the Council for the Australian Federation (CAF); and additional funding provided under revised Budget indexation arrangements.
2. The decrease in Other income reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07.
3. The increase in Salaries and Wages, Superannuation and Other Expenses is primarily due to: expenses associated with the increased workload arising from the growth in the COAG agenda, including the National Reform Agenda; and the agreement of all States and Territories to establish and fund the CAF.
4. The decrease in Consultants and Information Technology is due to the cessation of the National Data Network project.
5. The increase in Travel and Transport is due to additional travel relating to COAG and CAF commitments.
6. The increase in Other Supplies and Consumables is due to: a contribution by the Government arising from the agreement of all States and Territories to establish and fund the CAF; and expenses associated with research and data to support and enable the development of sound evidenced-based public policy.



## Major Issues and Initiatives for 2007-08

The major whole-of-government issues and initiatives to be addressed by this Output Group in 2007-08 will include:

- improving intergovernmental coordination, especially in relation to the Council of Australian Governments (COAG), the Council for the Australian Federation (CAF) and Ministerial Councils;
- managing whole-of-government input into major national issues currently being addressed by COAG and CAF including the National Reform Agenda (Competition/Regulation and Human Capital), health reform, Aboriginal reconciliation, energy, water and climate change issues, treaties and bilateral trade agreements;
- coordinating whole-of-government strategic policy issues;
- providing whole-of-government advice to support the State Budget development process;
- coordinating the implementation of Tasmania *Together* within the Government and providing leadership on many of the governance benchmarks and the priority benchmark cluster on poverty;
- further progressing Aboriginal reconciliation through implementation of the Stolen Generations program, implementing the Aboriginal land program, involvement in the review and development of Aboriginal cultural heritage and cultural practices policy and related policy initiatives;
- participating in the development and implementation of the whole-of-government Early Years Strategic Plan;
- participating in the implementation of the Tasmanian Community Forest Agreement; and
- coordinating cross-agency involvement in the proposed pulp mill development assessment process.

**Table 10.4: Performance Information – Output Group 1**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
<i>Output 1.1 Strategic Policy and Advice</i>					
<b>Final advisories delivered to Cabinet Office by deadline</b>	%	98	94	95	95

## Output Group 2: Government Processes and Services

### *Description*

The purpose of this Output Group is to provide support for government processes and services. It includes six Outputs.

#### *Output 2.1: Management of Executive Government Processes*

Management of Executive Government Processes includes administrative support for Executive Government bodies such as Cabinet and the Executive Council, coordination of State protocol, communications and other matters.

The services provided include preparation, scrutiny and processing of documents, advice to the Governor, Ministers and departments on procedures and administrative policy, management of official visits, State receptions and functions, coordination of the honours and award nomination processes and participation in national counter-terrorism and emergency management processes.

The Office of the Secretary also provides support to the Secretary and acts as the primary link between the Department and the Office of the Premier and provides communications support to departmental offices.

The Communications and Marketing Unit has responsibility for whole-of-government communications policy as well as the Department's communication requirements.

The objective of the Office of Security and Emergency Management is to support whole-of-government strategies to prevent, prepare for, respond to and recover from emergencies arising from acts of terrorism and natural disasters. A particular focus of the Office includes assisting with the implementation of COAG reforms related to natural disasters and counter-terrorism.

#### *Output 2.2: Principal and Subordinate Legislation*

In support of this Output, the Office of Parliamentary Counsel provides:

- a service to the Government for drafting new legislation and amendments to existing legislation;
- advice in relation to legislative matters; and
- an up-to-date electronic database of Tasmanian legislation.

#### *Output 2.3: Tasmanian Government Courier*

In support of this Output, the Courier Service:

- collects and sorts incoming and outgoing mail;
- delivers mail and small parcels to government and regional offices;
- liaises with Australia Post as required; and
- manages contracts for government mail delivery to and from the North and North West of the State.

#### *Output 2.4: Corporate Support to Ministerial and Parliamentary Offices and the Office of the Governor*

The Corporate Services Division provides various services in support of the ministerial and parliamentary offices and the Office of the Governor and to other Outputs of the Department. The services include:

- financial management;
- human resources management;
- information systems management;
- records management;
- asset management;
- grants administration; and
- provision of advice to the Office of the Premier on relevant matters.

#### *Output 2.5: Representation in Canberra*

The Tasmanian Government Office (TGO) in Canberra operates on behalf of all State agencies to identify and progress opportunities for Tasmania by:

- promoting heightened awareness and understanding of the Tasmanian Government's interests and priorities among Australian Government departments, ministerial offices, national industry associations, diplomatic missions, the media, and other organisations in Canberra;
- enhancing knowledge across all state agencies of new and emerging Australian Government policy and funding initiatives, particularly any impacting on Tasmania; and
- identifying Australian Government grant programs and other funding opportunities of potential benefit to Tasmania.

#### *Output 2.6: Support for the Stolen Generations Assessor*

The Office of the Stolen Generations Assessor has been established to oversee the implementation of the *Stolen Generations of Aboriginal Children Act 2006*. The Act makes provision for the establishment of a \$5 million fund to provide ex-gratia payments to eligible members of the stolen generations of Aborigines and their children. The Act became operational on 15 January 2007.

The Office is responsible for:

- promoting awareness of the Act in the Aboriginal community;
- establishing business processes to enable a thorough and objective assessment of applications;
- implementing inter-agency procedures to enable the provision of timely and expert advice to the Assessor;
- assessing applications, including the identification of additional information requirements where appropriate; and
- developing advice for the Premier and relevant Minister on the implementation of the legislation.

Table 10.5: Summary Financial Information - Output Group 2

Government Processes and Services	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	8 600	9 860	14.7
Sales of Goods and Services	402	402	....
<b>TOTAL</b>	<b>9 002</b>	<b>10 262</b>	<b>14.0</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages <sup>2</sup>	3 886	4 670	20.2
Other Employee Related Expenses	92	99	7.6
Superannuation <sup>2</sup>	447	531	18.8
Depreciation and Amortisation	50	50	....
Grants and Transfer Payments	1 089	1 039	(4.6)
Supplies and Consumables			
Consultants <sup>3</sup>	172	221	28.5
Property Services	718	760	5.8
Maintenance	44	44	....
Communications <sup>4</sup>	93	109	17.2
Information Technology	432	452	4.6
Travel and Transport <sup>5</sup>	358	406	13.4
Advertising and Promotion	771	797	3.4
Other Supplies and Consumables <sup>6</sup>	536	705	31.5
Other Expenses <sup>2</sup>	299	364	21.7
<b>TOTAL</b>	<b>8 987</b>	<b>10 247</b>	<b>14.0</b>
<b>EXPENSE BY OUTPUT</b>			
2.1 Management of Executive Government Processes <sup>7</sup>	5 324	6 064	13.9
2.2 Principal and Subordinate Legislation	1 755	1 822	3.8
2.3 Tasmanian Government Courier <sup>8</sup>	495	609	23.0
2.4 Corporate Support to Ministerial and Parliamentary Offices and the Office of the Governor	977	1 012	3.6
2.5 Representation in Canberra	436	450	3.2
2.6 Support for the Stolen Generations Assessor <sup>9</sup>	....	290	....
<b>TOTAL</b>	<b>8 987</b>	<b>10 247</b>	<b>14.0</b>

Notes:

1. The increase in the Annual Appropriation is primarily due to: the activities of and support for the Stolen Generations Assessor; revised staffing arrangements in the Executive Division; implementation of an internal audit function; expenses relating to Ministerial Council meetings; increased expenses for the Tasmanian Government Courier; and additional funding provided under revised Budget indexation arrangements.
2. The increase in Salaries and Wages, Superannuation and Other Expenses is primarily due to: costs associated with assisting the Stolen Generations Assessor; and revised staffing arrangements in the Executive Division.

3. The increase in Consultants is due to specialist advice required for counselling and legal matters and support for the Stolen Generations Assessor.
4. The increase in Communications is due to an increase in inter-city mail delivery costs incurred by the Tasmanian Government Courier.
5. The increase in Travel and Transport is due to: expenses for the Stolen Generations Assessor and support staff; increased travel in relation to security and emergency management; and increases in vehicle operating costs.
6. The increase in Other Supplies and Consumables is due to: internal audit fees and expenses; operational costs of the Office of the Stolen Generations Assessor; and expenses relating to Ministerial Council meetings.
7. The increase in Management of Executive Government Processes is due to: revised staffing arrangements in the Executive Division; the implementation of an internal audit function; and additional expenses relating to Ministerial Council meetings.
8. The increase in Tasmanian Government Courier reflects the provision of a relief courier, an increase in inter-city mail delivery costs and increased vehicle operating costs.
9. The allocation for Support for the Stolen Generations Assessor provides for the fees of the Stolen Generations Assessor, and administrative costs to support the assessment process in accordance with provisions of the *Stolen Generations of Aboriginal Children Act 2006*.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives to be addressed by this Output Group in 2007-08 will include:

### *Output 2.1: Management of Executive Government Processes*

- continuing the focus on counter-terrorism and emergency management issues, in particular those actions arising from agreements of the Council of Australian Governments and ongoing support for Tasmania's representatives on the National Counter-Terrorism Committee;
- implementing the consistent design for marketing and promotional materials across government and within the Department;
- project managing and coordinating the pulp mill assessment process;
- supporting the public information needs of the Department's operating units, including those of the Community Development Division;
- establishing an internal audit function for the Department;

### *Output 2.2: Principal and Subordinate Legislation*

- continuing the development of the Legislative Drafting and Automatic Consolidation System (EnAct) and the Tasmanian Legislation website;

### *Output 2.4: Corporate Support to Ministerial and Parliamentary Offices and the Office of the Governor*

- developing and revising human resources policies in the areas of managing diversity, performance development and Human Resources delegations;
- investigating current and future strategic information technology needs and upgrading the standard operating environment as required;
- preparing a general business risk register;
- implementing an influenza pandemic action plan;

### *Output 2.5: Representation in Canberra*

- liaising with State agencies to promote Tasmanian Government interests and priorities to Australian Government officials, ministerial advisers and other key stakeholders in Canberra, including the Office of the Labor Opposition in the lead up to the 2007 Commonwealth Election;

- providing State agencies with early advice on emerging Australian Government policies and initiatives, particularly any relevant to Tasmanian Government interests, as well as political and bureaucratic developments in Canberra;
- providing State agencies with details of Canberra media reporting relevant to Tasmanian Government interests, and identifying opportunities to promote the Tasmanian Government's communications interests in Canberra;
- promoting the Tasmanian Government's international interests in Canberra, including through the provision of briefings to Ambassadors and High Commissioners in advance of their official visits to Tasmania;
- maintaining a Funding Alert Service that provides early notice of Australian Government grants programs to interested Tasmanian organisations and individuals;
- implementing a new strategy for filling the Tasmanian Government Office adviser position, involving short-term assignments of appropriate-level officers from State agencies; and

*Output 2.6: Support for the Stolen Generations Assessor*

- assessing applications and assisting the Assessor to make decisions on the eligibility of applicants.

Table 10.6: Performance Information – Output Group 2

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Output 2.1: Management of Executive Government</i>					
<i>Processes</i>					
Number of meetings of Cabinet supported	Number	44	35	40	40
Number of meetings of Executive Council supported	Number	29	24	27	27
Number of Regional Community Forums supported	Number	9	3	10	10
Number of official visits to Tasmania managed	Number	11	14	20	15
Number of official functions organised	Number	8	10	8	8
Number of pieces of correspondence to the Premier handled	Number	4 316	4 938	5 000	5 000
<i>Output 2.2: Principal and Subordinate Legislation</i>					
Number of hits per year on the Tasmanian legislation website (EnAct)	Number (million)	13.9	14	10	12
<i>Output 2.3: Tasmanian Government Courier</i>					
Number of regular delivery/collection points	Number	316	322	310	315
<i>Output 2.5: Representation in Canberra</i>					
Number of reports to State agencies on TGO activities relating to Tasmanian Government interests and priorities in Canberra	Number	43	50	50	75
Number of information advices forwarded to State agencies on Australian Government policies and initiatives	Number	2 102	3 326	3 000	3 000
Number of reports to State agencies on TGO activities in support of the Tasmanian Government's international interests	Number	na	na	10	10
Number of subscriptions to the TGO's Funding Alert Service <sup>1</sup>	Number	128	732	1 200	1 800
<i>Output 2.6: Support for the Stolen Generations Assessor</i>					
Percentage of decisions made within the timeframes specified in the <i>Stolen Generations of Aboriginal Children Act 2006</i>	%	na	na	na	100

Note:

1. Following the introduction of a new automated subscriber registration process for the TGO's Funding Alert Service in April 2006, this figure now measures the total number of subscriptions across all funding alert topics, rather than the number of individual subscribers measured in previous years.

## Output Group 3: Electronic Services for Government Agencies and the Community

### *Description*

The purpose of this Output Group is to provide electronic services for government agencies and the community. It includes four Outputs.

#### *Output 3.1: ICT Policy Development and Implementation*

The Inter Agency Policy and Projects Unit operates under the direction of the Inter Agency Steering Committee. The Unit is responsible for coordinating the development and implementation of whole-of-government information systems, telecommunications and information management strategies and policies aimed at improving and modernising the operations of government in Tasmania.

The Unit manages a number of cross-government and whole-of-government projects, provides support to government agencies through developing appropriate methodologies, guidelines and standards, maintains a high-quality project management framework and offers project management advisory and review services to other government agencies.

#### *Output 3.2: Management and Ongoing Development of Service Tasmania*

*Service Tasmania* is a customer-focused approach to delivering government services on a one-stop-shop basis, over the counter, on the phone and on the Internet. It is aimed at making it easier for Tasmanians, especially in rural and regional areas, to do their everyday business with government.

The *Service Tasmania* Unit is responsible for developing services to be delivered by three lead agencies responsible for shops, phone services and *Service Tasmania Online*. The Unit works closely with all State government agencies to identify new services and forms partnerships with Australian and Local Government organisations to deliver their services through the three *Service Tasmania* channels.

The Unit provides executive support to the *Service Tasmania* Board. The charter of the *Service Tasmania* Board is to manage the provision of consistent, high-quality customer service, to identify and implement new service delivery opportunities, to undertake marketing activities and to ensure there is appropriate financial and budget control.

#### *Output 3.3: Management of TASINET and Networking Tasmania*

Telecommunications Management Division (TMD) is responsible for the management of the Government's fixed and mobile telephone services (TASINET) and the outsourced government wide-area data services contract known as Networking Tasmania (NT).

The primary focus for both areas is ensuring agencies receive Australian best practice services in both voice (TASINET) and data (Networking Tasmania) networks and facilities.

The services provided by TASINET include:

- business and operational management of the TASINET voice communications system that provides integrated telephone services to all government agencies;
- full directory service including a web directory;
- detailed billing reports including a customised web reporting service which allows agencies to effectively manage their telephone costs;
- project management of new installations; and



- delivery of a Government Contact Centre under the *Service Tasmania* banner offering a single point of telephone contact for the Tasmanian public.

The NT contract covers the provision of data networks and other associated services used by government agencies and enterprises and other customers including Local Governments.

The services provided by NT in managing the contract include:

- quality assurance;
- benchmarking;
- strategic management; and
- consultancy.

Both groups provide strategic advice to the Government on how future services might be supplied and managed and are responsible for the preparation and evaluation of tenders for service provision.

#### *Output 3.4: Information Systems Management*

The services associated with this Output are provided by the Computing and Human Resources (HR) Systems business units of TMD and include:

- managing computing infrastructure on behalf of most government agencies;
- managing business computer applications including HR systems on behalf of most government agencies;
- managing applications systems for agencies;
- business continuity services;
- consultancy in infrastructure planning; and
- providing payroll and personnel services to agencies.

Table 10.7: Summary Financial Information - Output Group 3

	2006-07	2007-08	
Electronic Services for Government Agencies and the Community	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	8 743	11 432	30.8
Other <sup>2</sup>	....	193	....
Sales of Goods and Services	24 394	25 446	4.3
<b>TOTAL</b>	<b>33 137</b>	<b>37 071</b>	<b>11.9</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages	6 700	6 604	(1.4)
Other Employee Related Expenses	327	316	(3.4)
Superannuation	707	736	4.1
Depreciation and Amortisation <sup>3</sup>	348	773	122.1
Supplies and Consumables			
Consultants <sup>4</sup>	218	101	(53.7)
Property Services <sup>5</sup>	798	1 077	35.0
Maintenance <sup>6</sup>	46	20	(56.5)
Communications <sup>7</sup>	11 710	14 440	23.3
Information Technology	1 652	1 774	7.4
Travel and Transport	148	158	6.8
Advertising and Promotion <sup>8</sup>	83	65	(21.7)
Other Supplies and Consumables	410	397	(3.2)
Other Expenses	10 010	10 844	8.3
<b>TOTAL</b>	<b>33 157</b>	<b>37 305</b>	<b>12.5</b>
<b>EXPENSE BY OUTPUT</b>			
3.1 Information and Communications Technology (ICT) Policy			
Development and Implementation	2 243	2 330	3.9
3.2 Management and Ongoing Development of <i>Service Tasmania</i>	10 699	11 501	7.5
3.3 Management of TASINET and Networking Tasmania <sup>9</sup>	15 911	18 782	18.0
3.4 Information Systems Management	4 304	4 692	9.0
<b>TOTAL</b>	<b>33 157</b>	<b>37 305</b>	<b>12.5</b>

Notes:

1. The increase in the Annual Appropriation is primarily due to: a revised *Service Tasmania* funding model, partly funded by transferred Budget allocations from other agencies for this purpose; and additional funding provided under revised Budget indexation arrangements.
2. The allocation for Other Revenue from Government reflects the carry forward of funds from 2006-07 to 2007-08 in accordance with section 8A(2) of the *Public Account Act 1986* for the Tasmanian Government to participate in a National Document Verification Service, as per the Inter-Governmental Agreement on Identity Security.
3. The increase in Depreciation and Amortisation reflects depreciation of the TMD Data Centre, new TMD facilities and additional hardware infrastructure.

4. The decrease in Consultants is primarily due to a reduced need for external advice required by TMD in relation to whole-of-government telecommunication services.
5. The increase in Property Services is primarily due to increased accommodation costs for TMD.
6. The decrease in Maintenance is due to reduced maintenance requirements following the relocation of TMD to new accommodation.
7. The increase in Communications is due to revised billing arrangements for NT, which involve the service provider billing TMD for whole-of-government network charges previously billed to individual agencies; increased mobile phone expenditure; and a growth in the number of services managed by TASINET.
8. The decrease in Advertising and Promotion is due to revised strategies for advertising and promotion of TMD services.
9. The increase in Management of TASINET and NT is due to revised billing arrangements for NT, increased mobile phone expenditure and a growth in the number of services managed by TASINET, additional costs associated with new accommodation and an increase in depreciation.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives to be addressed by this Output Group in 2007-08 will include:

### *Output 3.1: ICT Policy Development and Implementation*

- ensuring the consistency and security of processes for the collection, use and transfer of electronic and non-electronic identity information for both employees and clients of the Tasmanian Government, with particular reference to the requirements of the National Identity Security Strategy;
- developing the Client Update Service to make it easier for existing clients of the Tasmanian Government to notify of changes to their personal details;
- improving whole-of-government business, information, and technology interoperability through the implementation of the Interoperability Program;
- reviewing the Tasmanian Government's current approach to the procurement of a number of key information technology related products and services;
- updating the Tasmanian Government Information Security Framework to ensure contemporary practice with regards to managing the security of government information;
- improving and promoting the Tasmanian Government Project Management Framework (including the provision of advisory and review services to agencies), with a particular focus on the issues associated with the realisation of project benefits;
- expanding and promoting the Tasmanian Government Web Publishing Framework to support web publishing in areas such as design, navigation, discoverability and useability;
- providing appropriate policy advice and support for major eGovernment and telecommunications related issues and activities;
- supporting intergovernmental relations with other jurisdictions and the Australian Government, particularly the Online and Communications Council;

### *Output 3.2: Management and Ongoing Development of Service Tasmania*

- managing the changes to a new funding model for *Service Tasmania* which was developed during 2006-07 and involves the implementation of new funding arrangements and agreements across Government for the delivery of services in *Service Tasmania* shops;
- further increasing the number of customer services available through *Service Tasmania* over the counter, by phone or by Internet in support of Tasmania *Together* benchmark 8.4.2: Number of over the counter, over the phone and online government services provided to local communities;

- further developing Local and Australian Government partnerships to increase the range of cross-jurisdictional customer services in support of Tasmania *Together* standard 8.4: Government services are accessible and responsive and information is available;
- monitoring the new *Service Tasmania* shop at Kingston, which was established in accordance with the Government's 2006 Election commitment and is relevant to Tasmania *Together* standard 8.4: Government services are accessible and responsive and information is available;
- continuing the development of customer service facilities with an increased focus on encouraging customers' use of online and telephone-based service delivery options via the *Service Tasmania Channel Shift Project*;
- arranging the transfer of government phone and online bill payment services from Telstra to Westpac and Australia Post;
- collaborating with agencies and communities on processes and technologies to improve government service delivery to Tasmanians;

#### *Output 3.3: Management of TASINET and NT*

- reviewing the supply arrangements for State Government mobile telephone services;
- implementing the NT II supply arrangements following completion of the tender process in 2006-07;
- undertaking trials of new telecommunications services including Voice Over Internet Protocol;
- managing the relocation of TMD offices to new premises;

#### *Output 3.4: Information Systems Management*

- maintaining and upgrading of government HR systems;
- promoting and implementing new services across agencies, including virtualisation and business continuity services;
- consolidating computers and data storage across government in the new TMD data centre;
- ensuring that security affecting information systems is consistent with Government policies; and
- managing the relocation of TMD offices to new premises.

Table 10.8: Performance Information – Output Group 3

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Output 3.1: Information and Communications Technology (ICT) Policy Development and Implementation</i>					
Number of unique visits to eGovernment website	Number	na	na	na	180 000
Average number of attendees per information seminar	Number	80	74	85	85
<i>Output 3.2: Management and Ongoing Development of Service Tasmania</i>					
Number of services provided over the counter by Service Tasmania.	Number	480	500	500	550
Number of bill payment services provided over the phone by Service Tasmania.	Number	70	70	90	90
Number of bill payment services provided over the Internet by Service Tasmania.	Number	71	70	90	90
<i>Output 3.3: Management of TASINET and Networking Tasmania</i>					
Average charged by TMD per fixed phone service per year (management, rental and calls)	\$	648	590	650	600
Average charged by TMD per mobile phone service per year (management, rental and calls)	\$	na	na	na	350
Percentage of calls from the public answered by the Government Contact Centre within 20 seconds	%	na	na	na	80
<i>Output 3.4: Information Systems Management</i>					
Number of computer servers managed by TMD for other government departments	Number	143	196	180	200

## Output Group 4: State Service Management

### *Description*

The purpose of this Output Group is to provide support to agencies to manage employment and industrial relations in the State Service and to provide support to the State Service Commissioner. It includes two Outputs.

#### *Output 4.1: State Service Employment and Management*

The Minister administering the *State Service Act 2000* is the employer of State Servants. This Output includes the services provided to the Minister in that role, including employment policy and program delivery together with advice and advocacy on a wide range of State Service employment management and industrial relations issues.

Particular emphasis is placed on contributing to the achievement of employment and development related goals within Tasmania *Together* and providing strategic leadership to agencies in promoting the State Service Principles under the State Service Act. State Service agencies are also provided with assistance including:

- advice on employment management policies and practices;
- advice on employment legislation;
- advice and advocacy on behalf of the Minister on State Service industrial relations matters; and
- advice on senior executive appointments.

Training, development and educational programs are also provided on a cost-recovery basis.

#### *Output 4.2: Support for the State Service Commissioner*

The primary role of this Output is to provide support to the State Service Commissioner, whose functions as an independent statutory officer include:

- evaluating employment practices of State Service agencies;
- reviewing employment decisions; and
- establishing procedures for the investigation and determination of breaches of the Code of Conduct.

**Table 10.9: Summary Financial Information - Output Group 4**

	2006-07	2007-08	
State Service Management	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	2 015	2 444	21.3
Sales of Goods and Services <sup>2</sup>	815	912	11.9
<b>TOTAL</b>	<b>2 830</b>	<b>3 356</b>	<b>18.6</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages <sup>3</sup>	1 263	1 579	25.0
Other Employee Related Expenses <sup>3</sup>	74	84	13.5
Superannuation <sup>3</sup>	142	171	20.4
Depreciation and Amortisation	10	10	....
Supplies and Consumables			
Consultants	4	3	(25.0)
Property Services <sup>4</sup>	241	275	14.1
Maintenance	16	16	....
Communications <sup>5</sup>	46	53	15.2
Information Technology	163	171	4.9
Travel and Transport <sup>5</sup>	79	92	16.5
Advertising and Promotion	9	7	(22.2)
Other Supplies and Consumables <sup>6</sup>	741	840	13.4
Other Expenses <sup>3</sup>	86	111	29.1
<b>TOTAL</b>	<b>2 874</b>	<b>3 412</b>	<b>18.7</b>
<b>EXPENSE BY OUTPUT</b>			
4.1 State Service Employment and Management <sup>7</sup>	1 779	2 246	26.3
4.2 Support for the State Service Commissioner	1 095	1 166	6.5
<b>TOTAL</b>	<b>2 874</b>	<b>3 412</b>	<b>18.7</b>

**Notes:**

1. The increase in the Annual Appropriation is due to: revised staffing arrangements in the Public Sector Management Office following the transfer of responsibility for private sector industrial relations to the Department of Justice; and additional funding provided under revised Budget indexation arrangements.
2. The increase in Sales of Goods and Services is due to an expected increase in training services provided through the Tasmanian Training Consortium.
3. The increase in Salaries and Wages, Other Employee Related Expenses, Superannuation and Other Expenses is due to revised staffing arrangements in the Public Sector Management Office following the transfer of responsibility for private sector industrial relations to the Department of Justice.
4. The increase in Property Services is due to additional accommodation expenses for Output 4.1 following the transfer of responsibility for private sector industrial relations to the Department of Justice.
5. The increase in Communications and Travel and Transport is due to additional expenses resulting from revised staffing arrangements in the Public Sector Management Office.
6. The increase in Other Supplies and Consumables is due to additional expenses resulting from revised staffing arrangements in the Public Sector Management Office and higher costs associated with the increased business activity undertaken by the Tasmanian Training Consortium.

7. The increase in State Service Employment and Management is primarily due to revised staffing arrangements in the Public Sector Management Office following the transfer of responsibility for private sector industrial relations to the Department of Justice, and higher costs associated with the increased business activity undertaken by the Tasmanian Training Consortium.

## *Major Issues and Initiatives for 2007-08*

### *Output 4.1: State Service Employment and Management*

The major issues and initiatives to be addressed by this Output in 2007-08 include:

- providing strategic leadership to agencies on the application of the legislative and policy framework for management of State Service employment, including a review of aspects of the State Service regulatory framework;
- contributing to the achievement of various Tasmania *Together* benchmarks;
- negotiating and finalising the Public Sector Unions Wages Agreement 2007, including a review of employee classification standards and systems and award related allowances;
- conducting negotiations on new wage agreements covering specialist occupational groups within the State Service, including teachers, nurses and ambulance officers;
- developing and implementing training and learning programs, particularly in the areas of leadership, people management, workplace diversity and performance management;
- investigating issues related to workforce planning and data collection;
- developing strategies to address employment related disadvantage, especially in relation to recent arrivals in Australia, people with disability and youth;
- addressing the emerging issues in the demographic profile of the State Service;
- facilitating anti-bullying, harassment and discrimination training for all senior public service managers, which focuses on understanding legislative requirements and how to prevent bullying and harassment in the workplace; and
- establishing a government-wide mentoring program to allow experienced senior workers to move away from direct service delivery and into the mentoring of younger workers.

### *Output 4.2: Support for the State Service Commissioner*

Activities within this Output assist the State Service Commissioner to perform his statutory obligations and functions as specified in the State Service Act. Consistent with the Commissioner's statutory obligations, further evaluations of employment practices within State Service agencies will be conducted during 2008. Details on each activity will be available in the State Service Commissioner's Annual Report.



Table 10.10: Performance Information – Output Group 4

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Output 4.1: State Service Employment and Management</i>					
Percentage of senior managers (equivalent to A&C Level 10 and above) in the Tasmanian State Service who have undertaken training to prevent workplace bullying, harassment and discrimination (TT 9.2.5)	%	na	na	30	60
Percentage of women in the Senior Executive Service (SES) in the Tasmanian State Service	%	25.2	25.6	30	30
Percentage variation in achieving parity with other states on the proportion of people under 30 years of age in the Tasmanian State Service (TT 5.5.2)	%	(3.4)	(3.5)	0	0
Number of leadership development programs delivered by The Training Consortium (TT Goal 3)	Number	24	23	20	20
Proportion of State Service employees with access to flexible leave options (TT 9.2.1)	%	90	90	90	90
Pay equity ratio (using average salary earnings only) between women and men in the Tasmanian State Service (TT 9.2.4)	Number	88.0	86.5	90	90

### *Performance Information Comments*

Performance information relating to the exercise of the statutory powers and functions of the State Service Commissioner is reported in the Commissioner's Annual Report to Parliament.

## Output Group 5: Tasmania *Together* Progress Board

### *Description*

Tasmania *Together* is the community's 20-year social, environmental and economic plan for the State's development. It provides an overarching framework for planning, budgeting and policy priorities for the Government and non-government sectors. The focus of this Output is to provide support to enable the Tasmania *Together* Progress Board to fulfil its legislative responsibilities and requirements to:

- monitor and report publicly on progress towards achieving the Tasmania *Together* goals and benchmarks;
- carry out research and collect data in respect to the goals and benchmarks;
- coordinate the process of further developing, refining and revising the goals and benchmarks;
- promote the goals and benchmarks in the broader community; and

- develop coalitions of interest within and between various sectors of the community with respect to *Tasmania Together*.

The Board publishes progress reports and releases additional information between each report. It reviews existing and proposed benchmarks and develops targets to complete benchmarks. It enters into partnerships with community and business organisations that agree to work towards achieving the benchmarks.

**Table 10.11: Summary Financial Information - Output Group 5**

<i>Tasmania Together Progress Board</i>	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	785	1 222	55.7
Other <sup>2</sup>	325	....	(100.0)
Other Revenue <sup>3</sup>	96	....	(100.0)
<b>TOTAL</b>	<b>1 206</b>	<b>1 222</b>	<b>1.3</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages	369	373	1.1
Other Employee Related Expenses	2	9	350.0
Superannuation	47	62	31.9
Supplies and Consumables			
Consultants	338	329	(2.7)
Property Services	46	47	2.2
Maintenance	4	4	....
Communications	23	14	(39.1)
Information Technology	12	12	....
Travel and Transport	30	26	(13.3)
Advertising and Promotion	100	88	(12.0)
Other Supplies and Consumables	200	212	6.0
Other Expenses	34	45	32.4
<b>TOTAL</b>	<b>1 205</b>	<b>1 221</b>	<b>1.3</b>
<b>EXPENSE BY OUTPUT</b>			
5.1 Support for <i>Tasmania Together Progress Board</i>	1 205	1 221	1.3
<b>TOTAL</b>	<b>1 205</b>	<b>1 221</b>	<b>1.3</b>

Notes:

1. The increase in the Annual Appropriation is due to: funding of a position previously funded from an external source; funding of consultancy services which were funded in 2006-07 from other sources; and additional funding provided under revised Budget indexation arrangements.
2. The decrease in Other Revenue from Government reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07.

3. The decrease in Other Revenue is due to the cessation of external funding from another agency for salary costs of a position.

### *Major Issues and Initiatives for 2007-08*

The major issues and initiatives to be addressed by this Output in 2007-08 will include:

- developing new benchmarks identified as post Five Year Review tasks;
- widely distributing and raising public awareness of the revised Tasmania *Together* document following the Five Year Review;
- extending the Tasmania *Together* Partners Program with community and business organisations that include Tasmania *Together* goals and benchmarks in their plans;
- increasing levels of cooperative and collaborative activity in the community aimed at the achievement of the goals and benchmarks, through coalitions of interest involving the government and non-government sector;
- promoting Tasmania *Together* to increase levels of awareness and ownership of the goals and benchmarks by the community;
- developing the data management system for Tasmania *Together*;
- progressing the Curriculum Links project to encourage student involvement in Tasmania *Together*; and
- publishing the first Headline Indicator report.

**Table 10.12: Performance Information – Output Group 5**

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Output 5.1: Support for Tasmania Together Progress Board</i>					
Level of community awareness of Tasmania Together as a percentage	%	na	na	na	55
Number of partnerships between the Progress Board and non-government organisations	Number	na	na	na	30
Number of new benchmarks developed	Number	na	na	na	15

## Output Group 6: Community Development

### *Description*

The Community Development Output Group brings together a number of interrelated Outputs that have a particular focus on improving the quality of life of all Tasmanians, building community capacity, addressing social disadvantage and increasing social inclusion. Much of the work of the Community Development Division is fundamental to implementing Tasmania *Together*, the community's plan for the social, economic and environmental future of the State. As a whole the Division works by:

- strengthening community connections and connectedness;
- community consultation and engagement;
- network development;
- promoting community self help and capacity building;
- supporting proactive people and organisations;
- assisting leadership and skills development within community groups; and
- building communities through partnerships.

Individually the Outputs in the Group support: women; people with disabilities; seniors; Aborigines; migrants and refugees; and children and young people. As a whole, the Division aims to build the capacity of Tasmanians to work collectively in addressing common interests.

### *Output 6.1: Women Tasmania – Policy Advice and Community Services*

Women Tasmania's role is to:

- provide policy advice on the interests and concerns of Tasmanian women and facilitating positive outcomes for women from government services;
- promote gender equity through a range of strategies in priority areas;
- maintain an information and referral service for women and several public access resource centres in major population centres;
- coordinate a women's development program in the South, North and North West of the State;
- provide secretariat and project support to the Tasmanian Women's Council, which advises Government on issues of concern to women; and
- administer a Women's Development Small Grants Fund.

Women Tasmania works across areas of policy including: women and work; leadership and decision-making; women and safety; and information services. The state-wide Women's Development Program provides outreach to regional, rural and remote areas of Tasmania, and through its community engagement activities aims to facilitate a network of vibrant and productive regional communities.

### *Output 6.2: Disability Bureau – Policy Advice and Community Services*

The Disability Bureau's major purpose is to provide leadership and advice to Government around the implementation of the Government's *Disability Framework for Action 2005-2010*. The Bureau promotes whole-of-government approaches and works to ensure that all Government agencies are addressing their

responsibilities to people with a disability in accord with the principles and intent of the Disability Framework. The Bureau does this by providing guidance, information and facilitating cooperative sharing of expertise so that Government policies and programs increasingly recognise the value and contribution of Tasmanians with disability, while responding appropriately to their needs.

Through the provision of a Companion Card, the Disability Bureau enables more Tasmanians with a disability who require lifelong attendant care to participate at community facilities and events. The cardholder presents their card to affiliated organisations when purchasing a ticket or paying an entry fee and receives a free ticket or admission at no charge for their companion carer.

### *Output 6.3: Seniors Bureau – Policy Advice and Community Services*

The Seniors Bureau develops policy and strategic plans to promote improved health and well being for older Tasmanians. This involves promoting positive ageing, providing advice on issues that affect the quality of life of older Tasmanians and supporting consultative mechanisms that ensure older people's participation in developing policy.

The work of the Seniors Bureau is guided by the *Tasmanian Plan for Positive Ageing Second Five-Year Plan*, which recognises that the health and well being of older Tasmanians is determined by a wide range of factors including income, social status, community participation, social support networks, education, employment, social environments and access to services.

The Seniors Bureau has three major areas of focus:

- developing and coordinating positive ageing policy across government;
- managing and administering the Seniors Card Program; and
- coordinating Seniors Week.

### *Output 6.4: Aboriginal Affairs – Policy Advice and Community Services*

The Office of Aboriginal Affairs (OAA) advances Aboriginal affairs across the State Sector. The Office undertakes its role by:

- providing advice to the Government on policies and practices affecting Tasmania's Aboriginal and Torres Strait Islander population;
- assisting with information about programs, services and issues; and
- administering and coordinating policy development affecting Tasmania's Aboriginal and Torres Strait Islander population.

The OAA is responsible for administering the *Aboriginal Land Act 1995*. The Office is also responsible for high-level consultation with Tasmania's Aboriginal and Torres Strait Islander population.

It provides an accurate representation of the Community view to advise the Minister, Premier and Cabinet on the efficient and effective management of policies, legislation and programs that affect Tasmania's Aboriginal and Torres Strait Islander population.

The Office also seeks to assist Tasmania's Aboriginal and Torres Strait Islander population to achieve social, cultural and economic outcomes and promote greater understanding and acceptance of Aboriginal culture.

The Office of Aboriginal Affairs contributes to a range of Tasmania *Together* benchmarks, particularly those related to Goal 7: Acknowledgement of the right of Aboriginal people to own and preserve their culture, and share with non-Aboriginal people the richness and value of that culture.

#### *Output 6.5: Multicultural Tasmania – Policy Advice and Community Services*

Multicultural Tasmania:

- provides policy advice to the Government on issues related to Tasmania's culturally diverse communities and immigration to Australia and Tasmania;
- monitors the provision of services from State government agencies to migrants and humanitarian entrants in keeping with the Principles for Tasmania's Culturally Diverse Society and the State Government's Multicultural Policy;
- provides secretariat support to the Tasmanian Advisory Council for Multicultural Affairs;
- works with the Multicultural Council of Tasmania, a State-funded peak body for the culturally and linguistically diverse communities, to promote the Principles for Tasmania's Culturally Diverse Society and the State Government's Multicultural Policy;
- is the State Regional Certifying Authority for the Regional Sponsored Migration Scheme (RSMS) and subclass 457 Temporary Business Visa, which enables employers to sponsor migrants with skills not otherwise available in Tasmania;
- works with Local Government through the Partnership Agreements to provide better support and services to migrants;
- participates on various national, Local Government and independent committees working towards achieving improved settlement outcomes for humanitarian entrants and other migrants; and
- administers a grants program, which is accessible to migrant communities and other organisations to undertake activities (including major festivals) or projects that enhance the settlement of migrants and humanitarian entrants in Tasmania, as well as promoting the benefits of a culturally diverse society.

#### *Output 6.6: Children and Youth Affairs – Policy Advice and Community Services*

The Office of Children and Youth Affairs (OCYA) supports young Tasmanians. Its objectives are to:

- be a resource for, and adviser to the Minister on policy issues and practices affecting Tasmania's children and young people;
- assist with information about programs, services and issues; and
- work to improve access by young people to government decision-making.

The Office meets these objectives by:

- coordinating key projects across government focusing on child development, health and well being (including projects delivered under Output 1.1: Strategic Policy and Advice);
- supporting the role of the Tasmanian Early Years Foundation;
- providing evidenced based information and advice to the Government on issues affecting children and young Tasmanians;
- working with individual government agencies on youth related programs, policy and legislative initiatives;

- providing information to young people and to the youth sector through *Linkzone* and a public access database;
- working with Local Government to develop initiatives that meet young people's needs by:
  - convening the annual Local Government Youth Forum that develops networking and professional development opportunities for council youth staff and elected representatives;
  - undertaking the Youth Services and Facilities Survey; and
  - administering the Local Government seed funding program;
- participating on various national and state-wide committees addressing youth issues including attending state-wide regional group meetings and membership on the National Youth Affairs Research Scheme;
- funding and supporting the Tasmanian Youth Forum (formerly the Tasmanian Youth Consultative Committee);
- administering funding and support for National Youth Week events within Tasmania;
- administering a grant that funds the peak body for the non-government youth sector in Tasmania (Youth Network of Tasmania) as a method of providing access and meaningful participation by young people and the youth sector to the Government; and
- administering and promoting a youth advisory services grants program that provides funds to Local Governments and non-government organisations.

Table 10.13: Summary Financial Information - Output Group 6

	2006-07	2007-08	
Community Development	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	4 958	5 866	18.3
Other <sup>2</sup>	30	....	(100.0)
Grants	28	35	25.0
Sales of Goods and Services	31	15	(51.6)
<b>TOTAL</b>	<b>5 047</b>	<b>5 916</b>	<b>17.2</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages <sup>3</sup>	1 753	2 328	32.8
Other Employee Related Expenses <sup>3</sup>	4	12	200.0
Superannuation <sup>3</sup>	194	256	32.0
Depreciation and Amortisation	2	2	....
Grants and Transfer Payments <sup>4</sup>	841	1 014	20.6
Supplies and Consumables			
Consultants <sup>5</sup>	163	142	(12.9)
Property Services	271	276	1.8
Maintenance <sup>6</sup>	78	23	(70.5)
Communications	87	87	....
Information Technology <sup>6</sup>	121	87	(28.1)
Travel and Transport	127	123	(3.1)
Advertising and Promotion	85	83	(2.4)
Other Supplies and Consumables	1 295	1 308	1.0
Other Expenses <sup>3</sup>	138	182	31.9
<b>TOTAL</b>	<b>5 159</b>	<b>5 923</b>	<b>14.8</b>
<b>EXPENSE BY OUTPUT</b>			
6.1 Women Tasmania - Policy Advice and Community Services	1 326	1 390	4.8
6.2 Disability Bureau - Policy Advice and Community Services <sup>6</sup>	517	418	(19.1)
6.3 Seniors Bureau - Policy Advice and Community Services <sup>7</sup>	677	787	16.2
6.4 Aboriginal Bureau - Policy Advice and Community Services <sup>8</sup>	699	797	14.0
6.5 Multicultural Tasmania - Policy Advice and Community Services <sup>9</sup>	443	577	30.2
6.6 Children and Youth Affairs - Policy Advice and Community Services <sup>10</sup>	1 497	1 954	30.5
<b>TOTAL</b>	<b>5 159</b>	<b>5 923</b>	<b>14.8</b>

Notes:

1. The increase in the Annual Appropriation is due to the establishment of the Community Development Division (CDD), which brings together a number of interrelated Outputs that have a particular community based focus. Revised staffing arrangements include: the establishment of a CDD Directorate, the costs of which are allocated across the Outputs in this Output Group and Output Group 7; and additional positions in Multicultural Tasmania and the Office of Children and Youth Affairs. The increase is also due to: increased funding for community based grants



- programs; funding of activities of the Seniors Bureau and support for the Early Years Foundation; and additional funding provided under revised Budget indexation arrangements.
2. The decrease in Other income reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07.
  3. The increase in Salaries and Wages, Other Employee Related Expenses, Superannuation and Other Expenses is due to the establishment of the CDD Directorate and additional positions in Multicultural Tasmania and the Office of Children and Youth Affairs.
  4. The increase in Grants and Transfer Payments is due to: the establishment of a small grants program for the Seniors Bureau; increased funding for a grant to the Aboriginal Land Council of Tasmania; and enhancement of the grants program administered by the Office of Children and Youth Affairs.
  5. The decrease in Consultants is due to a reduced need for external consultancies required by Women Tasmania in relation to the Tasmanian Honour Roll of Women.
  6. The decrease in Maintenance, Information Technology and Disability Bureau – Policy Advice and Community Services is due to one-off expenses being incurred in 2006-07 for the establishment of the Disability Bureau and upgrading Seniors Bureau databases.
  7. The increase in Seniors Bureau - Policy Advice and Community Services is primarily due to: increased funding for the Seniors Card and Seniors Week programs; funding of a small grants program to assist seniors in the community; and the allocation of CDD Directorate expenses to the Output.
  8. The increase in Aboriginal Affairs - Policy Advice and Community Services is primarily due to: increased funding for a grant to the Aboriginal Land Council of Tasmania, to assist with the management of land returned to the Aboriginal community; and the allocation of CDD Directorate expenses to the Output.
  9. The increase in Multicultural Tasmania - Policy Advice and Community Services is primarily due to: an additional staff position; and the allocation of CDD Directorate expenses to the Output.
  10. The increase in Children and Youth Affairs - Policy Advice and Community Services is primarily due to: additional staff in the Office of Children and Youth Affairs; support for the Early Years Foundation; enhancement of the grants program administered by the Office; and the allocation of CDD Directorate expenses to the Output.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives to be addressed by this Output Group in 2007-08 include:

### *Output 6.1: Women Tasmania – Policy Advice and Community Services*

- hosting the *2007 Commonwealth, State, Territories and New Zealand Ministers' Conference on the Status of Women*, to be held in Hobart in August 2007;
- promoting and reviewing the Women in Business Micro-credit Program;
- facilitating an electronic register of women interested in appointments to boards;
- promoting the 2007 Tasmanian Honour Roll of Women;
- publishing a range of new information products and organising seminars for women on a variety of subjects;
- engaging young women in a range of mentoring programs;
- raising public awareness of safety issues for women and promoting women's safety through the Women's Safety Award and overseeing the Women's Safety and Support Fund;
- supporting a network of Women's Information Rooms around Tasmania;
- assisting the Aboriginal community in economic development projects in association with key stakeholders;
- coordinating a two week program of events in March to recognise and promote International Women's Day;

### *Output 6.2: Disability Bureau – Policy Advice and Community Services*

- assisting government agencies to implement their Disability Action Plans;
- supporting the functions of the Premier's Disability Advisory Council;

- implementing the Companion Card program;
- facilitating collaboration and cooperation between government agencies to develop and implement improved public policy in relation to Tasmanians with disability;
- participating in the Partnership Agreement Program with Local Governments;
- promoting the vision and goals of the Disability Framework for action in the Disability Sector;

#### *Output 6.3: Seniors Bureau – Policy Advice and Community Services*

- collaborating with and supporting government agencies in developing and implementing positive ageing policy and initiatives;
- providing advice to Government on issues that affect the quality of life of older Tasmanians;
- supporting consultative mechanisms that ensure older people's participation in the development of public policy;
- implementing programs that reflect and promote the fact that most older people are happy, healthy and live independent and productive lives;
- supporting Local Governments in developing positive ageing strategies and initiatives;
- promoting and implementing the new whole-of-government *Tasmanian Plan for Positive Ageing Second Five-Year Plan*;
- implementing a small sundry grants program;
- managing and marketing the Seniors Card program;
- coordinating and promoting Seniors Week 2007;

#### *Output 6.4: Aboriginal Affairs – Policy Advice and Community Services*

- facilitating and participating in the implementation of priorities identified in the Indigenous Generational Reform Plan;
- progressing reconciliation including the Council of Australian Governments' (COAG) framework to advance reconciliation and the Ministerial Council for Aboriginal and Torres Strait Islander Affairs Action Plan;
- providing advice and assistance to agencies regarding the development of policy and programs to address the key indicators identified in the Productivity Commission's *Overcoming Indigenous Disadvantage Key Indicators Report*;
- providing advice and assistance on implementing relevant Tasmania *Together* goals and benchmarks;
- providing advice and assistance to the Stolen Generations Assessor regarding the eligibility of applicants;
- increasing access by Tasmania's Aboriginal and Torres Strait Islander population to State sector employment through the State's Structured Training and Employment Project;
- providing advice and assistance to agencies regarding the eligibility of clients seeking to access Aboriginal and Torres Strait Islander programs and services;
- providing advice and assistance to the Department of Tourism, Arts and the Environment and the Aboriginal community in the development of Aboriginal Heritage legislation;

- providing advice and assistance to address Aboriginal family violence (AFV), particularly through Tasmania's COAG trial, the Tasmanian Government's AFV report – *ya pulingina kani* – Good to See You Talk and Safe at Home;
- providing advice and assistance in the development of appropriate strategies and policies regarding Aboriginal cultural practices;
- assisting with the implementation of strategies arising from an Aboriginal tourism development plan;

#### *Output 6.5: Multicultural Tasmania – Policy Advice and Community Services*

- continuing to develop strategies arising from the implementation of the state-wide Multicultural Policy;
- developing a Language Services Policy to provide guidance on the appropriate use of interpreter services when dealing with the migrant community;
- working with service providers to improve the retention rate and settlement of humanitarian entrants and other categories of migrants;
- continuing to support the Humanitarian Entrants' Reunion Scheme, which is administered through the No Interest Loan Schemes (NILS) Network Inc and monitoring and reviewing the program through membership on the Board of the NILS Network Inc;
- continuing to work with the Public Sector Management Office to develop and enhance the State Government Work Placement Program for humanitarian entrants and new migrants;
- continuing the publication of promotional material to enhance awareness of Tasmania's cultural diversity including brochures, an annual calendar and a website;

#### *Output 6.6: Children and Youth Affairs – Policy Advice and Community Services*

- overseeing whole-of-government strategies for early years intervention flowing from the COAG reform agenda and Tasmania's Early Childhood and Child Care Action Plan;
- managing the Tasmanian Early Years Foundation and providing administrative support to the Board's funding activities;
- reviewing and extending the Youth Policy Framework for the State Government to include children and young people in the context of community development;
- reviewing grant programs in the context of community development and the extended children and young people policy framework;
- participating in Local Government partnership programs;
- releasing the *State of Our Youth* report and accompanying consultation report relating to the views and perceptions of young people with a disability;
- distributing a handbook for State government committees and boards that encourages the participation of young people;
- promoting the *Linkzone* web portal that provides links to services and information for young Tasmanians;
- undertaking the Young People in Tasmania 2006 Census data analysis;
- enhancing the sundry grants program; and

- supporting the review and one year pilot of the Government's youth participation mechanism (formerly the Tasmanian Youth Consultative Committee).

**Table 10.14: Performance Information – Output Group 6**

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Output 6.1: Women Tasmania - Policy Advice and Community Services</i>					
Representation of women on government boards and committees as a percentage	%	38	35	37	37
Number of people using Women Tasmania resource centres	Number	15 419	19 199	17 000	18 000
Number of visits on Women Tasmania website pages	Number	228 180	284 806	300 000	320 000
<i>Output 6.2: Disability Bureau - Policy Advice and Community Services</i>					
Total number of Companion Cards issued	Number	na	na	500	1 000
Total number of affiliates registered	Number	na	na	40	100
Number of agency action plans developed	Number	na	na	5	9
<i>Output 6.3: Seniors Bureau - Policy Advice and Community Services</i>					
Number of Local Governments that commit to development of a positive ageing strategy as a Partnership Agreement Schedule	Number	1	10	7	7
Number of new Seniors Cards issued	Number	4 165	4 009	6 000	6 000
Number of new businesses registered with the Seniors Card program	Number	232	44	50	25
Number of Local Governments co-ordinating or holding Seniors Week activities	Number	8	8	15	15
Number of State government departments, units, branches and GBEs co-ordinating or holding Seniors Week activities	Number	28	51	50	50

Table 10.14: Performance Information – Output Group 6 (continued)

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Output 6.4: Aboriginal Affairs - Policy Advice and Community Services</i>					
Number of Aboriginal people practising cultural activities including hunting, fishing and gathering (TT Goal 7)	Number	148	148	275	175 <sup>1</sup>
Number of Aboriginal and Torres Strait Islander positions created under the Structured Training and Employment Project (TT Goal 7)	Number	14	12	15	15
Number of Aboriginal identified positions in the State Service that can only be filled by Aboriginal people or Torres Strait Islanders (TT 7.2.1)	Number	66	68	68	70
Number of Aboriginal identified positions in the State Service that are filled by Aboriginal people or Torres Strait Islanders (TT 7.2.1)	Number	61	60	66	68
<i>Output 6.5: Multicultural Tasmania - Policy Advice and Community Services</i>					
Total number of people certified to migrate under the Regional Sponsored Migration Scheme	Number	168	186	150	155
Number of students attending English language classes at TAFE	Number	411	411	500	500
Total number of people migrating to Tasmania	Number	1 216	929	900	900
<i>Output 6.6: Children and Youth Affairs - Policy Advice and Community Services</i>					
Percentage of Local Governments with youth advisory committees (TT Goal 5)	%	76	79	100	100
Percentage of Local Governments attending the Local Government Youth Forum	%	65.5	72.5	100	100
Number of young people organising and participating in National Youth Week events	Number	24 839	16 000	26 500	20 000
Number of youth and community sector (government and non-government) organisations co-ordinating or holding National Youth Week events	Number	90	90	90	90
Number of early childhood initiatives funded by the Tasmanian Early Years Foundation	Number	na	na	na	10

Note:

1. The target in 2007-08 has decreased significantly due to the new limit on permits issued at Fort Direction to ensure sustainability of mutton birding.

## Output Group 7: Development of Local Government

### *Description*

The Local Government Office provides a link between State and Local Government in Tasmania. Its objectives are to:

- contribute to the effectiveness of the Premier's Local Government Council and the Partnership Agreements program; and
- maintain and develop a clear policy and legislative framework for matters relevant to Local Government.

Services include:

- portfolio support to the Minister Assisting the Premier on Local Government;
- executive support in relation to the Premier's Local Government Council and the associated Officials Committee;
- executive support for the development, monitoring and review of bilateral, regional, state-wide and tri-partite Partnership Agreements;
- development of policy and legislation in relation to Local Government, including ongoing administration;
- administration of the *Dog Control Act 2000*, *Local Government Act 1993*, *Burial and Cremation Act 2002*, *Local Government (Highways) Act 1981*, *Southern Regional Cemetery Act 1981* and other legislation for which the Office is responsible;
- research and analysis of issues relevant to Local Government;
- enhancement of Local Government including:
  - executive support to the Local Government Board and its reviews of councils;
  - provision of executive support to the Key Performance Indicators (KPIs) Committee and the ongoing management of the Local Government KPI Project; and
  - provision of professional development services to Local Government;
- intergovernmental communication, liaison and ongoing stakeholder management, including liaison with the Local Government Association of Tasmania and the Local Government Managers Australia; and
- provision of advice to councils and responses to community queries and/or complaints.

**Table 10.15: Summary Financial Information - Output Group 7**

	2006-07	2007-08	
Development of Local Government	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	1 744	1 865	6.9
<b>TOTAL</b>	<b>1 744</b>	<b>1 865</b>	<b>6.9</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages <sup>1</sup>	928	1 035	11.5
Other Employee Related Expenses <sup>1</sup>	9	11	22.2
Superannuation <sup>1</sup>	117	129	10.3
Supplies and Consumables			
Consultants	10	10	....
Property Services <sup>2</sup>	170	147	(13.5)
Maintenance	13	13	....
Communications	23	24	4.3
Information Technology	54	57	5.6
Travel and Transport	117	120	2.6
Advertising and Promotion	21	22	4.8
Other Supplies and Consumables	195	201	3.1
Other Expenses <sup>1</sup>	84	93	10.7
<b>TOTAL</b>	<b>1 741</b>	<b>1 862</b>	<b>7.0</b>
<b>EXPENSE BY OUTPUT</b>			
7.1 Development of Local Government	1 741	1 862	7.0
<b>TOTAL</b>	<b>1 741</b>	<b>1 862</b>	<b>7.0</b>

Notes:

1. The increase in Salaries and Wages, Other Employee Related Expenses, Superannuation and Other Expenses is due to: revised staffing arrangements in the Local Government Office; and the allocation of some Community Development Division Directorate expenses to this Output Group.
2. The decrease in Property Services is due to the relocation of the Local Government Office during 2006-07.

***Major Issues and Initiatives for 2007-08***

The major issues and initiatives to be addressed by this Output in 2007-08 include:

- assisting with the Government's Water and Sewerage Taskforce;
- facilitating the negotiation, implementation, evaluation and review of a number of bilateral, regional, state-wide and tripartite Partnership Agreements;
- ongoing improvement in coordination of the Partnership Agreements program and of the reporting processes and database;

- evaluating the Partnership Agreements program;
- providing executive support for the Premier's Local Government Council (PLGC) and Officials Committee;
- ongoing management of compliance with the Local Government Act and associated regulations;
- supporting the development of Local Government by-laws;
- supporting the completion of Local Government Board reviews of councils and Board reviews of single and joint authorities;
- leading and providing executive support for the PLGC project to review the operations and functions of the Local Government Board;
- ongoing management of the Key Performance Indicators program;
- reviewing the Dog Control Act to improve the control of dangerous dogs;
- overseeing implementation of the Intergovernmental Agreement on Local Government Relations;
- participating in the national agenda to improve the financial management and sustainability of Local Government; and
- implementing the Main Street Makeover program.

**Table 10.16: Performance Information – Output Group 7**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
<i>Output 7.1: Development of Local Government</i>					
<b>Number of new bilateral, regional and state-wide Partnership Agreements signed</b>	<b>Number</b>	<b>4</b>	<b>1</b>	<b>10</b>	<b>8</b>
<b>Number of Partnership Agreements being implemented</b>	<b>Number</b>	<b>27</b>	<b>21</b>	<b>28</b>	<b>28</b>
<b>Number of Local Government Board completed reviews of single or joint authorities<sup>1</sup></b>	<b>Number</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>4</b>
<b>Percentage of Premier/ Ministerial correspondence responded to within 10 working days from receipt of all advice required</b>	<b>%</b>	<b>95</b>	<b>94</b>	<b>94</b>	<b>94</b>
<b>Number of visits to front page of the website</b>	<b>Number</b>	<b>31 000</b>	<b>20 000</b>	<b>35 000</b>	<b>35 000</b>

Note:

1. This is a new Performance Measure. It is expected that by 30 June 2007 the Local Government Board will have completed its initial round of general reviews of Councils and processes will be in place to commence reviews of single and joint authorities.



# Administered Items

## Grants and Subsidies

Table 10.17 provides a summary of administered Grants and Subsidies paid by the Department of Premier and Cabinet. A brief description of each item follows the Table.

**Table 10.17: Grants and Subsidies Financial Summary for the Department of Premier and Cabinet**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation <sup>1</sup>	8 000	9 000	12.5
Reserved by Law <sup>2</sup>	....	5 000	....
Other Revenue <sup>3</sup>	49 200	19 708	(60.0)
<b>TOTAL</b>	<b>57 200</b>	<b>33 708</b>	<b>(41.1)</b>
<b>EXPENSES</b>			
Stolen Generations Fund <sup>2</sup>	....	5 000	....
Tasmanian Community Forest Agreement Fund <sup>4</sup>	48 300	29 144	(39.7)
<b>TOTAL</b>	<b>48 300</b>	<b>34 144</b>	<b>(29.4)</b>

**Notes:**

1. The increase in the Annual Appropriation reflects the Tasmanian Government's contribution to the Tasmanian Community Forest Agreement Fund (TCFAF) in 2007-08.
2. The increase in the Reserve by Law income and the Stolen Generations Fund expense reflects the ex-gratia payments to eligible people assessed in accordance with provisions of the *Stolen Generations of Aboriginal Children Act 2006*.
3. The decrease in Other Revenue reflects the expected level of the Australian Government's contribution to the TCFAF in 2007-08.
4. The decrease in the TCFAF reflects the level of funding expected to be disbursed in 2007-08 in accordance with the Tasmanian Community Forest Agreement.

### *Tasmanian Community Forest Agreement Fund*

The Tasmanian Community Forest Agreement is a joint commitment of the Australian and Tasmanian Governments to enhance the protection of Tasmania's forest environment and growth in the Tasmanian forest industry and forestry jobs. The Governments are committing over \$250 million to implement the Agreement. The new commitments have been negotiated under the Tasmanian Regional Forest Agreement (RFA) through a Supplementary Agreement, which now forms part of the RFA. The RFA Supplementary Agreement will build a firm foundation for the Tasmanian forestry industry going forward and underpin resource security for the proposed new pulp mill at Bell Bay, should it proceed. It is anticipated that \$29.1 million of funding will be distributed in 2007-08 in accordance with the provisions of the Agreement.

## Other Grants and Subsidies Funded under Outputs

A number of grants programs are funded by the Department of Premier and Cabinet. These are funded directly under Outputs. Table 10.18 lists the grants included under each Output.

**Table 10.18: Other Grants and Subsidies Funded Under Outputs**

Grants and Transfer Payments	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>Output Group 2: Government Processes and Services</b>			
Sundry Grants - Premier (Output 2.1)	514	514	....
Family Assistance Program (Output 2.1)	350	350	....
University Scholarships (Output 2.1)	125	125	....
Jim Bacon Foundation (Output 2.1) <sup>1</sup>	100	50	(50.0)
	<b>1 089</b>	<b>1 039</b>	<b>(4.6)</b>
<b>Output Group 6: Community Development</b>			
Sundry Grants - Women Tasmania (Output 6.1)	100	100	....
Sundry Grants - Seniors Bureau (Output 6.3) <sup>2</sup>	91	141	54.9
Sundry Grants - Aboriginal Affairs (Output 6.4) <sup>3</sup>	203	254	25.1
Sundry Grants - Multicultural Tasmania (Output 6.5)	85	85	....
Sundry Grants - Children and Youth Affairs (Output 6.6) <sup>4</sup>	362	434	19.9
	<b>841</b>	<b>1 014</b>	<b>20.6</b>
<b>Special Capital Investment Funds</b>			
Main Street Makeover Program <sup>5</sup>	2 000	3 002	50.1
<b>Capital Investment Funds</b>			
Service Tasmania Shops - Capital Grant <sup>6</sup>	500	350	(30.0)
	<b>4 430</b>	<b>5 405</b>	<b>22.0</b>

**Notes:**

1. The decrease in funding for the Jim Bacon Foundation reflects the agreed Government contribution for 2007-08.
2. The increase in Sundry Grants – Seniors Bureau is due to additional funding for a grants program to provide grants to approved organisations to assist seniors in the community.
3. The increase in Sundry Grants – Aboriginal Affairs is due to increased funding for a grant to the Aboriginal Land Council of Tasmania to assist with the management of land returned to the Aboriginal community.
4. The increase in Sundry Grants – Children and Youth Affairs is due to the enhancement of the grants program administered by the Office of Children and Youth Affairs to provide grants to approved organisations to assist children and youth in the community.
5. The increase in the Main Street Makeover Program reflects additional funding of \$1.0 million in 2007-08 and the carry forward of projects from 2006-07.
6. The decrease in Service Tasmania Shops – Capital Grant reflects the final capital expenses associated with establishing a Service Tasmania shop in Kingston. This is offset by additional funds to refurbish Service Tasmania shops in accordance with a rolling shop refurbishment program, and the regular replacement of essential Service Tasmania shop related technology.

### *Sundry Grants – Premier*

A discretionary grants program is maintained to allow the Premier to meet requests received to provide limited financial assistance to groups or individuals. These grants are designed to support valued community and cultural activities with national, state-wide or local significance. This grants program is funded under Output 2.1: Management of Executive Government Processes.

### *Family Assistance Program*

The item provides special funding for five welfare organisations undertaking programs to support Tasmanian families. The funding is available for emergency relief, as well as preventative and support programs or research designed to reduce the need for emergency relief. Grants under this program are not available to meet administrative overheads. Funding under this program is designed to supplement other available funding sources. Recipient organisations are expected to maintain their efforts to secure funding from other sources. This program is funded under Output 2.1: Management of Executive Government Processes.

### *University Scholarships*

The Tasmania Scholarships Program offers financial assistance on the basis of merit to qualified people wishing to study at the University of Tasmania. The Program is a key element in activities by the University to capitalise on the potential of Tasmania to become a national and international higher education destination. The Tasmania Scholarships Program is designed to encourage local students to stay in the State and to attract top national and international students to the University of Tasmania. This item provides for a contribution by the State Government to the Tasmania Scholarships Program. The program is funded under Output 2.1: Management of Executive Government Processes.

### *Jim Bacon Foundation*

Under the *Jim Bacon Foundation Act 2004*, the Foundation provides funding for practical support for people undergoing treatment for cancer and their families, and establishes a Scholarship Program for students studying the care and treatment of cancer, political science or visual arts.

### *Sundry Grants – Women Tasmania*

The annual Women's Development Small Grants program provides small, non-recurrent grants to individuals and organisations to undertake projects that will promote equality of opportunity for women and enhance their social and economic well being. Priority for funding is given to women with limited access to social and economic resources and to projects that are of benefit to a large number of women or to groups of women with special or particular needs. This grants program is funded under Output 6.1: Women Tasmania – Policy Advice and Community Services.

### *Sundry Grants – Seniors Bureau*

This program provides grant assistance to the Council of the Ageing and other organisations to assist seniors in the community. This grants program is funded under Output 6.3: Seniors Bureau – Policy Advice and Community Services.

### *Sundry Grants – Aboriginal Affairs*

This program provides grants to the Tasmanian Aboriginal Centre Inc, to assist Aboriginal first home buyers and Aboriginal charitable institutions with the payment of stamp duty costs and the Aboriginal Land Council of Tasmania, to assist with the management of land returned to the Aboriginal community. This grants program is funded under Output 6.4: Aboriginal Affairs – Policy Advice and Community Services.

### *Sundry Grants – Multicultural Tasmania*

This program provides grant assistance to groups and organisations to assist Tasmania's culturally diverse community to access government services and foster respect for, and understanding of, cultural diversity in Tasmania. This grants program is funded under Output 6.5: Multicultural Tasmania – Policy Advice and Community Services.

### *Sundry Grants – Children and Youth Affairs*

This sundry grants program was developed to assist with the implementation of the Government's Youth Policy initiative. There are several components to the program: the establishment of a variety of additional youth advisory services; the provision of funding for local council youth services under the Local Government Seed Funding program; the provision of funding to support and implement the National Youth Week Grants' Program; and the provision of funding for the Youth Network of Tasmania. There is also an additional grant for the implementation phase resulting from the evaluation of the Tasmanian Youth Consultative Committee. This grants program is funded under Output 6.6: Children and Youth Affairs - Policy Advice and Community Services.

### *Revenue Collected on Behalf of the Consolidated Fund*

Table 10.19: Revenue Collected on Behalf of the Consolidated Fund

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<b>REVENUE</b>			
Sales of Goods and Services	2	2	....
<b>TOTAL REVENUE</b>	2	2	....
<b>Transfers to the Consolidated Fund</b>			
Other Sales of Services	2	2	....
<b>TOTAL TRANSFERS TO THE CONSOLIDATED FUND</b>	2	2	....

## Capital Investment Program

Table 10.20: Capital Investment Program

	2007-08 Budget \$'000
<b>Continuing Projects</b>	
<i>Service Tasmania Shops Capital Investment</i> <sup>1</sup>	350
<b>TOTAL CAPITAL INVESTMENT PROGRAM</b>	350

Note:

1. The Capital Investment Program allocation provides for final capital expenses associated with establishing a *Service Tasmania* shop in Kingston. It also provides for a capital works program to refurbish *Service Tasmania* shops, in accordance with a rolling shop refurbishment program and the regular replacement of essential *Service Tasmania* shop related technology.

# DETAILED BUDGET STATEMENTS

Table 10.21: Output Group Expense Summary for the Department of Premier and Cabinet

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<i>Premier</i>			
<b>Output Group 1 - Support for Executive Decision Making</b>			
1.1 Strategic Policy and Advice	5 240	5 635	7.5
	5 240	5 635	7.5
<b>Output Group 2 - Government Processes and Services</b>			
2.1 Management of Executive Government Processes <sup>1</sup>	5 324	6 064	13.9
2.2 Principal and Subordinate Legislation	1 755	1 822	3.8
2.3 Tasmanian Government Courier <sup>2</sup>	495	609	23.0
2.4 Corporate Support to Ministerial and Parliamentary Offices and the Office of the Governor	977	1 012	3.6
2.5 Representation in Canberra	436	450	3.2
2.6 Support for the Stolen Generations Assessor <sup>3</sup>	....	290	....
	8 987	10 247	14.0
<b>Output Group 3 - Electronic Services for Government Agencies and the Community</b>			
3.1 Information and Communications Technology (ICT) Policy Development and Implementation	2 243	2 330	3.9
3.2 Management and Ongoing Development of <i>Service Tasmania</i>	10 699	11 501	7.5
3.3 Management of TASINET and Networking Tasmania <sup>4</sup>	15 911	18 782	18.0
3.4 Information Systems Management	4 304	4 692	9.0
	33 157	37 305	12.5
<b>Output Group 4 - State Service Management</b>			
4.1 State Service Employment and Management <sup>5</sup>	1 779	2 246	26.3
4.2 Support for the State Service Commissioner	1 095	1 166	6.5
	2 874	3 412	18.7
<b>Output Group 5 - Tasmania <i>Together</i> Progress Board</b>			
5.1 Support for Tasmania <i>Together</i> Progress Board	1 205	1 221	1.3
	1 205	1 221	1.3
Grants and Subsidies <sup>6</sup>	48 300	34 144	(29.3)
Capital Investment Program <sup>7</sup>	500	350	(30.0)

Table 10.21: Output Group Expense Summary for the Department of Premier and Cabinet (continued)

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<i>Minister for Community Development</i>			
<b>Output Group 6 - Community Development</b>			
6.1 Women Tasmania - Policy Advice and Community Services	1 326	1 390	4.8
6.2 Disability Bureau - Policy Advice and Community Services <sup>8</sup>	517	418	(19.1)
6.3 Seniors Bureau - Policy Advice and Community Services <sup>9</sup>	677	787	16.2
6.4 Aboriginal Bureau - Policy Advice and Community Services <sup>10</sup>	699	797	14.0
6.5 Multicultural Tasmania - Policy Advice and Community Services <sup>11</sup>	443	577	30.2
6.6 Children and Youth Affairs - Policy Advice and Community Services <sup>12</sup>	1 497	1 954	30.5
	5 159	5 923	14.8
<i>Minister Assisting the Premier on Local Government</i>			
<b>Output Group 7 - Development of Local Government</b>			
7.1 Development of Local Government	1 741	1 862	7.0
	1 741	1 862	7.0
Special Capital Investment Funds <sup>13</sup>	2 000	3 002	50.1
<b>TOTAL AGENCY</b>	<b>109 163</b>	<b>103 101</b>	<b>(5.6)</b>

Notes:

1. The increase in the Management of Executive Government Processes is due to: revised staffing arrangements in the Executive Division; the implementation of an internal audit function; and additional expenses relating to Ministerial Council meetings.
2. The increase in the Tasmanian Government Courier is due to: the provision for a relief courier; an increase in inter-city mail delivery costs; and increased vehicle operating costs.
3. Support for the Stolen Generations Assessor is a new Output which reflects the administrative costs of the Stolen Generations Assessor in accordance with provisions of the *Stolen Generations of Aboriginal Children Act 2006*.
4. The increase in Management of TASINET and Networking Tasmania is due to: revised billing arrangements for Networking Tasmania, which involve the service provider billing TMD for whole-of-government network charges previously billed direct to individual agencies; increased mobile phone expenditure and a growth in the number of services managed by TASINET; additional costs associated with new accommodation; and an increase in depreciation.
5. The increase in State Service Employment and Management is due to revised staffing arrangements in the Public Sector Management Office following the transfer of responsibility for private sector industrial relations to the Department of Justice and higher costs associated with increased business activity undertaken by the Tasmanian Training Consortium.
6. The decrease in Grants and Subsidies reflects the level of funding expected to be disbursed in 2007-08 in accordance with the Tasmanian Community Forest Agreement. The decrease is partly offset by the provision for ex-gratia payments to eligible people in accordance with provisions of the *Stolen Generations of Aboriginal Children Act 2006*.
7. The decrease in the Capital Investment Program reflects the final capital expenses associated with establishing a *Service Tasmania* shop in Kingston. This is offset by additional funds to refurbish *Service Tasmania* shops in accordance with a rolling shop refurbishment program, and the regular replacement of essential *Service Tasmania* shop related technology.
8. The decrease in Disability Bureau – Policy Advice and Community Services is due to one-off expenses being incurred in 2006-07 for the establishment of the Disability Bureau.

9. The increase in Seniors Bureau - Policy Advice and Community Services is primarily due to: increased funding for the Seniors Card and Seniors Week programs; funding of a small grants program to assist seniors in the community; and the allocation of Community Development Division (CDD) Directorate expenses to the Output.
10. The increase in Aboriginal Affairs - Policy Advice and Community Services is primarily due to increased funding for a grant to the Aboriginal Land Council of Tasmania to assist with the management of land returned to the Aboriginal community and the allocation of CDD Directorate expenses to the Output.
11. The increase in Multicultural Tasmania - Policy Advice and Community Services is primarily due to: an additional staff position; and the allocation of CDD Directorate expenses to the Output.
12. The increase in Children and Youth Affairs - Policy Advice and Community Services is primarily due to: additional staff in the Office of Children and Youth Affairs; support for the Early Years Foundation previously funded from another source; enhancement of the grants program administered by the Office; and the allocation of CDD Directorate expenses to the Output.
13. The increase in Special Capital Investment Funds reflects additional funding of \$1.0 million for the Main Street Makeover Program in 2007-08 and the carry forward of projects from 2006-07.

Table 10.22: Income Statement for the Department of Premier and Cabinet

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	32 095	38 678	20.5
Other <sup>2</sup>	849	193	(77.3)
Grants <sup>3</sup>	2 028	3 037	49.7
Sales of Goods and Services	25 642	26 775	4.4
Other Revenue <sup>4</sup>	96	....	(100.0)
<b>TOTAL</b>	<b>60 710</b>	<b>68 683</b>	<b>13.1</b>
<b>EXPENSES</b>			
Employee Entitlements <sup>5</sup>	17 990	20 097	11.7
Superannuation <sup>5</sup>	1 920	2 198	14.4
Depreciation and Amortisation <sup>6</sup>	435	860	97.7
Grants and Transfer Payments <sup>7</sup>	4 430	5 405	22.0
Supplies and Consumables <sup>8</sup>	25 237	28 521	13.0
Other Expenses	10 851	11 876	9.4
<b>TOTAL</b>	<b>60 863</b>	<b>68 957</b>	<b>13.3</b>
<b>NET OPERATING RESULT</b>	<b>(153)</b>	<b>(274)</b>	<b>79.1</b>
<b>ADMINISTERED ITEMS</b>			
<b>REVENUE</b>			
Revenue from Government			
Annual Appropriation <sup>9</sup>	8 000	9 000	12.5
Reserved by Law <sup>10</sup>	....	5 000	....
Grants <sup>11</sup>	49 200	19 708	(60.0)
Sales of Goods and Services	2	2	....
<b>TOTAL</b>	<b>57 202</b>	<b>33 710</b>	<b>(41.1)</b>
<b>EXPENSES</b>			
Grants and Subsidies			
Grants and Transfer Payments <sup>12</sup>	12 075	2 000	(83.4)
Supplies and Consumables <sup>12</sup>	36 225	27 144	(25.1)
Other Expenses <sup>10</sup>	....	5 000	....
Total Grants and Subsidies	48 300	34 144	(29.3)
Transfer to the Consolidated Fund	2	2	....
<b>TOTAL</b>	<b>48 302</b>	<b>34 146</b>	<b>(29.3)</b>



Notes:

1. The increase in the Annual Appropriation is primarily due to: expenses associated with the increased workload arising from the growth in the Council of Australian Governments (COAG) agenda, including the National Reform Agenda; the agreement of all States and Territories to establish and fund the Council for the Australian Federation (CAF); activities of and support for the Stolen Generations Assessor; a revised *Service Tasmania* funding model; funding of activities of the Seniors Bureau; support for the Early Years Foundation; some salary, consultancy and other expenses previously funded from other sources; and additional funding provided under revised Budget indexation arrangements.
2. The decrease in Other income reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07.
3. The increase in Grants reflects additional funding of \$1.0 million for the Main Street Makeover Program in 2007-08 and the carry forward of projects from 2006-07.
4. The decrease in Other Revenue is due to the cessation of external funding from another agency for salary costs of a position in the Tasmania *Together* Progress Board Directorate.
5. The increase in Employee Entitlements and Superannuation is due to: expenses associated with the increased workload arising from the growth in the COAG agenda, including the National Reform Agenda; the agreement of all States and Territories to establish and fund CAF; fees for and staff to assist the Stolen Generations Assessor; establishment of the Community Development Division; other revised staffing arrangements in the Department; and salary increases in accordance with the State Service Wages Agreement.
6. The increase in Depreciation and Amortisation reflects depreciation of the TMD Data Centre, new TMD facilities and additional hardware infrastructure.
7. The increase in Grants and Transfer Payments is due to: additional funding for a grants program to be administered by the Seniors Bureau; increased funding for a grant to the Aboriginal Land Council of Tasmania; enhancement of the grants program administered by the Office of Children and Youth Affairs; additional funding of \$1 million for the Main Street Makeover Program in 2007-08 and the carry forward of projects from 2006-07; and provision for a capital grant of \$350 000 to meet final expenses associated with establishing a *Service Tasmania* shop in Kingston and provide for a capital works program to refurbish *Service Tasmania* shops, in accordance with a rolling shop refurbishment program, and the regular replacement of essential *Service Tasmania* shop related technology.
8. The increase in Supplies and Consumables is due to expenses associated with the increased workload arising from the growth in the COAG agenda, including the National Reform Agenda; the agreement of all States and Territories to establish and fund the CAF; expenses associated with research and data to support and enable the development of sound evidenced-based public policy; activities of and support for the Stolen Generations Assessor; implementation of an internal audit function; increased inter-city mail delivery and transport expenses for the Tasmanian Government Courier service; establishment of the Community Development Division; support for the Early Years Foundation previously funded from other sources; increased accommodation costs for TMD; increased communications expenses due to revised billing arrangements for Networking Tasmania, increased mobile phone expenditure and a growth in the number of services managed by TASINET; higher costs associated with the increased business activity undertaken by the Tasmanian Training Consortium; and indexation of other non-salary administration expenses.
9. The increase in the Annual Appropriation provides for the Tasmanian Government's contribution to the Tasmanian Community Forest Agreement Fund (TCFAF) in 2007-08.
10. The increase in Reserved by Law income and Other Expenses reflects the ex-gratia payments to eligible people in accordance with provisions of the *Stolen Generations of Aboriginal Children Act 2006*.
11. The decrease in Grants reflects the expected level of the Australian Government's contribution to the TCFAF in 2007-08.
12. The decrease in Grants and Transfer Payments and Supplies and Consumables reflects the level of funding expected to be disbursed in 2007-08 in accordance with the Tasmanian Community Forest Agreement.

Table 10.23: Balance Sheet as at 30 June for the Department of Premier and Cabinet

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	2 293	3 114	35.8
Receivables	1 185	1 275	7.6
Prepayments	615	667	8.5
Accrued Revenue	1 984	1 964	(1.0)
Tax Assets	165	160	(3.0)
Other Financial Assets	22	22	....
<b>TOTAL</b>	<b>6 264</b>	<b>7 202</b>	<b>15.0</b>
<b>NON-FINANCIAL ASSETS</b>			
Plant and Equipment <sup>2</sup>	2 905	4 012	38.1
<b>TOTAL</b>	<b>2 905</b>	<b>4 012</b>	<b>38.1</b>
<b>TOTAL ASSETS</b>	<b>9 169</b>	<b>11 214</b>	<b>22.3</b>
<b>LIABILITIES</b>			
Payables	875	845	(3.4)
Employee Entitlements	4 987	5 130	2.9
Accrued Expenses	355	384	8.2
Other	1 325	1 427	7.7
<b>TOTAL LIABILITIES</b>	<b>7 542</b>	<b>7 786</b>	<b>3.2</b>
<b>NET ASSETS</b>	<b>1 627</b>	<b>3 428</b>	<b>110.7</b>

Notes:

1. The increase in Cash reflects a more accurate estimate of cash reserves as at 30 June 2008.
2. The increase in Plant and Equipment reflects the establishment of the TMD Data Centre, new TMD facilities and additional hardware infrastructure.

Table 10.23: Balance Sheet as at 30 June for the Department of Premier and Cabinet (continued)

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ADMINISTERED ITEMS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	8 900	....	(100.0)
<b>TOTAL ASSETS</b>	<u>8 900</u>	<u>....</u>	<u>(100.0)</u>
<b>LIABILITIES</b>			
<b>TOTAL LIABILITIES</b>	<u>....</u>	<u>....</u>	<u>....</u>
<b>NET ASSETS</b>	<u>8 900</u>	<u>....</u>	<u>(100.0)</u>

Note:

1. The decrease in Cash reflects the disbursement of all funds held and received under the Tasmanian Community Forest Agreement by the end of 2007-08.

Table 10.24: Statement of Cash Flows for the Department of Premier and Cabinet

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Appropriation <sup>1</sup>	32 095	38 678	20.5
Grants <sup>2</sup>	2 028	3 037	49.7
Sales of Goods and Services	25 642	26 775	4.4
GST Receipts	4 442	4 442	....
Other Receipts <sup>3</sup>	96	....	(100.0)
<b>Payments</b>			
Employee Entitlements <sup>4</sup>	(17 911)	(20 018)	11.8
Superannuation <sup>4</sup>	(1 920)	(2 198)	14.5
Grants and Transfer Payments <sup>5</sup>	(4 430)	(5 405)	22.0
Supplies and Consumables <sup>6</sup>	(25 237)	(28 521)	13.0
GST Payments	(4 442)	(4 442)	....
Other Payments	(10 851)	(11 876)	9.4
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>(488)</b>	<b>472</b>	<b>196.7</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets <sup>7</sup>	(736)	(480)	(34.8)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(736)</b>	<b>(480)</b>	<b>(34.8)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(1 224)</b>	<b>(8)</b>	<b>(99.3)</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>3 517</b>	<b>3 122</b>	<b>(11.2)</b>
<b>Cash at the End of Reporting Period</b>	<b>2 293</b>	<b>3 114</b>	<b>35.8</b>

Notes:

1. The increase in the Annual Appropriation is primarily due to: expenses associated with the increased workload arising from the growth in the COAG agenda, including the National Reform Agenda; the agreement of all States and Territories to establish and fund the CAF, activities of and support for the Stolen Generations Assessor; a revised *Service Tasmania* funding model; funding of activities of the Seniors Bureau, support for the Early Years Foundation and some salary, consultancy and other expenses previously funded from other sources; and additional funding provided under revised Budget indexation arrangements.
2. The increase in Grants reflects additional funding of \$1.0 million for the Main Street Makeover Program in 2007-08 and the carry forward of projects from 2006-07.
3. The decrease in Other Receipts is due to the cessation of external funding for salary costs of a position in the Tasmania *Together* Progress Board Directorate.
4. The increase in Employee Entitlements and Superannuation is due to: expenses associated with the increased workload arising from the growth in the COAG agenda, including the National Reform Agenda; the agreement of all States and Territories to establish and fund the Council for the Australian Federation; fees for and staff to assist the

Stolen Generations Assessor; establishment of the Community Development Division; other revised staffing arrangements in the Department; and salary increases in accordance with the State Service Wages Agreement.

5. The increase in Grants and Transfer Payments is due to: additional funding for a grants program to be administered by the Seniors Bureau; increased funding for a grant to the Aboriginal Land Council of Tasmania; enhancement of the grants program administered by the Office of Children and Youth Affairs; additional funding of \$1 million for the Main Street Makeover Program in 2007-08 and the carry forward of projects from 2006-07; and provision for a capital grant of \$350 000 to meet final expenses associated with establishing a *Service Tasmania* shop in Kingston and to provide for a capital works program to refurbish *Service Tasmania* shops.
6. The increase in Supplies and Consumables is due to: expenses associated with the increased workload arising from the growth in the COAG agenda, including the National Reform Agenda; the agreement of all States and Territories to establish and fund the CAF; expenses associated with research and data to support and enable the development of sound evidenced-based public policy; activities of and support for the Stolen Generations Assessor; implementation of an internal audit function; increased inter-city mail delivery and transport expenses for the Tasmanian Government Courier service; establishment of the Community Development Division; support for the Early Years Foundation; increased accommodation costs for TMD; increased communications expenses due to revised billing arrangements for Networking Tasmania, which involve the service provider billing TMD for whole-of-government network charges previously billed direct to individual agencies; increased mobile phone expenditure and a growth in the number of services managed by TASINET; higher costs associated with the increased business activity undertaken by the Tasmanian Training Consortium; and indexation of other non-salary administration expenses.
7. The decrease in Purchase of Fixed Assets is due to a reduced need by TMD to purchase new plant and equipment.

Table 10.24: Statement of Cash Flows for the Department of Premier and Cabinet (continued)

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ADMINISTERED ITEMS</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
<b>Revenue from Government</b>			
Appropriation <sup>1</sup>	8 000	9 000	12.5
Reserved by Law <sup>2</sup>	....	5 000	....
Grants <sup>3</sup>	49 200	19 708	(60.0)
Sales of Goods and Services	2	2	....
<b>Payments</b>			
Grants and Transfer Payments <sup>4</sup>	(12 075)	(2 000)	(83.4)
Supplies and Consumables <sup>4</sup>	(36 225)	(27 144)	(25.1)
Transfers to the Consolidated Fund	(2)	(2)	....
Other Payments <sup>2</sup>	....	(5 000)	....
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>8 900</b>	<b>(436)</b>	<b>104.9</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>8 900</b>	<b>(436)</b>	<b>104.9</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>....</b>	<b>436</b>	<b>....</b>
<b>Cash at the End of Reporting Period</b>	<b>8 900</b>	<b>....</b>	<b>(100.0)</b>

Notes:

1. The increase in the Annual Appropriation reflects the Tasmanian Government's contribution to the Tasmanian Community Forest Agreement Fund (TCFAF) in 2007-08.
2. The increase in Reserved by Law income and Other Payments reflects the provision of ex-gratia payments to eligible people in accordance with provisions of the *Stolen Generations of Aboriginal Children Act 2006*.
3. The decrease in Grants reflects the expected level of the Australian Government's contribution to the TCFAF in 2007-08.
4. The decrease in Grants and Transfer Payments and Supplies and Consumables reflects the level of funding expected to be disbursed in 2007-08 in accordance with the Tasmanian Community Forest Agreement.

**Table 10.25: Reconciliation of Operating Expenses to Consolidated Fund Appropriation**

	2006-07	2007-08
	Budget	Budget
	\$'000	\$'000
<b>Total Operating Expenses</b>	<b>109 163</b>	<b>103 101</b>
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	(79)	(79)
Depreciation and Amortisation	(435)	(860)
<b>Total Cash Cost of Outputs</b>	<b>108 649</b>	<b>102 162</b>
<b>Other Funding Sources</b>	<b>(69 290)</b>	<b>(49 964)</b>
<b>Purchase of Capital Items</b>	<b>736</b>	<b>480</b>
<b>Total Consolidated Fund Appropriation</b>	<b>40 095</b>	<b>52 678</b>





# 11 DEPARTMENT OF PRIMARY INDUSTRIES AND WATER

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## AGENCY OUTLINE

The Department of Primary Industries and Water supports Tasmania's development by ensuring the effective management of Tasmania's natural resources - our land, water, plants and animals.

The Department undertakes a diverse range of activities that support primary industry development, effective land and water management, the protection of our natural environment and the protection of the State's relative disease and pest free status. The Department's responsibilities also include maintaining the security of land tenure, administration of much of the State's Crown lands and delivery of government services through *Service Tasmania*. It is also custodian of venues such as the Theatre Royal and the Salamanca Arts Centre in Hobart.

The Department has seven divisions. The operational divisions are Information and Land Services; Primary Industries; Resource Management and Conservation; Water Resources; Strategic Policy; and Biosecurity and Product Integrity. The activities of these divisions are closely aligned with the Department's Output Group structure. The Corporate Services Division provides internal services supporting the activities and objectives of the operational divisions.

## STRATEGIC FOCUS

The Department aims to build on the State's natural advantages to support Tasmania's continued economic and social development. The Department contributes to the achievement of four major outcomes as outlined in its Corporate Plan 2007-09:

- profitable and sustainable agriculture, aquaculture and fisheries industries;
- a healthy natural environment;
- quality information that supports water and land use and management decisions; and
- self-reliant rural and regional communities.

By achieving these important outcomes, the Department will support the Government's goal of moving Tasmania forward by responding to community expectations outlined in Tasmania *Together* to develop:

- thriving and innovative industries driven by a high level of business confidence (Goal 10);
- built and natural heritage that is valued and protected (Goal 11); and
- sustainable management of our natural resources (Goal 12).

# KEY STRATEGIES

In its Corporate Plan 2007-09, the Department identifies eight areas of strategic focus to guide it in delivering services. They are:

- Improving the national and international competitiveness of the primary industries sector:

The Government's SMART Farming Policy - Sustainable Management of Agricultural Resources in Tasmania - recognises that an innovative, competitive and sustainable primary industries sector is vital to Tasmania's prosperity. A priority for 2007-08 is to continue to implement the SMART Farming 2006 Election commitment, supporting research into and development and adoption of new technologies, practices and production systems. Strong partnerships with key industry sectors and well-targeted information services will build industry's and individuals' capacity to compete. Sustainable management of the State's fisheries resource and aquaculture development will continue to be of major importance. (Tasmania *Together* Benchmark 10.7.2 - Food production value added; and Benchmark 10.8.4 - Exports of food, agriculture and fisheries);

- Leading water development in Tasmania:

In 2007-08, the Department will assist water users to adapt to the short and longer term challenges of drought and climate change, while seeking to reap the benefits of Tasmania's relative water availability. Continued implementation of the SMART Farming 2006 Election commitment will be a priority, aimed at delivering sustainable, certain and safe farm water development. Key milestones in Tasmania's National Water Initiative Implementation Plan will also be progressed, including work on water access entitlement registration, metering for licensed water use, increased water resource information and groundwater modelling and licensing. (Tasmania *Together* Benchmark 12.2.2 - Proportion of sampling sites in each Australian River Assessment System band; and Benchmark 12.2.4 - Breaches of Australian Drinking Water Standards);

- Integrating conservation of natural diversity into private land management:

During 2007-08, the Department will provide sustainable land and wildlife advice at the property scale to support profitable and sustainable primary industries through the Private Land Conservation Program and wildlife management planning. In partnership with key stakeholders, the Department will lead the development and implementation of legislation, policy and procedures to support sustainable development and conservation of the State's natural resources. (Tasmania *Together* Goal 10 - Thriving and innovative industries driven by a high level of business confidence; Goal 11 - Built and natural heritage that is valued and protected; and Goal 12 - Sustainable management of our natural resources);

- Building and protecting our Tasmanian brand credentials in key markets:

The Department's continued implementation of the Tasmanian Biosecurity Strategy, combined with the development of robust food-safety policy and risk-analysis systems and effective primary product trace-back frameworks will help maintain public and market confidence in the quality and safety of Tasmania's primary products. Commencement of the review of the State's policy on Genetically Modified Organisms (GMOs) will also be a priority during 2007-08. (Tasmania *Together* Benchmark 10.8.4 - Exports of food, agriculture and fisheries; Benchmark 11.3.4 - Use of commercial food and non-food GMO crops in the open environment; and Benchmark 12.3.2 - Proportion of water samples with pesticides exceeding national guidelines);

- Capturing quality land and resource information and making it available to government, business and the community:

The Department has an important role in the collection and management of the State's land and natural resource information. Such information contributes towards well-informed decisions about the planning, development and management of Tasmania's natural assets. A priority in 2007-08 will be to gather and distribute information to better understand the impact of climate change and enable effective adaptation measures to be developed. In addition, new spatial information governance arrangements will be established and the range of data available via the Natural Values Atlas will be extended. (Tasmania *Together* Goal 11 - Built and natural heritage that is valued and protected; and Goal 12 - Sustainable management of our natural resources);

- Streamlining delivery of assessments and advice for resource use and development proposals:

The delivery of a prompt and high quality response to proponents of resource use and development proposals is essential to promote Tasmania as an attractive place to do business while supporting community expectations of an orderly and sustainable approach to resource use and development. Implementation of a new fully-integrated statutory dam approval process in 2007-08 will encourage greater private sector investment in water resource development by streamlining the dam works assessment process to make it more time and cost efficient for applicants. New procedures to streamline assessments and applications for the use and development of Crown land will also be developed (Tasmania *Together* Goal 12 - Sustainable management of our natural resources);

- Minimising the impact of pests, weeds and diseases:

In 2007-08, the Department will focus on continued improvement of barrier controls and expanding surveillance partnerships with industry to detect new pests and disease incursions. Major milestones in the Emergency Preparedness Plan will also be progressed. A priority will be the implementation of the Government's Fox Eradication Program aimed at addressing the threat imposed by foxes to Tasmania's biodiversity and agricultural sector. Important work to combat the Devil Facial Tumour Disease will also continue to be a high priority. (Tasmania *Together* Benchmark 11.3.1 - Changes in status of threatened species; Benchmark 11.3.2 - New pests established; and Benchmark 11.3.3 - Kilos of private confiscations); and

- Efficiently delivering services to government, business and the community:

The Department is alert to opportunities for service improvement and aims to take full advantage of technology in developing innovative approaches to service delivery. A priority in 2007-08 will be to commence development of a new fisheries data management system, to better serve client and departmental needs. Processes for the delivery of TASMAR mapping products will be further developed, including provision for on-line ordering and payment. The Crown Land Assessment and Classification Project, the Shack Sites Project and the Marine Structures Assessment Project will be finalised and closed and a review of the *Crown Lands Act 1976* will commence.

# 2007-08 MAJOR INITIATIVES

In 2007-08, the Department is focusing on the following major initiatives:

- leading the implementation of the \$56.6 million 10 year Fox Eradication Program to ensure that foxes do not become established in Tasmania (Tasmania *Together* Benchmark 11.3.2 - New pests established);
- progressing key components of the State's response to climate change with an additional allocation of \$3.0 million (Tasmania *Together* Goal 12 - Sustainable management of our natural resources);
- implementing a new statutory dam approval process aimed at encouraging greater private sector investment in water;
- continuing implementation of the SMART Farming 2006 Election commitments, including:
  - continuing partnerships with water resource developers to reap the benefits of Tasmania's relative water availability, primarily through increasing irrigation water supplies (Tasmania *Together* Goals 10 and 12);
  - continuing a benchmarking program to improve knowledge and understanding of the issues affecting and driving competitiveness in the agricultural sector (Tasmania *Together* Benchmark 10.7.2 - Food production value added and Benchmark 10.8.4 - Exports of food, agriculture and fisheries); and
  - further improving the quarantine barrier inspection of container cargo (Tasmania *Together* Benchmark 11.3.2 and Benchmark 11.3.3 - Kilos of private confiscations);
- continuing to implement the Government's 2006 Election commitment for research and management strategies to combat the effects of the Devil Facial Tumour Disease (Tasmania *Together* 11.3.1 – Changes in status of threatened species);
- enhancing the quantity and accessibility of water resource information through enlargement of the State's stream-gauging and groundwater monitoring networks, extending the coverage of water metering of commercial users, completing surface water and groundwater models for developed catchments and further developing the Water Information System of Tasmania (Tasmania *Together* Goals 10 and 12);
- assessing the benefits to the extensive agricultural and horticulture industries of integrating the Department's development and extension programs with the respective research programs under the Tasmanian Institute of Agricultural Research (Tasmania *Together* Benchmarks 10.7.2 and 10.8.4);
- contributing to the Ministerial Water and Sewerage Taskforce by providing high-level advice and strategic input to the steering committee and project team conducting the review of Water and Sewerage provisions in Tasmania;
- reviewing the management planning provisions of the *Living Marine Resources Management Act 1995* and the *Marine Farming Planning Act 1995* (Tasmania *Together* Goal 12);
- commencing a review of Tasmania's policy on Genetically Modified Organisms (Tasmania *Together* Benchmark 11.3.4 - Use of commercial food and non-food GMO crops in the open environment);
- implementing new regulations for aerial spraying of agricultural chemicals and commencing a review of the regulation of ground spraying (Tasmania *Together* Goal 12);

- undertaking a review of the *Natural Resource Management Act 2002* and the Natural Resource Management Framework, and progressing options available to the State for participating in new national natural resource management programs (Tasmania *Together* Goal 11 - Built and natural heritage that is valued and protected and Goal 12);
- working with land owners, key partners of the Private Land Conservation Program and wildlife managers in developing and implementing innovative new approaches for securing sustainable management and conservation outcomes for natural values on private land (Tasmania *Together* Benchmark 11.4.1 - Percentage of land protected either by legislation or contract in conservation reserves, under covenant or heritage regimes and Benchmark 11.4.4 - area of non-forest vegetation protected);
- coordinating the Department's involvement in the assessment of major projects such as the proposed pulp mill project and Lauderdale Quay, and its contribution to the 2008 State of the Environment Report for Tasmania;
- establishing new processes for maintenance, by the Nomenclature Board, of official names which will evolve from the consultation associated with the review of the *Survey Coordination Act 1944*; and
- continuing to monitor and improve the provision of property valuation services in support of the Tasmanian rating and taxing system.

Further information on the Department's major initiatives for 2007-08 is provided in the Output Groups sections of this Chapter.

# PROGRESS OF 2006 ELECTION COMMITMENTS

The Department of Primary Industries and Water is responsible for progressing the following 2006 Election commitments.

## *Agricultural Research Centres – Recurrent and Capital*

The purpose of this Election commitment is to re-establish the Elliot and Forthside research centres, in partnership with the Tasmanian Institute of Agricultural Research (TIAR). Funding of \$6.0 million has been provided to re-establish the centres. Implementation of the centres will be through the establishment of a dairy centre and a vegetable centre, as part of the TIAR, through a joint venture arrangement with the University of Tasmania. The centres will deliver high quality integrated research, development, extension and education programs for industry, and will achieve maximum leverage opportunities from industry, and Australian Government research and development funding bodies. The centres are expected to be operating by June 2007.

## *Better Water Supply at Bicheno*

The purpose of this Election commitment is to determine the optimum water development project to augment Bicheno's town water supply. The State Water Development Plan has identified four options through its work with Local Government and the community. The \$60 000 study will enable a proper comparison of the options to be completed, and the selected project to be progressed through the approval process. It is expected that the study will be completed by June 2007.

## *Devil Facial Tumour Disease*

The purpose of this Election commitment is to mitigate the impact of the Devil Facial Tumour Disease on existing Tasmanian Devil populations. Funding of \$3.0 million has been provided over two years to support diagnostic research and investigations into the cause and means of transmission of the disease, monitor the wild devil population, assess the effectiveness of trapping and removing diseased devils, and for ongoing maintenance of an insurance population for future breeding and genetic viability.

Despite the removal of diseased devils in wild management areas, the incidence of infection continued to increase in 2004-05 and 2005-06. Trapping 'pressure' was steadily increased from the beginning of 2006 and appears, at this early stage, to be successfully slowing the rate of spread of the disease in the wild management trial areas.

## *Fisheries Research Development Corporation (FRDC) Contribution*

The purpose of this Election commitment is to encourage further research and development of the fisheries and aquaculture industries by matching industry payments to the FRDC on a dollar for dollar basis up to \$350 000 per annum. The pooled funds are matched by the Australian Government.

## *Helping SMART Farmers*

Funding of \$1.0 million over four years has been provided for this Election commitment to provide primary producers with the most up to date information by developing FarmPoint, a web based business tool that assists interaction between farmers and government, and provides access to information available on new farming practices and changing market trends and conditions. The development of FarmPoint and the associated business information service has commenced and will be launched prior to June 2007.

### *Launceston Flood Protection*

The purpose of this \$750 000 Election commitment is to address the risk of flooding in the Launceston suburb of Invermay. Funds will be used for further consultant studies and design of structural improvements to the levees. An implementation agreement between the Department and the Launceston City Council is currently being finalised. This commitment is in addition to the State's \$10.0 million contribution to the Council for the upgrade of the existing Launceston flood levees.

### *Promoting SMART Farming Practices and Supporting SMART Farming*

This Election commitment will be delivered in two parts with total funding of \$9.0 million provided over four years.

Part One is a series of programs, including extending the Australian Bureau of Agricultural and Resource Economics (ABARE) benchmarking to ensure that Tasmanian farmers have up to date information about competitiveness and market opportunities, and encouraging the uptake of environmental management systems. The initiative has commenced and project plans are being developed in consultation with industry.

Part Two is to enhance the productivity and long-term viability of the agricultural sector through sustainable farm water development, support National Water Initiative strategies, and continue to develop the Water Information System of Tasmania (WIST) as an online resource for public access to environmental water management data. An Implementation Plan (IP) has been accredited by the National Water Commission (NWC), and an assessment of progress by the NWC is due by 30 September 2007.

### *Protecting Tasmania's Biosecurity*

The purpose of this Election commitment is to protect Tasmania's primary industries from the impact of exotic organisms. Funding of \$1.0 million per annum over four years is being used to provide increased quarantine barrier controls, increased inspection of container cargo, and increased surveillance of imported feed grain, as well as to improve biosecurity investigation and enforcement capacity.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 11.1: Summary Financial Information for the Department of Primary Industries and Water

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	85 559	87 962	2.8
Other <sup>1</sup>	1 904	1 420	(25.4)
Gain (Loss) on Sale of Non-Financial Assets	35 924	38 093	(6.0)
Other Revenue <sup>2</sup>	45 122	49 696	10.1
<b>TOTAL</b>	<b>168 509</b>	<b>177 171</b>	<b>5.1</b>
<b>EXPENSES</b>			
Information and Land Services <sup>3</sup>	63 818	77 918	22.1
Primary Industries	24 275	25 823	6.4
Resource Management and Conservation <sup>4</sup>	28 232	33 657	19.2
Water Resources <sup>5</sup>	10 758	13 274	23.4
Policy <sup>6</sup>	2 043	2 981	45.9
Biosecurity and Product Integrity <sup>7</sup>	18 131	19 793	9.2
Grants and Subsidies	8 791	8 893	1.2
Capital Investment Program <sup>8</sup>	2 551	643	(74.8)
Special Capital Investment Funds	1 257	1 150	(8.5)
<b>TOTAL</b>	<b>159 856</b>	<b>184 132</b>	<b>15.2</b>
<b>NET OPERATING RESULT</b>	<b>8 653</b>	<b>(6 961)</b>	<b>(180.4)</b>

Notes:

1. The decrease in Other Revenue from Government reflects the estimate of funds carried forward under section 8A(2) of the *Public Account Act 1986*, from 2006-07 to 2007-08.
2. The increase in Other Revenue is primarily due to an Australian Government Grant for the Forest Conservation Fund.
3. The increase in Information and Land Services reflects the transfer of funds from the Crown Lands Administration Fund to the Consolidated Fund as a result of the sale of assets formerly held by the Hobart Ports Corporation.
4. The increase in Resource Management and Conservation is due to an extension of the Natural Heritage Trust program, and conservation program covenant costs and management agreements.
5. The increase in Water Resources is due to funding for the Australian Government Water Fund (AGWF) projects, Developing a Holistic Flow Framework for Tasmania's Catchments project, the Streamlined Dam Assessment Process, and the carry forward of funds for the Government's 2006 Election commitment - Promoting SMART Farming Practices.
6. The increase in Policy reflects additional resources for the Government's Climate Change Strategy initiative.
7. The increase in Biosecurity and Product Integrity is largely due to a correction in funding for the Australian Quarantine Inspection Service (AQIS).



8. The decrease in the Capital Investment Program reflects the funding for the Crown Land Services - Structural Asset Upgrades Program and completion of the Relocation and Upgrade of Specialist Facilities to Support Biosecurity Tasmania Initiative.

**Table 11.2: Special Capital Investment Fund Allocation for the Department of Primary Industries and Water**

	Estimated Total Cost	2007-08 Estimate
	\$'000	\$'000
<b>Economic and Social Infrastructure Fund (ESIF)</b>		
<b>Water Infrastructure</b>	1 800	400
<b>Launceston Flood Protection<sup>1</sup></b>	750	750
<b>TOTAL ESIF</b>	<b>2 550</b>	<b>1 150</b>
<b>TOTAL SPECIAL CAPITAL INVESTMENT FUND ALLOCATION</b>	<b>2 550</b>	<b>1 150</b>

Note:

1. ESIF funding for Launceston Flood Protection was initially provided as a 2006 Election commitment in the 2006-07 Budget. However, these funds were not expended due to delays in the finalisation of an implementation agreement between the Department and the Launceston City Council. This commitment is in addition to the State's \$10.0 million contribution to the Council for the upgrade of the existing Launceston flood levees.

# DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

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

- Output Group 1: Information and Land Services;
- Output Group 2: Primary Industries;
- Output Group 3: Resource Management and Conservation;
- Output Group 4: Water Resources;
- Output Group 5: Policy; and
- Output Group 6: Biosecurity and Product Integrity.

## Output Group 1: Information and Land Services

### *Description*

Outputs in this Output Group have been amended following the combining of Government Valuation Services and the Office of the Valuer-General into one organisational unit. These changes provide a clear and transparent indication of the services delivered by this Output Group.

The purpose of this Output Group is to provide Government services, information and land management for the benefit of all Tasmanians. To provide these services the Department collects and maintains a wide range of land data sets, use of which supports future investment in Tasmania and contributes to Tasmania's growth and sustainable management of our natural resources.

The objectives of the Output Group are to:

- lead in the application of land information systems to deliver information solutions to achieve Government and community priorities;
- enable all Tasmanians to access Government information related to ownership and interests in land at any time from any location through the Land Information System Tasmania (LIST) web interface;
- create, systematically improve, maintain and deliver land information data sets to meet the management needs of the State;
- proactively and sustainably manage Crown land;
- deliver whole-of-government services and products through the management and operation of *Service Tasmania* shops;
- administer and deliver a uniform and consistent municipal rating system throughout Tasmania;
- provide an authoritative valuation service that recognises and protects the interests of the public and the Government when dealing with Crown land and Government related projects;

- provide land surveying services that underpin Crown land management, provide quality assurance for title surveys and support wider government initiatives; and
- provide an effective land title system, which provides certainty of title, and maintain an effective policy and legislative framework for land administration which supports sustainable development in Tasmania.

The achievement of these objectives ensures that the security of land tenure is maintained and contributes to the social and economic well being of the community. Their achievement contributes to all of the Department's Outcomes and, in particular, supports the Outcome of quality information that supports water and land use and management decisions. Through the management of *Service Tasmania* shops, this Output Group also supports the Outcome of self-reliant rural communities.

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

Information and Land Services is actively supporting Tasmania *Together* Goals by providing up to date and accurate land information to the Department and other government agencies.

Table 11.3: Summary Financial Information – Output Group 1

Information and Land Services	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	18 230	18 121	(0.6)
Grants <sup>1</sup>	500	100	(80.0)
Sales of Goods and Services <sup>2</sup>	12 666	11 528	(9.0)
Gain (Loss) on Sale of Non-Financial Assets	35 924	38 093	(6.0)
Other Revenue	12 500	12 503	....
<b>TOTAL</b>	<b>79 820</b>	<b>80 345</b>	<b>(0.7)</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	19 338	19 902	2.9
Other Employee Related Expenses	493	347	(29.6)
Superannuation <sup>3</sup>	1 975	2 186	10.7
Depreciation and Amortisation	1 014	1 040	2.6
Grants and Transfer Payments <sup>4</sup>	22 300	36 675	64.5
Supplies and Consumables			
Property Services	7 217	7 467	3.5
Maintenance	2 710	2 674	(1.3)
Information Technology	1 475	1 515	2.7
Travel and Transport	890	867	(2.6)
Advertising and Promotion	41	60	46.3
Other Supplies and Consumables	4 039	3 909	(3.2)
Other Expenses <sup>5</sup>	2 326	1 276	(45.1)
<b>TOTAL</b>	<b>63 818</b>	<b>77 918</b>	<b>22.1</b>
<b>EXPENSES BY OUTPUT</b>			
1.1 Land Titles, Survey and Mapping Services	17 340	17 690	2.0
1.2 Valuation Services	2 998	3 000	0.1
1.3 Service Tasmania	10 464	9 651	(7.8)
1.4 Crown Land Services <sup>4</sup>	33 016	47 577	44.1
<b>TOTAL</b>	<b>63 818</b>	<b>77 918</b>	<b>22.1</b>

Notes:

1. The decrease in Grants is due to the completion of the Kingston Service Tasmania shop.
2. The decrease in Sales of Goods and Services is due to a reduction in the estimated rental income from major government properties.
3. The increase in Superannuation is due to an adjustment to the estimate to ensure it more accurately reflects superannuation contribution rates.
4. The increase in Grants and Transfer Payments reflects the transfer of funds from the Crown Lands Administration Fund to the Consolidated Fund as a result of the sale of assets formerly held by the Hobart Ports Corporation.
5. The decrease in Other Expenses reflects the completion of the lease on the Lands Building fit-out.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives for 2007-08 are:

- establishing new processes for maintenance, by the Nomenclature Board, of official names which will evolve from the consultation associated with the review of the *Survey Coordination Act 1944*;
- continuing to monitor and improve the provision of property valuation services in support of the Tasmanian rating and taxing system;
- capturing and managing critical infrastructure data sets and delivering maps to support the work of emergency management organisations;
- establishing new spatial information governance arrangements to maximise the value of the State's land information assets;
- improving customer access to TASMAR mapping products, including the provision of on-line ordering and payment;
- developing and implementing new procedures aimed at streamlining assessments and applications for the use and development of Crown land;
- completing implementation of the Crown Land Assessment and Classification Project and the Shack Site Project to support the strategic management of Crown lands;
- completing the Marine Structures Assessment Project, improving the safety and amenity of the State's coast; and
- progressing a legislative program, including continuing the review of the *Land Titles Act 1980* and the *Survey Coordination Act 1994*, and commencing a review of the *Crown Lands Act 1976* and the *Surveyors Act 2002*.

Table 11.4: Performance Information - Output Group 1

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Quality of Tasmania's land survey and valuation services</i>					
Audited surveys complying with standards	%	53	65	65	65
Objections resulting in an amended valuation <sup>1</sup>	%	0.38	2.10	<3.00	<2.00
<i>Efficiency of land registration processes</i>					
Registration of sealed plans lodged under the Early Issue Scheme within 10 working days of lodgement of the original plan	%	31	77	70	70
<i>Implementation of decisions related to Crown land assessment and classification<sup>2</sup></i>					
Value of sales completed	\$ million	na	na	3.0	3.5
Proportion of decisions relating to transfers finalised	%	na	na	30	100
Proportion of decisions relating to reserves finalised	%	na	na	71	75
<i>Accessibility and quality of Service Tasmania Shop services</i>					
Over the counter government services provided to local communities (TT)	Number	480	500	500	500
Customer satisfaction - transactions resulting in a formal complaint	%	0.007	0.004	0.003	0.003
<i>Accessibility of quality land information to support decision making</i>					
Availability of land related datasets through LIST <sup>3</sup>	Themes <sup>4</sup>	189	200	211	226
Accuracy of key LIST framework datasets - features that meet design objectives	Number '000	110	220	280	345
Level of government, industry and public use of the LIST	Pages <sup>5</sup>	5.50	7.25	8.00	8.75

Notes:

1. This Performance Measure is derived by comparing the number of objections resulting in an amended valuation to the total number of valuation notices. This replaces the 2006-07 Budget measure as it is a more effective assessment of the quality of valuation services.
2. Decisions relating to the Crown Land Assessment and Classification Project have been progressively implemented since 2006-07.
3. LIST refers to the Land Information System Tasmania.
4. Number of themes.
5. Number of million pages accessed.

## *Performance Information Comments*

Since the 2006-07 Budget, the performance information for this Output Group has been reviewed to better align with the Department's Corporate Plan 2007-09, and several new measures have been identified, replacing existing measures for the LIST and Crown land transaction times. The new measures include implementation of decisions related to Crown land assessment and classification and accessibility of land information via the LIST.

The forecast target for government services delivered over the counter in *Service Tasmania* shops in 2007-08 shows that the majority of services have been developed and *Service Tasmania* shop capacity to deliver services has been reached.

The Crown Land Assessment and Classification Project is a response to commitments under the Regional Forest Agreement and the State-wide Partnership Agreement on Financial Reform between the Government and Tasmanian Councils.

The LIST is a whole-of-government integrated land information system. The LIST provides a one-stop service to access current information about a piece of land or location in Tasmania. This land information is in a text, document or map format.

## Output Group 2: Primary Industries

### *Description*

The Primary Industries Output Group contributes towards the growth of an innovative, competitive and sustainable primary industries sector. This is achieved by partnering with industry, the University of Tasmania and government agencies to develop enterprise and industry competitiveness, and to ensure the sustainable use of the State's terrestrial and marine resources.

Key activities are:

- policy support, information and capacity building services, and advice and direction for the Tasmanian Institute of Agricultural Research (TIAR) to assist agricultural development;
- services to support the orderly and sustainable development of the Tasmanian marine farming industry; and
- development and implementation of management policies and plans for Tasmania's wild fisheries to ensure that both commercial and recreational fishing is sustainable.

This Output Group is underpinned by the Department's two joint venture arrangements with the University of Tasmania - the TIAR and the Tasmanian Aquaculture and Fisheries Institute (TAFI). The Output Group supports the Department's Outcome of profitable and sustainable agriculture, aquaculture and fisheries and the Outcome of self-reliant rural and regional communities.

The Output Group contributes towards several Tasmania *Together* Goals, in particular Goal 10 - Thriving and innovative industries driven by a high level of business confidence, and Goal 12 - Sustainable management of our natural resources.

Users of this Output Group include farmers and agricultural industries, fishers and aquaculture industries, and regional communities.



**Table 11.5: Summary Financial Information – Output Group 2**

Primary Industries	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation	15 806	16 316	3.2
Other <sup>1</sup>	....	700	....
Fines and Regulatory Fees	1 104	1 104	....
Interest Revenue	40	40	....
Grants	1 045	1 000	(4.3)
Sales of Goods and Services <sup>2</sup>	839	375	(55.3)
Other Revenue <sup>3</sup>	3 700	4 489	21.3
<b>TOTAL</b>	<b>22 534</b>	<b>24 024</b>	<b>6.6</b>
<b>EXPENSES</b>			
<b>Employee Entitlements</b>			
Salaries and Wages <sup>4</sup>	9 175	8 828	(3.8)
Other Employee Related Expenses	320	336	5.0
Superannuation	1 013	987	(2.6)
Depreciation and Amortisation	1 069	1 097	2.6
Grants and Transfer Payments <sup>5</sup>	3 264	3 867	18.5
<b>Supplies and Consumables</b>			
Property Services	1 131	1 121	(0.9)
Maintenance	262	268	2.3
Information Technology	356	356	....
Travel and Transport	914	894	(2.2)
Advertising and Promotion <sup>6</sup>	1 345	2 255	67.7
Other Supplies and Consumables <sup>7</sup>	1 822	1 324	(27.3)
Other Expenses <sup>8</sup>	3 604	4 490	24.6
<b>TOTAL</b>	<b>24 275</b>	<b>25 823</b>	<b>6.4</b>
<b>EXPENSES BY OUTPUT</b>			
2.1 Agriculture Industry Development Services	14 905	15 300	2.7
2.2 Marine Resources <sup>9</sup>	9 370	10 523	12.3
<b>TOTAL</b>	<b>24 275</b>	<b>25 823</b>	<b>6.4</b>

Notes:

1. The increase in Other Revenue from Government reflects the carry forward of funds for the Government's 2006 Integrated Marketing Campaign for the Tasmanian Vegetable Industry from 2006-07 to 2007-08. The carry forward of funds is required due to the delay in contracting a consultant to create the marketing plan.
2. The decrease in Sales of Goods and Services is due to the transfer of the Elliott and Forthside Research and Demonstration Stations to the University of Tasmania from 1 July 2007.
3. The increase in Other Revenue is due to increased levies collected by the Department on behalf of Tasmanian fishing industry associations, and the commencement of a new Deepwater Rock Lobster Research Project in April 2007.
4. The decrease in Salaries and Wages is due primarily to the transfer of the Dairy and Vegetable and Associated Industries funds to the University of Tasmania from 1 July 2007.

5. The increase in Grants and Transfer Payments is due to increased activity in the Fishwise Program and finalisation of the current FarmBI\$ Program.
6. The increase in Advertising and Promotion reflects funding for the Integrated Marketing Campaign for the Tasmanian Vegetable Industry in 2007-08, and a carry forward of \$700 000 of unexpended funds from 2006-07 to meet commitments for marketing campaign tenders.
7. The decrease in Other Supplies and Consumables is due to the transfer of the Elliott and Forthside Research and Demonstration Stations and the Dairy and Vegetable and Associated Industries funds to the University of Tasmania from 1 July 2007, partly offset by an increase in expenditure from new Wild Fisheries Management project funds.
8. The increase in Other Expenses reflects the distribution of levies collected on behalf of Tasmanian Fishing Industry Associations and the reclassification of expenditure relating to the payment of levies collected for the Tasmanian Shellfish Quality Assurance Program paid to the Department of Health and Human Services.
9. The increase in expenses for Marine Resources reflects the increased collection and distribution of levies on behalf of Tasmanian Fishing Industry Associations, increased activity with the Fishwise Community Grants Program and expenditure of new project funding received in Wild Fisheries Management programs.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives for 2007-08 include:

- continuing to implement the SMART Farming 2006 Election commitments by:
  - continuing to work in partnership with TIAR to ensure the successful operations of new state-of-the-art research, development and extension centres for the dairy and vegetable sectors, consistent with the needs of industry (Tasmania *Together* Benchmark 10.7.2 - Food production value added and Benchmark 10.8.4 - Exports of food, agriculture and fisheries);
  - further developing FarmPoint, a web-based information service for farmers, and providing educational materials and support to enable farmers to make effective use of this service (Tasmania *Together* Goal 10); and
  - continuing to extend and ensure the currency of Australian Bureau of Agricultural and Resource Economics (ABARE) benchmarking work for key agricultural sectors to enable farmers to have access to up to date information about the drivers of competitiveness and new market opportunities (Tasmania *Together* Goal 10);
- assessing the benefits to the extensive agricultural and horticulture industries of integrating the development and extension programs with the respective research programs under TIAR (Tasmania *Together* Benchmark 10.7.2 and Benchmark 10.8.4);
- reviewing the management planning provisions of the *Living Marine Resources Management Act 1995* and the *Marine Farming Planning Act 1995* (Tasmania *Together* Goal 12);
- in partnership with the Tasmanian Farmers and Graziers Association, developing a framework for the delivery of services that support and prepare Tasmanian farmers for climate change and drought (Tasmania *Together* Goal 10);
- commencing development of a new fisheries data management system that better serves client and departmental needs; and
- implementing the national system for the management and prevention of marine pests (Tasmania *Together* Goal 12).

Table 11.6: Performance Information – Output Group 2

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Value of primary industries sector</i>					
Exports of food, agriculture and fisheries (TT) <sup>1</sup>	\$ million	428.3	410.3	15% increase from 2005 exports by 2010	
Value of aquaculture and fishing industries <sup>2</sup>	GVP <sup>3</sup>				
Aquaculture	\$ million	141.4	247.1	286.0	314.0
Scalefish	\$ million	3.6	3.8	3.5	3.0
Molluscs (including abalone)	\$ million	113.3	111.6	110.0	110.0
Crustaceans (including rock lobster)	\$ million	49.3	56.7	55.0	55.0
<i>Efficiency of fishers' licensing processes</i>					
Fishers' licensing transaction times <sup>4</sup>	% completed	90	90	95	95
<i>Stakeholder satisfaction</i>					
Key stakeholder satisfaction with research and development services	Rating	na <sup>5</sup>	na <sup>5</sup>	7	7
<i>External funds leveraged from Government investment in primary industries research</i>					
External funds received by TAFI and TIAR <sup>6</sup>	\$ million	10.7	12.6	13.0	13.4

Notes:

1. This Tasmania *Together* measure and target was revised by the Tasmania *Together* Progress Board and now includes both interstate and overseas exports. A process is to be developed to determine the value of interstate exports. Primary overseas exports include meat, dairy, fish, and fruit and vegetables.
2. Due to the variability of the categories of fish landed, the reference to 'Other including sea urchins and eel' previously included in performance information has been removed to provide a more consistent measure.
3. GVP refers to Gross Value of Product. Data varies from that previously published by the Department due to lag times for receipt and processing of quota dockets, catch and farm production returns.
4. Percentage completed within three days.
5. An annual survey of stakeholders will commence in 2007 to measure satisfaction with services and uptake of new knowledge and technology as a result of the services. The rating is a score out of ten.
6. The amount of funds received by TAFI and TIAR is calculated on a calendar year, ie 2004-05 refers to the total amount of funds received during the 2004 calendar year. This measure excludes the contribution by the University of Tasmania.

### Performance Information Comments

Since the 2006-07 Budget, the performance information for this Output Group has been updated to better align with the Department's Corporate Plan 2007-09, and the revised Tasmania *Together* 2006. Several new measures replace existing partnership and organic producer activity measures to provide a more comprehensive and effective assessment of progress for the Government's SMART Farming Policy.

## Output Group 3: Resource Management and Conservation

### *Description*

The Resource Management and Conservation Output Group facilitates the sustainable management of Tasmania's natural resources on both private and public land.

Principal activities include:

- implementing the Natural Resource Management (NRM) Framework;
- developing and implementing effective policy and regulatory frameworks, programs and conservation assessment processes to support the sustainable development and conservation of the State's natural values;
- improving sustainable resource management by facilitating improved soil, land, vegetation, wildlife and game management on private land;
- delivering programs to reduce the impact of pests and weeds on Tasmania's natural diversity and agriculture;
- facilitating conservation of the State's forest and non-forest vegetation through implementation of voluntary private land conservation programs;
- providing advice on the management, protection and rehabilitation of natural values on public and private land;
- managing the State's wildlife, including game species; and
- undertaking regulatory activities to ensure compliance with legislative frameworks for weed and wildlife management.

This Output Group contributes to all of the Department's Outcomes and, in particular, supports the Outcome of a healthy natural environment.

The Output Group supports Tasmania *Together* Goal 11 - Built and natural heritage that is valued and protected and Goal 12 - Sustainable management of our natural resources.

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 departments and Local Government.

**Table 11.7: Summary Financial Information – Output Group 3**

	2006-07	2007-08	
Resource Management and Conservation	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	14 499	14 786	2.0
Interest Revenue	700	650	(7.1)
Grants <sup>1</sup>	8 500	12 030	41.5
Other Revenue <sup>2</sup>	612	291	(52.5)
<b>TOTAL</b>	<b>24 311</b>	<b>27 757</b>	<b>14.2</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	9 481	9 919	4.6
Other Employee Related Expenses	395	394	(0.3)
Superannuation <sup>3</sup>	940	1 089	15.9
Depreciation and Amortisation	197	203	3.0
Grants and Transfer Payments <sup>4</sup>	10 162	13 692	34.7
Supplies and Consumables			
Property Services	905	953	5.3
Maintenance	380	392	3.2
Information Technology	209	208	(0.5)
Travel and Transport	1 111	1 032	(7.1)
Advertising and Promotion	70	78	11.4
Other Supplies and Consumables <sup>5</sup>	965	324	(66.4)
Other Expenses <sup>6</sup>	3 417	5 373	57.2
<b>TOTAL</b>	<b>28 232</b>	<b>33 657</b>	<b>19.2</b>
<b>EXPENSES BY OUTPUT</b>			
3.1 Land Management Services <sup>5</sup>	2 784	3 738	34.3
3.2 Conservation of Tasmania's Flora, Fauna and Geoheritage <sup>4,6</sup>	25 448	29 919	17.6
<b>TOTAL</b>	<b>28 232</b>	<b>33 657</b>	<b>19.2</b>

Notes:

1. The increase in Grants is due to additional funding from the Australian Government for Regional Investment Proposals and Natural Resource Management commitments.
2. The decrease in Other Revenue reflects the completion of a number of land management projects, and cessation of revenue received from Marine Farm operators for the trapping and relocation of seals from Marine Farm areas.
3. The increase in Superannuation is due to an adjustment to the estimate to ensure it more accurately reflects superannuation contribution rates.
4. The increase in Grants and Transfer Payments and Conservation of Tasmania's Flora, Fauna and Geoheritage is due to increased activity resulting from the extension of the Natural Heritage Trust program which ends on 30 June 2008.
5. The decrease in Other Supplies and Consumables and Land Management Services reflects a decrease in activity associated with the implementation of the Government Review Response to the Regional Forest Agreement (RFA) project.
6. The increases in Other Expenses and Conservation of Tasmania's Flora, Fauna and Geoheritage reflects the allocation of funds to reviewing activities and determining better mechanisms for progressing the State's obligations under the RFA.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives for 2007-08 include:

- leading the implementation of the \$56.6 million Fox Eradication Program, a comprehensive strategic 10 year plan to eradicate foxes so they do not become established in Tasmania. This will include strategic baiting supported by monitoring, investigations, tactical responses, research and development and community engagement (Tasmania *Together* Benchmark 11.3.2 - New pests established);
- continuing to implement the Devil Facial Tumour Disease Program in partnership with the University of Tasmania, Australian Government, Australasian Association of Zoological Parks and Aquaria and other stakeholders (Tasmania *Together* Benchmark 11.3.1 - Changes in status of threatened species);
- assisting landholders by continuing to integrate sustainable land and wildlife advice at the property scale through the Private Land Conservation Program and wildlife management planning (Tasmania *Together* Goals 11 and 12);
- developing and implementing state-wide possum and wallaby management plans (Tasmania *Together* Goal 12);
- continuing to support implementation of the Natural Resource Management (NRM) Framework and the three Regional NRM Committees (Tasmania *Together* Goal 12);
- developing and implementing systems to monitor the condition of Tasmania's natural resources, including implementation of a wildlife monitoring strategy, a comprehensive vegetation mapping program and an expansion of the range of data available to the public via the Natural Values Atlas (Tasmania *Together* Goal 12);
- developing and implementing effective and efficient processes and protocols to strengthen conservation assessments to assist regulators consider development applications (Tasmania *Together* Goal 12); and
- supporting and enabling landholders to be responsible for weed control on their own properties (Tasmania *Together* Goal 12).

**Table 11.8: Performance Information – Output Group 3**

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Proportion of Tasmanian land reserved</i>					
Land protected either by legislation or by contract in conservation reserves, under covenant or heritage regimes (TT) <sup>1</sup>	%	41.0	44.5	45.0	45.0
<i>Extent of integration of conservation of natural diversity into private land management</i>					
Private land covered by voluntary binding conservation agreements <sup>2</sup>	Hectares '000	30.5	33.0	34.0	35.0
Private land covered by property-based game wildlife management plans <sup>3</sup>	Properties	525	615	800	800
<i>Accessibility of information to support natural resource management and development decisions</i>					
Level of public use of the web-based Natural Values Atlas	Pages '000	na <sup>4</sup>	na <sup>4</sup>	na <sup>4</sup>	100
<i>Effectiveness of cooperative compliance weed management programs</i>					
Inspections resulting in weed requirements and/or infringement notices <sup>5</sup>	%	1.4	3.1	< 5.0	< 5.0
<i>Progress in the eradication of foxes</i>					
Number of local government municipalities with physical evidence of foxes confirmed through DNA analysis during the year	Number	0	2	2	1
<i>Prevalence of Devil Facial Tumour Disease (DFTD) in wild management areas</i>					
Percentage of trapped animals found to have DFTD in wild management trial areas <sup>6</sup>	%	5	10	15	10

Notes:

1. The proportion of Tasmanian land reserved includes all reserves within the Comprehensive, Adequate and Representative (CAR) Reserve layer, including formal reserves, informal reserves and reserves on private land.
2. Voluntary binding conservation agreements include both conservation covenants and management agreements. The figures represent the cumulative totals for reservation per thousand hectares.
3. The target for 2006-07 and 2007-08 is 600 agricultural properties and 200 forestry coupes.
4. The Natural Values Atlas (NVA) was released in September 2006. No targets were set for 2006-07 as the database was still under development. The 2007-08 target relates to the number of requests for pages on the NVA site.
5. This measure replaces the previous Weed Management Plans measure as it is a more effective assessment of the outcomes of associated Output Group activities.

6. Sites where Devil Facial Tumour Disease infection has been confirmed by histology and trials are being conducted to determine the effectiveness of the removal of diseased animals from a relatively isolated population on the rate of disease spread.

### *Performance Information Comments*

Since the 2006-07 Budget, the performance information for this Output Group has been updated to better align with the Department's Corporate Plan 2007-09 and the revised Tasmania *Together* 2006. New measures relate to volunteerism and land independently certified. The new measures aim to provide a more comprehensive and effective assessment of progress in key areas for this Output Group, including the Fox Eradication Taskforce, the Devil Facial Tumour Disease Project, integration of conservation of natural diversity into private land management and information services.

The 2005-06 increase in the amount of land managed under conservation reserve or covenant resulted mainly from the reservation of public land under the Tasmanian *Community Forest Agreement 2005* and new covenants on private land.

The area of private land covered by voluntary binding conservation agreements is trending upwards due to land protected under voluntary conservation programs such as the Private Forest Reserve Program, the Protected Areas on Private Land Program, and the Non-Forest Vegetation Program.

Despite the removal of diseased devils in wild management trial areas, the incidence of infection continued to increase in 2004-05 and 2005-06. Trapping 'pressure' was steadily increased from the beginning of 2006 and appears, at this early stage, to be successfully slowing the rate of spread of the disease in the wild management trial areas.



## Output Group 4: 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 needs of future generations.

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

- implementing the *Water Management Act 1999*, the State Surface Water Quality Monitoring Strategy, the Water Development Plan for Tasmania (through the SMART Farming Water Initiative) and the National Water Initiative;
- designing and implementing policy and regulatory frameworks to ensure the equitable, efficient and sustainable allocation and use of surface and ground water resources, and the safety of dams;
- monitoring and assessing the condition of Tasmania's fresh water resources; and
- facilitating water infrastructure development projects.

This Output Group underpins all of the Department's outcomes and directly contributes to sustainable and profitable agriculture, aquaculture and fisheries industries, a healthy environment, and quality information that supports water and land use and management decisions.

This Output Group contributes to the achievement of Tasmania *Together* Goal 10 - Thriving and innovative industries driven by a high level of business confidence, and Goal 12 - Sustainable management of our natural resources.

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

Table 11.9: Summary Financial Information – Output Group 4

	2006-07	2007-08	
Water Resources	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	9 879	10 253	3.8
Other <sup>1</sup>	....	720	....
Grants <sup>2</sup>	....	1 230	....
Other Revenue	3	3	....
<b>TOTAL</b>	<b>9 882</b>	<b>12 206</b>	<b>23.5</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages <sup>2</sup>	3 845	4 274	11.2
Other Employee Related Expenses <sup>2</sup>	156	185	18.6
Superannuation <sup>2</sup>	414	462	11.6
Depreciation and Amortisation	525	540	2.9
Grants and Transfer Payments	3 055	3 240	6.1
Supplies and Consumables			
Property Services	341	400	17.3
Maintenance	108	110	1.9
Information Technology <sup>3</sup>	178	229	28.7
Travel and Transport <sup>3</sup>	465	524	12.7
Advertising and Promotion	57	40	(29.8)
Other Supplies and Consumables <sup>2</sup>	909	2 302	153.2
Other Expenses <sup>4</sup>	705	968	37.3
<b>TOTAL</b>	<b>10 758</b>	<b>13 274</b>	<b>23.4</b>
<b>EXPENSES BY OUTPUT</b>			
4.1 Water Resource Management <sup>4,5</sup>	7 371	8 927	21.1
4.2 Water Resource Assessment <sup>2</sup>	3 387	4 347	28.3
<b>TOTAL</b>	<b>10 758</b>	<b>13 274</b>	<b>23.4</b>

Notes:

1. The increase in Other Revenue from Government reflects the carry forward of funds under section 8A(2) of the *Public Account Act 1986* from the Government's 2006 Election commitment - Promoting SMART Farming Practices. The carry forward of funds is required due to delays in recruitment of staff and procurement processes affecting the commencement of some projects.
2. The increases are due to funding for the Australian Government Water Fund (AGWF) project - Better Information for Better Results Enhancing Water Planning in Tasmania, and the Natural Resource Management (NRM) South project - Developing a Holistic Flow Framework for Tasmania's Catchments.
3. The increases in Information Technology, and Travel and Transport are due to the carry forward of funds from the Government's 2006 Election Commitment - Promoting SMART Farming Practices.
4. The increases in Other Expenses and Water Resource Management reflect the implementation of the AGWF project.
5. The increase in Water Resource Management is primarily due to the implementation of the Streamlined Dam Assessment Process project.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives for 2007-08 include:

- implementing a new statutory dam approval process aimed at encouraging greater private sector investment in water, with a total of \$1.2 million over four years to integrate the dam works assessment process to make it more time and cost-efficient for applicants (Tasmania *Together* Goal 10 – Thriving and innovative industries driven by a high level of business confidence, and Goal 12 – Sustainable management of our natural resources);
- implementing other key amendments to the *Water Management Act 1999*, including an approvals process for dams of regional significance and protocols for declaration of water supply emergencies;
- continuing to implement the SMART Farming 2006 Election commitment for water, aimed at delivering sustainable, certain and safe farm water development;
- progressing major milestones in Tasmania's National Water Initiative Implementation Plan, including work on water access entitlement registration, metering for licensed water use, and ground water modelling and licensing;
- commencing development of a Tasmanian Water Plan, incorporating relevant outcomes of the work of the Ministerial Water and Sewerage Taskforce, as appropriate;
- progressing development of Water Management Plans and Water Management Frameworks; and
- continuing to improve the range of water information available and its access through the Water Information System for Tasmania (WIST).

These initiatives all support Tasmania *Together* Goals 10 and 12.

Table 11.10: Performance Information – Output Group 4

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Health of waterways</i>					
Proportion of sampling sites in each AusRivAS band (TT) <sup>1</sup>	% in X Band	8	3	3	3
	% in A Band	72	77	77	77
	% in B Band	18	20	20	20
	% in C Band	2	0	0	0
	% in D Band	0	0	0	0
<i>Extent to which formal water management arrangements are in place for catchments</i>					
<b>Catchments with Water Management</b>					
Plans/Frameworks in place	Number	1	5	7	15
<i>Amount of water available for irrigation</i>					
	Megalitres				
Total volume of water licensed for irrigation	'000 <sup>2</sup>	379	394	445	460
<i>Level of farm water development</i>					
New dam works permits approved	Number pa	180	133	100	80
Farms with Water Development Plans completed <sup>3</sup>	Number	na	na	6	50
<i>Efficiency of dam permit processing</i>					
Average time for processing applications for dam works permit approvals <sup>4</sup>	Days	55	56	70	70
<i>Accessibility of information to support water development and management decisions</i>					
<b>Surface and groundwater monitoring sites on the Water Information System of Tasmania (WIST)</b>					
Level of public use of WIST	Number	na <sup>5</sup>	55	89	117
	Hits '000	na <sup>5</sup>	243	250	275

Notes:

1. AusRivAS provides an assessment of river health based on the composition of the macro invertebrate community found at a site. The Tasmania *Together* Progress Board is to establish targets in 2007. Pending the establishment of these targets, the Department has identified interim targets as a basis for assessing progress for the 60 sites being monitored. Further information about the AusRivAS assessment bands can be found in the Water section of the Department's website ([www.dpiw.tas.gov.au](http://www.dpiw.tas.gov.au)).
2. In previous years, the unit measure for volume of water licensed for irrigation was incorrectly shown as megalitres per annum. This measure refers to the total volume of water licensed and should be read as a cumulative total.
3. Work commenced on the development of Water Development Plans at a farm level in 2006-07 as part of the SMART Farming Election commitment.
4. The maximum time period under the *Water Management Act 1999* is 84 days.
5. The new WIST website was activated in 2005-06. A link to the website can be found in the Water section of the Department's website ([www.dpiw.tas.gov.au](http://www.dpiw.tas.gov.au)).

## *Performance Information Comments*

Since the 2006-07 Budget, the performance information for this Output Group has been updated to better align with the Department's Corporate Plan 2007-09, and the revised Tasmania *Together* 2006. New measures relate to activity costs, stakeholder involvement in selected consultative arrangements and water trading. The new measures aim to provide a better assessment of progress in key areas for this Output Group, including development of formal water management arrangements for catchments, farm water development and accessibility of information to support water management and development decisions.

The number of new dam works permits approved is expected to fall in 2007-08 and 2008-09 as the costs of dam construction continues to increase, while farm income has fallen as a result of the 2006-07 drought. In addition, the majority of the readily available and 'easy' dam sites have now been utilised and the approval requirements for remaining sites will need to take account of more complex dam site issues.

## Output Group 5: Policy

### *Description*

The role of this Output Group is to provide leadership in strategic policy and to coordinate whole-of-department responses to major issues. It also provides a range of internal services supporting the activities and objectives of other divisions.

The key activities undertaken as part of this Output Group include:

- leading and supporting projects of strategic importance to the Department;
- providing policy review, development and advice services; and
- participating in national policy reviews.

Also included in this Output Group are a range of coordination activities, the Department's Freedom of Information program, management of internal audit including servicing the Internal Audit Committee, and management of the Department's legislative program and coordination of meeting papers for Ministerial Councils.

This Output Group directly contributes to all four of the Department's Outcomes:

- profitable and sustainable agriculture, aquaculture and fisheries industries;
- a healthy natural environment;
- quality information that supports water and land use and management decisions; and
- self-reliant rural and regional communities.

It also contributes to Tasmania *Together* Goal 10 - Thriving and innovative industries driven by a high level of business confidence; Goal 11 - Built and natural heritage that is valued and protected; and Goal 12 - Sustainable management of our natural resources.

**Table 11.11: Summary Financial Information – Output Group 5**

Policy	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	2 012	2 943	46.3
<b>TOTAL</b>	<b>2 012</b>	<b>2 943</b>	<b>46.3</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	1 336	1 312	(1.8)
Other Employee Related Expenses	62	60	(3.2)
Superannuation	149	147	(1.3)
Depreciation and Amortisation	16	17	6.3
Supplies and Consumables			
Property Services	162	167	3.1
Maintenance	3	3	....
Information Technology	22	23	4.5
Travel and Transport	63	67	6.3
Advertising and Promotion	1	1	....
Other Supplies and Consumables	114	168	47.4
Other Expenses <sup>1</sup>	115	1 016	783.5
<b>TOTAL</b>	<b>2 043</b>	<b>2 981</b>	<b>45.9</b>
<b>EXPENSES BY OUTPUT</b>			
5.1 Policy Advice	2 043	2 981	45.9
<b>TOTAL</b>	<b>2 043</b>	<b>2 981</b>	<b>45.9</b>

Note:

1. The increase in the Annual Appropriation and Other Expenses reflects additional resources for the Government's Climate Change Strategy.

### *Major Issues and Initiatives for 2007-08*

The major issues and initiatives for 2007-08 are:

- progressing key components of the State's Climate Change Strategy once finalised by Cabinet, with the allocation of an additional \$1.0 million per annum for three years to establish a Tasmanian Climate Change Office to coordinate climate change policy development and implementation of the Strategy, as well as progressing key initiatives arising from Strategy (Tasmania *Together* Goal 12 – Sustainable management of our natural resources);
- coordinating the Department's response to requests associated with the assessment process for major projects such as the pulp mill proposal and Lauderdale Quay (Tasmania *Together* Goals 10 and 12);

- progressing options available to the State in the Australian Government's new national Natural Resource Management program and reviewing the State's own legislation and framework (*Tasmania Together* Goals 11 and 12);
- coordinating the Department's contribution to the 2008 State of the Environment Report for Tasmania (*Tasmania Together* Goal 12);
- supporting development of the flood mitigation process for Launceston; and
- continuing to coordinate the Department's input into Government development of Aboriginal policy, particularly in relation to fishing practices (*Tasmania Together* Goal 11).

**Table 11.12: Performance Information – Output Group 5**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
<i>Progress with projects of strategic importance<sup>1</sup></i>					
<b>Strategic projects with significant milestones achieved</b>	<b>Number</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>3</b>
<i>Stakeholder satisfaction</i>					
<b>Stakeholder satisfaction with quality of service<sup>2</sup></b>	<b>%</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>

Notes:

1. A strategic project is designated as a project of strategic importance to the Department and the Government. This measure identifies the number of projects where significant milestones were achieved in accordance with objectives set at the start of the year.
2. An annual survey of key stakeholder satisfaction commenced in 2004-05 focusing on the delivery of strategic projects relevant to this Output Group.

### *Performance Information Comments*

Since the 2006-07 Budget, the performance information for this Output Group has been reviewed to ensure its continued relevance as a basis for assessing performance.

Milestones for two strategic projects were achieved in 2005-06: the Climate Change Project and the Compliance and Enforcement Management Project. A further project, the Non-forest Vegetation Management: Planning Scheme Provisions Project was discontinued following the Tasmanian Government's commitment in the Tasmanian Community Forest Agreement to introduce new statutory measures to prevent the clearing of rare, vulnerable and endangered non-forest vegetation communities.

## Output Group 6: Biosecurity and Product Integrity

### *Description*

The purpose of this Output Group is to lead a whole-of-government process to develop and maintain an integrated and coordinated biosecurity system for Tasmania. This Output Group comprises services aimed at maintaining Tasmania's relative disease, pest and weed freedom and preferential market access status by protecting the State's public health, primary industries and natural environment from the impact of exotic organisms. The Output Group provides a framework for building market confidence in the safety of Tasmania's food products. It also includes services aimed at ensuring that agricultural chemical use and animal welfare practices are consistent with community expectations.

Principal activities include:

- coordinating and providing support for the Tasmanian Biosecurity Committee;
- leading the implementation of a whole-of-government Biosecurity Strategy;
- using a science-based risk assessment framework to identify and develop measures to prevent potential pest and disease incursions;
- maintaining and further enhancing the State's quarantine barrier;
- developing and maintaining emergency response readiness to manage an outbreak of an exotic pest or disease;
- carrying out control programs to manage the impact of existing pests and diseases;
- delivering diagnostic services that support sustainable pest and disease control measures;
- regulating and monitoring animal welfare practices; and
- using regulatory frameworks and advisory means to ensure risk-based food safety procedures are in place throughout the primary production and processing elements of the supply chain.

Australian Quarantine and Inspection Service (AQIS) activities are also undertaken on behalf of the Australian Government.

The Output Group supports the Department's Outcome of profitable and sustainable agriculture, aquaculture and fisheries industries and the Outcome of a healthy natural environment.

It contributes to Tasmania *Together* Goal 10 - Thriving and innovative industries driven by a high level of business confidence and Goal 11 - Built and natural heritage that is valued and protected.

Users of this Output Group include the Australian, State and Local Governments, primary producers and primary industries, importers and exporters, and the general community.



**Table 11.13: Summary Financial Information – Output Group 6**

	2006-07	2007-08	
Biosecurity and Product Integrity	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	15 195	15 507	2.1
Grants <sup>1</sup>	1 170	2 442	108.7
Other Revenue	993	993	....
<b>TOTAL</b>	<b>17 358</b>	<b>18 942</b>	<b>9.1</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages <sup>1</sup>	10 117	10 979	8.5
Other Employee Related Expenses	339	345	1.8
Superannuation <sup>1</sup>	1 089	1 194	9.6
Depreciation and Amortisation	384	395	2.9
Grants and Transfer Payments	194	194	....
Supplies and Consumables			
Property Services <sup>1</sup>	876	999	14.0
Maintenance	217	224	3.2
Information Technology	281	291	3.6
Travel and Transport <sup>1</sup>	1 124	1 330	18.3
Advertising and Promotion	108	111	2.8
Other Supplies and Consumables <sup>1</sup>	1 679	1 953	16.3
Other Expenses	1 723	1 778	3.2
<b>TOTAL</b>	<b>18 131</b>	<b>19 793</b>	<b>9.2</b>
<b>EXPENSES BY OUTPUT</b>			
6.1 Biosecurity <sup>1</sup>	12 181	12 988	6.6
6.2 Product Integrity <sup>2</sup>	5 950	6 805	14.4
<b>TOTAL</b>	<b>18 131</b>	<b>19 793</b>	<b>9.2</b>

Notes:

1. The increases in Grants, Salaries and Wages, Property Services, Travel and Transport, Other Supplies and Consumables and Biosecurity reflect more accurate estimates for activities undertaken by the Department for the Australian Quarantine Inspection Service (AQIS).
2. The increase in Product Integrity is due to the transfer of the Food Safety program from Output 6.1 Biosecurity to Output 6.2 Product Integrity.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives for 2007-08 are:

- continuing implementation of the SMART Farming 2006 Election commitment aimed at increasing checks on the biosecurity status of cargo containers entering Tasmania (Tasmania *Together* Benchmark 11.3.2 - New pests established and Benchmark 11.3.3 - Kilos of private confiscations);
- continuing to work with industry to develop and expand industry's role in biosecurity surveillance (Tasmania *Together* Benchmark 11.3.2);
- progressing key milestones in the Emergency Preparedness Plan, including the training program for emergency response staff (Tasmania *Together* Benchmark 11.3.2);
- developing robust food safety legislation and administrative systems to help maintain public and market confidence in our primary products (Tasmania *Together* Goal 10);
- fully implementing the National Livestock Identification Scheme for cattle and sheep, including commencing monitoring and audit functions (Tasmania *Together* Goal 10);
- implementing outcomes of a review of the *Animal Welfare Act 1993*;
- implementing new regulations to control aerial spraying of agricultural chemicals and commencing a review of the regulations of ground spraying practices (Tasmania *Together* Goal 12); and
- commencing a review of Tasmania's policy on Genetically Modified Organisms (Tasmania *Together* Benchmark 11.3.4).

Table 11.14: Performance Information – Output Group 6

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<i>Additions to international market access</i>					
New international market access protocols approved <sup>1</sup>	Number of products by country	Nil	Japan: 1	Japan: 1 Korea: 1	China: 1
<i>Level of compliance with food safety standards by primary producers and processors in high risk areas</i>					
Audits without significant findings	%	100	100 <sup>2</sup>	100	100
<i>Effectiveness of Tasmania's quarantine barrier</i>					
Quarantine interceptions of significant pests, diseases and weeds	Number	458	450	500	500
Post-barrier detections of significant pests, diseases and weeds					
Via DPIW surveillance systems	Number	0	0	0	0
Other detections	Number	3 <sup>3</sup>	8 <sup>3</sup>	4 <sup>3</sup>	0
<i>Identification of private quarantine materials<sup>4</sup></i>					
Voluntarily surrendered	Kilos	na	na	19 850	20 000
Confiscated (TT)	Kilos	23 168	24 276	3 500	5 000
<i>Efficiency of Diagnostic Services testing processes</i>					
<i>Turnaround time for services</i>					
General seed testing purity analysis	Days	3.0	4.0	3.0	3.0
Veterinary pathology – parasitology	Days	1.5	1.5	2.0	2.0
Veterinary pathology – biochemistry/haematology	Days	1.5	1.5	1.5	1.5

Notes:

1. This Output Group provides scientific data to facilitate international market access applications and support development of protocols required once market access has been obtained.
2. Only two per cent of audits across the whole audit program returned significant findings and they were not in the areas of high risk referred to in this measure.
3. Other detections were via the Tasmanian Herbarium Census.
4. Prior to 2006-07, separate records were not maintained for the amount of private quarantine material voluntarily surrendered and confiscated.

## *Performance Information Comments*

Since the 2006-07 Budget, the performance information for this Output Group has been updated to better align with the Department's Corporate Plan 2007-09 and the revised Tasmania *Together* 2006. New measures include international market access and compliance with food safety standards. Measures associated with the State's quarantine barrier have been revised and expanded to provide a more comprehensive assessment of this activity.

In 2005-06, new market access was provided for cherries into Japan under special protocol arrangements. An application was then submitted to the Japanese quarantine authority in 2006-07 to enable cherries to enter without fumigation. Further applications for market access for cherries are also to be submitted to the Korean and Chinese quarantine authorities.

The weed detections relate to plants deemed to be newly established weeds for the State. This measure does not include the detection of new infestations of existing high priority weeds.

In 2006-07, four weeds were detected via the Tasmanian Herbarium Census, of which two weeds were deemed to have been present in the State for a number of years and are now deemed naturalised. The remaining two weeds resulted from taxonomic splits and as such are not new detections.

# Administered Items

## *Grants and Subsidies*

Table 11.15 provides a summary of the Grants and Subsidies paid by the Department of Primary Industries and Water. A brief description of each payment follows the Table.

**Table 11.15: Grants and Subsidies Financial Summary**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation	8 791	8 893	1.1
<b>TOTAL</b>	<b>8 791</b>	<b>8 893</b>	<b>1.1</b>
<b>EXPENSES</b>			
Construction of Irrigation Schemes: Loan Charges Contribution	2 763	2 763	....
Contribution to Australian, State and Industry Organisations	470	470	....
Grant to Tasmanian Aquaculture and Fisheries Institute	2 512	2 558	1.8
Grant to Tasmanian Institute of Agricultural Research	1 888	1 923	1.8
Inland Fisheries Service - Government Contribution	1 158	1 179	1.8
<b>TOTAL</b>	<b>8 791</b>	<b>8 893</b>	<b>1.1</b>

### *Construction of Irrigation Schemes: Loan Charges Contribution*

The provision of this funding contributes to Output Group 2 - Primary Industries 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 Australian, State and Industry Organisations*

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

### *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 - Primary Industries.

### *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 - Primary Industries.

### *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 (IFS) in relation to the conservation, protection and management of Tasmania's native freshwater fauna and the carp management program.

### *Revenue Collected on Behalf of the Consolidated Fund*

Funds collected from fees and charges levied for services rendered and contributions from various sources for specific purposes are credited to the Consolidated Fund.

**Table 11.16: Revenue Collected on Behalf of the Consolidated Fund**

	2006-07 Budget	2007-08 Budget	Variation %
	\$'000	\$'000	%
<b>REVENUE</b>			
Fines and Regulatory Fees	12 831	13 676	6.5
Other Revenue <sup>1</sup>	22 300	36 675	64.4
Sales of Goods and Services	17 592	17 394	(1.2)
<b>TOTAL REVENUE</b>	<b>52 723</b>	<b>67 745</b>	<b>28.4</b>
<b>Transfers to the Consolidated Fund</b>			
Abalone Licences <sup>2</sup>	7 695	8 158	6.0
Land Information Charges	720	700	(2.8)
Lands Titles Office Dealings	12 608	12 240	(3.0)
Marine Farms Fees and Recoveries	1 067	1 070	0.2
Crown Lands Administration Fund <sup>1</sup>	22 300	36 675	64.4
Miscellaneous Revenue <sup>3</sup>	1 093	1 283	17.3
Plant Quarantine Fees and Recoveries	8	....	(100.0)
Quarantine Fees <sup>4</sup>	1 804	2 105	16.6
Regulatory Fees	2 811	2 879	2.4
Royalty Income	1 921	1 921	....
Seed Testing Fees and Recoveries	175	180	2.8
Water Licence Fees	521	534	2.4
<b>TOTAL TRANSFERS TO THE CONSOLIDATED FUND</b>	<b>52 723</b>	<b>67 745</b>	<b>28.4</b>

**Notes:**

1. The increase in Other Revenue and Crown Lands Administration Fund is due to increased revenue from Crown Land Asset Sales and includes proceeds from the sale of assets formerly held by the Hobart Ports Corporation Pty Ltd.
2. The increase in Abalone Licences reflects the lease of an additional 16 Abalone Licences.
3. The increase in Miscellaneous Revenue is due to increased revenue from Diagnostic Services sample/testing charges and Wild Animal Management Vermin Control programs.
4. The increase in Quarantine Fees reflects an increase in container inspections.

# Capital Investment Program

Table 11.17: Capital Investment Program<sup>1</sup>

	2007-08 Budget
	\$'000
<b>Continuing Projects</b>	
Agricultural Research Centres	500
Crown Land Services - Structural Asset Upgrades	643
<b>TOTAL CAPITAL INVESTMENT PROGRAM</b>	<u><u>1 143</u></u>

Note:

1. For more information regarding the Capital Investment Program, refer to Chapter 7 in Budget Paper No 1 *The Budget*.

# DETAILED BUDGET STATEMENTS

Table 11.18: Output Group Expense Summary for the Department of Primary Industries and Water

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<i>Minister for Primary Industries and Water</i>			
<b>Output Group 1 - Information and Land Services</b>			
1.1 Land Titles, Survey and Mapping Services	17 340	17 690	2.0
1.2 Valuation Services	2 998	3 000	0.1
1.3 Service Tasmania	10 464	9 651	(7.8)
1.4 Crown Land Services <sup>1</sup>	33 016	47 577	44.1
	63 818	77 918	22.1
<b>Output Group 2 - Primary Industries</b>			
2.1 Agriculture Industry Development Services	14 905	15 300	2.7
2.2 Marine Resources <sup>2</sup>	9 370	10 523	12.3
	24 275	25 823	6.4
<b>Output Group 3 - Resource Management and Conservation</b>			
3.1 Land Management Services <sup>3</sup>	2 784	3 738	34.3
3.2 Conservation of Tasmania's Flora, Fauna and Geoheritage <sup>3,4</sup>	25 448	29 919	17.6
	28 232	33 657	19.2
<b>Output Group 4 - Water Resources</b>			
4.1 Water Resource Management <sup>5</sup>	7 371	8 927	21.1
4.2 Water Resource Assessment <sup>6</sup>	3 387	4 347	28.3
	10 758	13 274	23.4
<b>Output Group 5 - Policy</b>			
5.1 Policy Advice <sup>7</sup>	2 043	2 981	45.9
	2 043	2 981	45.9
<b>Output Group 6 - Biosecurity and Product Integrity</b>			
6.1 Biosecurity	12 181	12 988	6.6
6.2 Product Integrity <sup>8</sup>	5 950	6 805	14.4
	18 131	19 793	9.2
Grants and Subsidies	8 791	8 893	1.2
Capital Investment Program <sup>9</sup>	2 551	643	(74.8)
Special Capital Investment Funds	1 257	1 150	(8.5)
<b>TOTAL AGENCY</b>	<b>159 856</b>	<b>184 132</b>	<b>15.2</b>



## Notes

1. The increase in Crown Land Services is due to an increase in the contribution from the Crown Land Administration Fund to the Consolidated Fund from sales of assets formerly held by the Hobart Ports Corporation Pty Ltd.
2. The increase in Marine Resources relates to increased collection and distribution of levies on behalf of Tasmanian Fishing Industry Associations, increased activity with the Fishwise Community Grants Program and expenditure of new project funding received in the Wild Fisheries Management programs.
3. The increases are due to the extension of the Natural Heritage Trust program.
4. The increase in Conservation of Tasmania's Flora, Fauna and Geoheritage is partly due to increased activity associated with conservation program covenant costs and management agreements.
5. The increase in Water Resource Management relates to the Australian Ground Water Fund (AGWF) project - Better Information for Better Results Enhancing Water Planning in Tasmania, and the Government's Streamlined Dam Assessment Process project initiative.
6. The increase in Water Resource Assessment relates to the AGWF project - Better Information for Better Results Enhancing Water Planning in Tasmania, and the NRM South project to Develop a Holistic Flow Framework for Tasmania's Catchments.
7. The increase in Policy reflects additional resources for the Government's Climate Change Strategy initiative.
8. The increase in Product Integrity is largely due to the transfer of the Food Safety Program from Output 6.1 Biosecurity to Output 6.2 Product Integrity.
9. The decrease in the Capital Investment Program reflects the funding for the Crown Land Services Structural Asset Upgrades Program and completion of the Relocation and Upgrade of Specialist Facilities to Support Biosecurity Tasmania Initiative.

Table 11.19: Income Statement for the Department of Primary Industries and Water

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	76 768	79 069	2.9
Other <sup>1</sup>	1 904	1 420	(25.5)
Fines and Regulatory Fees	1 104	1 104	....
Interest Revenue	740	690	(6.8)
Grants <sup>2</sup>	11 965	17 720	48.0
Sales of Goods and Services <sup>3</sup>	13 505	11 903	(11.9)
Gain (Loss) on Sale of Non-Financial Assets	35 924	38 093	6.0
Other Revenue	17 808	18 279	2.6
<b>TOTAL</b>	<b>159 718</b>	<b>168 278</b>	<b>5.3</b>
<b>EXPENSES</b>			
Employee Entitlements	55 057	56 881	3.3
Superannuation	5 580	6 065	8.6
Depreciation and Amortisation	3 205	3 292	2.7
Grants and Transfer Payments <sup>4</sup>	39 482	58 418	47.9
Supplies and Consumables	33 947	35 682	5.1
Transfer to the Consolidated Fund	1 000	1 000	....
Other Expenses <sup>5</sup>	13 794	14 901	8.0
<b>TOTAL</b>	<b>152 065</b>	<b>176 239</b>	<b>15.8</b>
<b>NET OPERATING RESULT</b>	<b>7 653</b>	<b>(7 961)</b>	<b>(204.1)</b>

Notes:

1. The decrease in Other Revenue from Government reflects the estimate of funds carried forward under section 8A(2) of the *Public Account Act 1986* from 2006-07 to 2007-08.
2. The increase in Grants is largely due to an Australian Government Grant for the Forest Conservation Fund program.
3. The decrease in Sales of Goods and Services largely reflects a reduction in the estimate for Crown Land rental revenue.
4. The increase in Grants and Transfer Payments reflects the Crown Lands Administration Fund transfer estimate from sales of assets formerly held by the Hobart Ports Corporation Pty Ltd, and increased activity resulting from the extension of the Natural Heritage Trust program.
5. The increase in Other Expenses reflects the distribution of levies collected on behalf of Tasmanian Fishing Industry Associations, increased activity associated with conservation program covenant costs and management agreements, and funding for the Government's Climate Change Strategy initiative.

Table 11.19: Income Statement for the Department of Primary Industries and Water (continued)

	2006-07	2007-08	
	Budget	Budget	Variation
<b>ADMINISTERED ITEMS</b>			
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	8 791	8 893	1.1
Fines and Regulatory Fees	12 831	13 676	6.5
Sales of Goods and Services	17 592	17 394	(1.2)
Other Revenue <sup>1</sup>	22 300	36 675	64.4
<b>TOTAL</b>	<b>61 514</b>	<b>76 638</b>	<b>24.5</b>
<b>EXPENSES</b>			
Grants and Subsidies			
Grants and Transfer Payments	8 791	8 893	1.1
<b>Total Grants and Subsidies</b>	<b>8 791</b>	<b>8 893</b>	<b>1.1</b>
Transfer to the Consolidated Fund	52 723	67 745	28.4
<b>TOTAL</b>	<b>61 514</b>	<b>76 638</b>	<b>24.5</b>

Note:

1. The increase in Other Revenue reflects the transfer of funds from the Crown Lands Administration Fund to the Consolidated Fund as a result of the sale of assets formerly held by the Hobart Ports Corporation.

Table 11.20: Balance Sheet as at 30 June for the Department of Primary Industries and Water

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	63 863	85 485	33.8
Receivables <sup>2</sup>	1 831	2 070	13.0
Investments	625	625	....
<b>TOTAL</b>	<b>66 319</b>	<b>88 180</b>	<b>32.9</b>
<b>NON-FINANCIAL ASSETS</b>			
Inventory <sup>3</sup>	1 534	2 246	46.4
Land and Buildings	254 597	251 375	(1.3)
Plant and Equipment	2 349	2 232	(5.0)
Infrastructure <sup>4</sup>	2 799	2 329	(16.8)
Other <sup>5</sup>	2 588	2 878	11.2
<b>TOTAL</b>	<b>263 867</b>	<b>261 060</b>	<b>(1.1)</b>
<b>TOTAL ASSETS</b>	<b>330 186</b>	<b>349 240</b>	<b>5.7</b>
<b>LIABILITIES</b>			
Payables	1 014	1 093	7.7
Interest Bearing Liabilities <sup>6</sup>	141	....	(100.0)
Employee Entitlements	16 029	16 328	1.8
Other <sup>7</sup>	1 310	31	(97.7)
<b>TOTAL LIABILITIES</b>	<b>18 494</b>	<b>17 452</b>	<b>(5.7)</b>
<b>NET ASSETS</b>	<b>311 692</b>	<b>331 788</b>	<b>6.4</b>

Notes:

1. The increase in Cash reflects additional revenue from Crown Land Sales and Australian Government funding for the Forest Conservation Fund.
2. The increase in Receivables reflects a more accurate estimate of the anticipated level of receivables held by the Department.
3. The increase in Inventory is primarily due to an increase in the value of finished goods held by *Service Tasmania*.
4. The decrease in Infrastructure is partially due to the effect of depreciation on Infrastructure assets and a more accurate estimate of the value of Infrastructure.
5. The increase in Other Non-Financial Assets is due to the purchase of a marine vessel and an increase in the value of other assets held.
6. The decrease in Interest Bearing Liabilities reflects the final payment of a lease on the Lands Building fit-out.
7. The decrease in Other Liabilities is due to a reduction in the amount of funds carried forward from previous years under section 8A(2) of the *Public Account Act 1986*.

Table 11.20: Balance Sheet as at 30 June for the Department of Primary Industries and Water (continued)

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ADMINISTERED ITEMS</b>			
<b>FINANCIAL ASSETS</b>			
Receivables <sup>1</sup>	1 334	821	(38.5)
Accrued Revenue	....	14	....
<b>TOTAL ASSETS</b>	<b>1 334</b>	<b>835</b>	<b>(37.5)</b>
<b>LIABILITIES</b>			
Interest Bearing Liabilities <sup>2</sup>	547	....	(100.0)
Other <sup>2</sup>	....	365	....
<b>TOTAL LIABILITIES</b>	<b>547</b>	<b>365</b>	<b>(33.3)</b>
<b>NET ASSETS</b>	<b>787</b>	<b>470</b>	<b>(40.3)</b>

Notes:

1. The decrease in Receivables reflects a reduction in the value of prepaid long-term Marine Farming leases.
2. The movement in Interest Bearing Liabilities and Other Liabilities relates to a change in the accounting treatment for long-term Marine Farming leases.

**Table 11.21: Statement of Cash Flows for the Department of Primary Industries and Water**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Appropriation	76 768	79 069	2.9
Fines and Regulatory Fees	1 104	1 104	....
Interest Received	740	690	(6.8)
Grants <sup>1</sup>	11 965	17 720	48.0
Sales of Goods and Services <sup>2</sup>	13 505	11 903	(11.9)
GST Receipts	5 270	5 270	....
Other Receipts	17 808	18 279	2.6
<b>Payments</b>			
Employee Entitlements	(54 602)	(56 222)	2.9
Superannuation	(5 580)	(6 065)	8.6
Grants and Transfer Payments <sup>3</sup>	(39 482)	(58 418)	47.9
Supplies and Consumables	(33 947)	(35 682)	5.1
Transfers to the Consolidated Fund	(1 000)	(1 000)	....
GST Payments	(5 270)	(5 270)	....
Other Payments <sup>4</sup>	(14 190)	(15 836)	11.5
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>(26 911)</b>	<b>(44 458)</b>	<b>65.2</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale of Fixed Assets	35 924	38 093	6.0
Purchase of Fixed Assets	(500)	(500)	....
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>35 424</b>	<b>32 593</b>	<b>(8.0)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>8 513</b>	<b>(6 865)</b>	<b>(180.6)</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>55 350</b>	<b>92 350</b>	<b>58.5</b>
<b>Cash at the End of Reporting Period</b>	<b>63 863</b>	<b>85 485</b>	<b>28.0</b>

**Notes:**

1. The increase in Grants is largely due to an Australian Government Grant for the Forest Conservation Fund program.
2. The decrease in Sales of Goods and Services largely reflects a decrease in the estimate for Crown Land rental revenue.
3. The Increase in Grants and Transfer Payments relates to an increase in the Crown Lands Administration Fund transfer estimate from sales of assets formerly held by the Hobart Ports Corporation Pty Ltd, and increased activity from the extension of the Natural Heritage Trust program.

4. The increase in Other Payments reflects the distribution of levies collected on behalf of Tasmanian Fishing Industry Associations, increased activity associated with conservation program covenant costs, and management agreements, and funding for the Government's Climate Change Strategy initiative.

**Table 11.21: Statement of Cash Flows for the Department of Primary Industries and Water (continued)**

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>ADMINISTERED ITEMS</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Appropriation	8 791	8 893	1.1
Fines and Regulatory Fees	12 831	13 676	6.5
Sales of Goods and Services	17 592	17 394	(1.2)
Other Receipts <sup>1</sup>	22 300	36 675	64.4
<b>Payments</b>			
Grants and Transfer Payments	(8 791)	(8 893)	1.1
Transfers to the Consolidated Fund <sup>1</sup>	(52 723)	(67 745)	28.4
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	....	....	....
<b>Net Increase/(Decrease) In Cash Held</b>	....	....	....
<b>Cash at the Beginning of Reporting Period</b>	....	....	....
<b>Cash at the End of Reporting Period</b>	....	....	....

Note:

1. The increases reflect an additional contribution from the Crown Lands Administration Fund to the Consolidated Fund from Crown Land Asset Sales, and include proceeds from the sale of assets formerly held by the Hobart Ports Corporation Pty Ltd.

Table 11.22: Reconciliation of Operating Expenses to Consolidated Fund Appropriation

	2006-07	2007-08
	Budget	Budget
	\$'000	\$'000
<b>Total Operating Expenses</b>	159 856	184 132
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	(455)	(659)
Depreciation and Amortisation	(3 205)	(3 292)
Other Expenses	396	935
<b>Total Cash Cost of Outputs</b>	156 592	181 116
<b>Other Funding Sources</b>	(71 533)	(93 654)
<b>Purchase of Capital Items</b>	500	500
<b>Total Consolidated Fund Appropriation</b>	<u>85 559</u>	<u>87 962</u>



# 12 DEPARTMENT OF TOURISM, ARTS AND THE ENVIRONMENT

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## AGENCY OUTLINE

The Department of Tourism, Arts and the Environment is responsible for the sustainable management and promotion of the State's natural and cultural assets, including Tasmania's national parks, its arts and its culture, its pristine environment and its unique Aboriginal and historic heritage. These activities improve the well being and cohesion of the Tasmanian community. They also contribute to Tasmania's strong economy, especially through tourism, which is a key economic driver for the State.

The Department delivers its services through eight operational divisions: Tourism Tasmania (incorporating Events Tasmania); Arts Tasmania; the Tasmanian Museum and Art Gallery; the Parks and Wildlife Service; Heritage Tasmania; the Aboriginal Heritage Office; Environment; and the Royal Tasmanian Botanical Gardens. The Department also has links with the Port Arthur Historic Site Management Authority, the Tasmanian Heritage Council and the Boards of the Museum and the Theatre Royal.

## STRATEGIC FOCUS

The Department's mission is to enhance Tasmania's economic, environmental and social well being, both now and in the future, through the best possible use of the State's natural and cultural assets.

The Department's primary goal, as defined in its Corporate Plan 2006-2009, is to benefit current and future generations through the development and recognition of Tasmania's:

- unique natural, Aboriginal and historic heritage;
- clean and healthy environment;
- world renowned parks and reserve system;
- innovative and creative arts;
- iconic botanical, heritage and cultural sites; and
- attractiveness to visitors.

The Department's goals are aligned with the vision for the Tasmanian community, as outlined in Tasmania *Together*.

Tasmania *Together* places a strong emphasis on the importance of managing Tasmania's unique assets, such as the State's world class natural and cultural heritage, its creativity, and the balance between social,

economic and environmental outcomes. The Department is responsible for helping to achieve the following Tasmania *Together* goals:

- Goal 6: Dynamic, creative and internationally recognised arts community and culture;
- Goal 7: Acknowledge the right of Aboriginal people to own and preserve their culture, and share with non-Aboriginal people the richness and value of that culture;
- Goal 10: Thriving and innovative industries driven by a high level of business confidence;
- Goal 11: Sound social and economic infrastructure planning; and
- Goal 12: Sustainable management of our natural resources.

The Department's directions are also guided by the Government's approach to social and economic reform through strategic partnerships with and across all levels of government, the community sector and other stakeholders. Tourism, the arts and the environment play a key role in achieving the Government's social and economic goals. The environment is central to the well being of all Tasmanians and, along with the State's unique heritage and cultural activities, is fundamental to many economic activities, including tourism.

Within this framework, the Department's strategic objectives are to:

- celebrate and promote the people, places and stories that create our island identity;
- engage and participate with our communities through leadership and partnerships;
- share and develop knowledge and information across the Department, and with our partners;
- extend our resources and revenues, through innovation and new opportunities;
- advocate for a more sustainable Tasmania; and
- develop the Department's staff and the organisation so that it can deliver its goals.

These objectives are being pursued by cross-divisional teams working together to address a particular issue or Departmental priority as well as through partnerships with the community, the arts, cultural heritage, environment and tourism sectors and industry groups.

## KEY STRATEGIES

### Tourism Tasmania

During the past year, Tourism Tasmania has reviewed its key roles and objectives and implemented an organisational restructure to meet emerging challenges in the tourism industry and to deliver a range of strategic initiatives.

The role of Tourism Tasmania in the coming years is to lead the industry to jointly deliver marketing and development programs that drive benefits for Tasmania from domestic and international tourism.

To fulfil this role, Tourism Tasmania will ensure that relevant tourism research, analysis and insights are actively shared and distributed amongst industry and stakeholders. Tourism Tasmania will also establish, articulate and maintain the distinct Tasmanian brand and brand values, particularly through creative and innovative marketing, and achieve alignment of Tasmania's tourism product, experiences and infrastructure to match market expectations of that brand.

## Parks and Wildlife Service

The Parks and Wildlife Service (PWS) manages Tasmania's parks and reserves, including the Tasmanian Wilderness World Heritage Area, and protects the State's natural heritage and historic sites. The PWS manages 19 national parks and over 400 reserves under the *Nature Conservation Act 2002*, covering nearly 2.5 million hectares. PWS also assists in the management of reserves on private land in Tasmania and provides for sustainable use and economic opportunities by ensuring that parks are managed properly and are attractive to visitors.

The mission of the PWS is to conserve the State's natural and cultural heritage values by inspiring understanding, appreciation and conservation, through partnerships with the Tasmanian community.

To achieve this, the PWS has a three-year strategic plan that focuses on natural and cultural resource conservation, sustainable use, communications and partnerships, reserve system management and continuous organisational improvement.

## Heritage Tasmania

Heritage Tasmania works to conserve and promote Tasmania's rich and diverse historic heritage, and coordinates historic heritage strategies. It also supports the Tasmanian Heritage Council in implementing the *Historic Cultural Heritage Act 1995* and by maintaining the Tasmanian Heritage Register.

During 2007-08, Heritage Tasmania will focus on: strengthening relations with the Tasmanian heritage sector; building upon the existing advisory, educational and grants services; improving customer access to services following the relocation of Heritage Tasmania to a heritage-listed premise at 103 Macquarie Street, Hobart; and collaborating with owners, Local Government and the Heritage Council to implement a number of heritage reforms through new legislation.

These key strategies will ensure a greater balance between customer service, statutory responsibilities and partnerships across the sector and community to maximise understanding and the conservation of Tasmania's heritage.

## Aboriginal Heritage Office

The Aboriginal Heritage Office is responsible for providing regulatory services and policy advice to protect Aboriginal heritage in Tasmania. The Office promotes understanding and appreciation of Aboriginal heritage, and works to empower the Tasmanian Aboriginal community. For all land tenures, the Aboriginal Heritage Office provides regulatory services under the *Aboriginal Relics Act 1975*. As part of the State's land use and planning activities, the Office delivers specialist advisory and land management, research, educational and promotional services for responsible management of Tasmanian Aboriginal heritage.

The key strategies of the Office revolve around actions to help people and organisations comply with current legislation to prevent damage and destruction of Aboriginal heritage. The Office works with, and seeks to increase the involvement of, the Tasmanian Aboriginal community in the areas of Aboriginal heritage management, the development of new products to improve access to, and awareness of, regulatory services and processes, and research into issues affecting Aboriginal heritage.

## Arts Tasmania

Arts Tasmania supports the creativity of Tasmanian artists and arts organisations and institutions through a range of strategic initiatives and funding programs that enable artists to contribute to the shaping of Tasmania's future.

The Tasmanian Arts Advisory Board and Arts Tasmania work in partnership to provide integrated policy and planning for the arts, to build a unique brand for the arts in Tasmania, and to increase opportunities for all Tasmanians to engage with the arts in their local communities.

## Tasmanian Museum and Art Gallery

The Tasmanian Museum and Art Gallery (TMAG) is the home of the State collection of Tasmania. It collects, conserves, researches, interprets and displays objects of historical, scientific or artistic interest. Its objectives are to provide present and future generations with the opportunity to gain information and insights into their world, past and present, provide an environment that both stimulates and educates the general public, and research, interpret and present its collections, and provide opportunity for public access and participation through diverse programs and publications.

A number of priority actions support these objectives, including the redevelopment of the TMAG to showcase the State collection of Tasmania. The immediate priority is the completion of the first two stages of a major redevelopment of the Hobart TMAG site, to restore the site's heritage buildings and set master plans for future stages of development.

## Environment

A pristine environment is important for Tasmanians to live in and enjoy. The Department is committed to providing and building a regulatory framework which ensures clean air and water, noise levels that do not degrade community amenity and waste that is managed sustainably.

Strategies that will be employed to achieve these goals include completing a number of initiatives under the Living Environment Program, which are aimed at facilitating and encouraging sustainability, continuing to develop sound and contemporary legislative framework for environmental management, including amendments to environmental regulations, an environment protection policy on noise, consultation on the establishment of an Environment Protection Authority and the review of the State Policy on Water Quality Management.

## The Royal Tasmanian Botanical Gardens

The Royal Tasmanian Botanical Gardens (RTBG) is a statutory authority, governed by the *Royal Tasmanian Botanical Gardens Act 2002*. The RTBG Board is appointed by the Minister for Tourism, Arts and the Environment and comprises seven members.

Whilst the RTBG is under the organisational structure of the Department, it is funded separately through an administered payment. Details of the RTBG's programs and funding for 2007-08 are provided in Chapter 23 of Budget Paper No 2.

# 2007-08 MAJOR INITIATIVES

In 2007-08, the Department of Tourism, Arts and the Environment will implement a number of major initiatives. These initiatives include:

- Tourism Tasmania continuing to implement and coordinate elements of the Government's additional \$31.0 million Tourism Promotion Plan. This Plan will assist regional tourism development throughout Tasmania;
- Parks and Wildlife Service commencing a \$12.0 million four-year strategic asset maintenance program, that will repair and replace roads, bridges, walking tracks, toilets and elevated structures in Tasmania's Parks;
- Parks and Wildlife Service implementing the annual \$497 000 fuel reduction burning program;
- continuing preparation work for the Tasmanian sites to be included on the Australian convict serial nomination for World Heritage list assessment;
- Tasmanian Museum and Art Gallery continuing work on the \$30.0 million redevelopment of the Hobart site;
- providing Arts Tasmania with an additional \$1.5 million per annum in grants funding to support Tasmanian artists and art organisations;
- the Aboriginal Heritage Office continuing to work with the Tasmanian Aboriginal community to develop new Tasmanian Aboriginal heritage legislation to secure the protection and promotion of Aboriginal heritage for present and future generations; and
- the Environment Division continuing to advance the Living Environment Program to improve environmental quality in Tasmanian cities and towns.

Further information on these and other major initiatives which will be implemented by the Department in 2007-08 are provided in the detailed Output Group sections of this Chapter.

## PROGRESS OF 2006 ELECTION COMMITMENTS

The Department is responsible for implementing the following 2006 Election commitments.

### *Encouraging Locals to Holiday at Home*

This Election commitment provides funding of \$400 000 over two years to promote Tasmania to Tasmanians through newspapers, promotions and competitions that profile key experiences around the State. This commitment is part of the broader Tourism Promotion Plan. In 2006-07, major events, such as AFL Live in Tasmania, the Wooden Boat Festival and V8 Supercars, were promoted to encourage intrastate tourism. In 2007-08, the Government aims to increase the percentage of the Tasmanian population travelling within Tasmania from 21.5 per cent in 2006-07 to 25.0 per cent.

### *Environment Protection Authority (EPA)*

This Election commitment provides \$400 000 over four years to establish an EPA in Tasmania. The EPA will have an independent chair and operate at arms length from Government. In 2006-07, consultation was successfully undertaken with key stakeholders in regard to the establishment of an EPA. The preferred

model for the EPA will be presented to Cabinet in early 2007-08. It is anticipated the new EPA will commence operating in the first half of 2008, subject to the approval of legislation by Parliament.

### *Feasibility Study for a New Convention Centre*

This Election commitment provided \$40 000 in 2006-07 to undertake a feasibility study for a new convention centre based in Hobart. In 2006-07, the Government, in partnership with the Tasmanian Convention Bureau, undertook a thorough analysis of infrastructure capability as part of the study.

### *Heritage Tourism Trail*

This Election commitment will examine the feasibility of a heritage tourism trail in northern Tasmania as a catalyst to develop sustainable regional tourism. The trail could include Launceston, Evandale, Perth, Hadspen, Carrick, Hagley and Westbury. In 2006-07, stakeholder consultation was successfully undertaken with the relevant communities. A project plan is currently being developed by the Department. It is anticipated the project will be completed during 2007-08.

### *Icon Bushwalk Feasibility Study*

This Election commitment provided \$100 000 to enable the feasibility of a new multi-day walk on the Tasman Peninsula to be determined. In 2006-07, a comprehensive feasibility study, comprising a business case, master concept plan and market research was completed. The results of the study, released on 22 May 2007, confirmed the economic viability of the walk. In 2007-08, the Tasman National Park Management Plan will be amended; this will provide the community with further opportunity for involvement in the project.

### *More Winter Events*

This Election commitment provides \$1.3 million over four years to increase interstate and intrastate 'events tourism' in the winter shoulder tourism period, targeting national and State special interest events and encouraging Tasmanians to experience the State's tourism attractions. In 2006-07, the key benchmarks for assessing the performance of this commitment were developed. In 2007-08, the Government has set a target of 15 500 visitors coming to Tasmania for winter events, an increase of 500 on the 2006-07 target.

### *More World Heritage for Tasmania*

This Election commitment provides \$75 000 over two years to assist in funding the development of Tasmanian sites included as part of Australia's Serial Convict Site nomination for World Heritage listing. In 2006-07, a Tasmanian sites submission was completed for a number of convict sites, including Port Arthur and the Female Factory. The aim of the Election commitment in 2007-08 is to ensure all conservation management plans are up-to-date.

### *North East Tourist Trail*

This Election commitment provided \$1.8 million to the Dorset Council in 2006-07 for the Trail of the Tin Dragon in the State's North East. The Trail will celebrate the Chinese community's proud mining history in the region. It is anticipated that 80 per cent of the project will be completed by the end of 2007-08.

### *Promoting the Tarkine*

This Election commitment provided \$50 000 in 2006-07 to assist the Burnie Airport Corporation in raising awareness of the wilderness opportunities in the Cradle Coast region through the installation of billboards throughout the airport terminal. The project was successfully completed in 2006-07.

## *Redevelopment of the Tasmanian Museum and Art Gallery (TMAG)*

This Election commitment will fund a \$30.0 million redevelopment of the Hobart TMAG site, which will highlight its key attributes as Tasmania's custodian of the State collection. The redevelopment of TMAG will be progressed over the three years to 2009-10. Heritage and building works will commence in 2007-08, following completion of the master plan, site investigation and design for the project.

## *Support for Small Museums and Art Galleries*

This Election commitment provides \$1.2 million over four years to increase recurrent grants to Tasmania's smaller public museums and galleries, including the Burnie Regional Art Gallery, Devonport Regional Art Gallery, Narryna Museum in Hobart, Woolmers at Longford and the Golf Museum at Bothwell. In addition, funding will be provided to the West Coast Heritage to care for its museum, heritage properties and collections. The aim of the Election commitment in 2007-08 is to increase attendance numbers at supported venues.

## *Supporting Small Business Through Tourism*

This Election commitment provides support to Tasmania's small business, as part of the Government's \$6.5 million package of tourism initiatives under the Tourism Promotion Plan. In 2006-07, a number of grants were made to small businesses in the tourism industry. A target of 15 grants has been set for 2007-08.

## *Tasmanian Symphony Orchestra (TSO)*

This Election commitment provides additional funding of \$634 000 over four years to the TSO to maintain its status as one of the world's great small symphony orchestras. In 2006-07, the TSO cut formal ties to the ABC to become an incorporated entity. During 2006-07, the TSO will exceed its targets for the number of concerts performed and total attendance numbers. In 2007-08, the TSO will target 59 concerts, with total attendance figures of 35 120.

## *Tourism 21, Commitment to the Tourism Protocol Agreement*

This Election commitment continues the work with the Tourism Industry that will achieve the targets of *Tourism 21*, the Government's blueprint for Tasmania's tourism industry. In 2006-07, the draft 2007-10 *Tourism 21* plan continued to be developed in consultation with the Tourism Council of Tasmania, reaffirming the Government's commitment to the Tourism Protocol Agreement.

## *Tourism Marketing Campaign*

This Election commitment provides \$12.0 million over four years to fund a comprehensive tourism marketing campaign. In 2006-07, the Department began developing the campaign approach, aimed at enhancing Tasmania's competitiveness in the interstate market place through paid television advertising and documentary promotion. The campaign will also explore the use of emerging technology to market Tasmania. The aim of the campaign in 2007-08 is to continue to increase Tasmania's share of the interstate leisure trip market.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 12.1: Summary Financial Information for the Department of Tourism, Arts and the Environment

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	96 513	101 006	4.7
Other <sup>2</sup>	2 322	830	(64.3)
Other Revenue <sup>3</sup>	23 690	33 396	41.0
<b>TOTAL</b>	<b>122 525</b>	<b>135 232</b>	<b>10.4</b>
<b>EXPENSES</b>			
Tourism <sup>4</sup>	40 132	38 614	(3.8)
Parks and Wildlife Management <sup>5</sup>	34 202	37 869	10.7
Heritage and the Arts <sup>6</sup>	17 151	18 025	5.1
Environment	12 007	12 359	2.9
Grants and Subsidies <sup>7</sup>	9 821	7 456	(24.1)
Capital Investment Program <sup>8</sup>	1 475	265	(82.0)
Special Capital Investment Funds <sup>9</sup>	3 874	6 129	58.2
<b>TOTAL</b>	<b>118 662</b>	<b>120 717</b>	<b>1.7</b>
<b>NET OPERATING RESULT</b>	<b>3 863</b>	<b>14 515</b>	<b>275.7</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding for the fuel reduction burning program, parks infrastructure maintenance, major project environmental assessment and regulation, arts grants, World Heritage Area site listings, the Cradle Mountain sewage treatment plant and the Royal Tasmanian Botanical Gardens capital works projects.
2. The decrease in Other Revenue from Government reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07. The 2007-08 carry forward comprises Capital Investment Program funding for Cradle Mountain Park Visitor Infrastructure, the Overland Track - Implementation of Business Plan, and Wineglass Bay Visitor Access Improvements.
3. The increase in Other Revenue reflects additional funding from the Special Capital Investment Fund for the Tasmanian Museum and Art Gallery redevelopment and the Hawthorn Football Club Agreement, partly offset by a reduction in estimated sales through Tasmania's Temptation Holidays and Retail Travel Centre.
4. The decrease in Tourism expenditure primarily reflects reduced expenditure on distribution services.
5. The increase in Parks and Wildlife Management reflects additional expenditure of \$497 000 for the fuel reduction burning program and \$3.0 million for parks infrastructure maintenance.
6. The increase in Heritage and the Arts reflects additional expenditure for the arts grants and World Heritage listings, partly offset by one-off maintenance funding in 2006-07 for the Tasmanian Museum and Art Gallery and the West Coast Heritage Museum.



7. The decrease in Grants and Subsidies reflects reduced expenditure for the Ten Days on the Island festival with 2007-08 being a non-festival year, and the one-off contribution in 2006-07 of funding for the North East Tourist Trail.
8. The decrease in Capital Investment Program reflects the cessation of funding for the purchase of environmental air monitoring equipment in 2006-07. Table 12.13 lists the Department's 2007-08 Capital Investment Program projects.
9. The increase in Special Capital Investment Funds reflects funding for the new Hawthorn Football Club Agreement.

**Table 12.2: Special Capital Investment Fund Allocation for the Department of Tourism, Arts and the Environment**

	Estimated Total Cost	2007-08 Estimate
	\$'000	\$'000
<b>Economic and Social Infrastructure Fund (ESIF)<sup>1</sup></b>		
AFL Arrangement - Hawthorn Football Club Agreement	16 446	2 435
Analytical Services Laboratory	2 100	300
Cradle Tourism Development Plan	2 968	526
Living Environment Initiative	4 560	2 694
Tasmanian Museum and Art Gallery	30 000	8 689
Tourism Infrastructure	6 000	2 086
<b>TOTAL ESIF</b>	<b>62 074</b>	<b>16 730</b>
<b>TOTAL SPECIAL CAPITAL INVESTMENT FUND ALLOCATION</b>	<b>62 074</b>	<b>16 730</b>

Note:

1. The Department of Tourism, Arts and the Environment will continue to advance the Government's Tourism Promotion Plan during 2007-08. Funding for the plan is provided from the ESIF and paid through Finance-General in the first instance.

***AFL Arrangement – Hawthorn Football Club Agreement***

The Government has entered into a new five-year agreement with the Hawthorn Football Club to play AFL football in Tasmania and to promote the State. The total value of the Agreement in 2007-08 is \$3.2 million. Funding of \$2.4 million will be provided from the Economic and Social Infrastructure Fund (ESIF) to supplement the initial 2007-08 Budget allocation of \$800 000, which was provided for the previous agreement. There are two distinct parts to the Agreement. The first part relates to the AFL games being played in Tasmania and is valued at approximately \$1.2 million per annum, whilst the second part relates to sponsorship and marketing opportunities which the Hawthorn Football Club will provide. The second part of the Agreement is valued at approximately \$1.8 million per annum.

***Analytical Services Tasmania***

Total funding of \$2.1 million from the ESIF is provided for the construction of new premises for Analytical Services Tasmania (AST) in New Town. AST were previously located at the University of Tasmania. However, due to the other developments at the University, AST were required to relocate its activities.

***Cradle Tourism Development Plan***

In 2007-08, funding of \$526 000 will be provided from the ESIF to complete the purchase of land adjacent to the Cradle Mountain-Lake St Clair National Park to provide better services at the entrance to the northern end of the Park. The total cost of this initiative is approximately \$3.0 million.

### *Living Environment Program*

Funding is provided for Government initiatives to improve environmental quality, such as better management of hazardous household waste, cleaner urban waterways, tackling community noise, reducing household water wastage, remediating contaminated urban sites and combating littering. Commencing in 2005-06, almost \$4.6 million will be provided over three years for the Program.

### *Tasmanian Museum and Art Gallery*

Funding of \$30.0 million will be provided from the ESIF to support a major redevelopment of the Tasmanian Museum and Art Gallery. The initial focus of the redevelopment is on the preservation and conservation of the most significant and diverse collection of heritage buildings on one site in Australia, together with a range of investigatory projects, including an archaeology site survey and site investigation. In 2007-08, it is anticipated that approximately \$8.7 million will be spent on this initiative.

### *Tourism Infrastructure*

An amount of \$6.0 million has been provided to support key tourism infrastructure development across the State. This program commenced in 2004-05 and will conclude in 2007-08 with expenditure of approximately \$2.1 million.

### *Tourism Promotion Plan*

The purpose of the Tourism Promotion Plan, an initiative of the 2006-07 State Budget in response to the sale of *Spirit of Tasmania III*, is to position Tasmania prominently in the national marketplace through a range of activities involving promotion, tactical marketing, product and infrastructure development, development of e-marketing capability state-wide and enhancing regional competitiveness.

The program is managed through an industry/government steering committee and is on track to deliver against the identified goals with over \$5.0 million invested in the Tasmanian tourism industry to June 2007.

Major highlights to date include the expenditure of some \$700 000 on the 2006 Spring Marketing Campaign by both Tourism Tasmania and TT-Line. Tourism Tasmania extended its planned spring campaign through the use of additional media and taking up opportunities within Tourism Australia's domestic campaigns, while TT-Line developed and implemented three concepts aimed at generating additional tourists to visit Tasmania and in particular the North West region.

Similarly \$1.0 million has been spent on an autumn/winter marketing campaign. Tourism Tasmania developed a 32-page publication called *Tasmania Magazine*, which was distributed interstate as a newspaper supplement while TT-Line developed the online advertising campaign 'Hot Day Sale' to enhance its autumn advertising and generate additional interest in visiting Tasmania.

A total of \$2.3 million will be allocated to 30 May 2007 for market ready regional development and will leverage a total spend of over \$3.0 million on product development and cooperative marketing projects within the regions of Tasmania.

# DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

The individual Outputs of the Department of Tourism, Arts and the Environment are provided under the following Output Groups:

- Output Group 1: Tourism;
- Output Group 2: Parks and Wildlife Management;
- Output Group 3: Heritage and the Arts; and
- Output Group 4: Environment Protection and Analytical Services.

## Output Group 1: Tourism

### *Description*

This Output Group supports the Government's broader economic objectives, with tourism industry performance measured by visitor expenditure and employment as part of the *Tourism 21* process.

Activities undertaken include:

- destination marketing and tactical advertising with tourism and non-tourism industry partners, including representation in selected overseas markets;
- public and media relations initiatives with travel trade and destination writers, including the Visiting Journalists Program;
- facilitating the development of products, infrastructure and services to meet market gaps and opportunities through targeted development strategies and grant programs;
- innovative research programs focused on the tourism consumer, providing insight into destination choice, and designed to highlight opportunities to increase demand for Tasmania;
- establishing creative partnerships to extend the tourism brand, drive visitation and ensure the respective roles of industry groups, regional associations and State and Local Government in the tourism industry are coordinated;
- industry awareness programs to give the Tasmanian community an understanding of the value of the tourism industry and the role individual Tasmanians can play;
- tourism distribution services, including wholesaling, on-line retailing and marketing the TasTravel Call Centre services to travel agents and consumers;
- supporting existing major events and the attraction to Tasmania of events with potential for high participation from target markets; and
- supporting the Tasmanian Convention Bureau.

This Output Group contributes to the achievement of Tasmania *Together* Goal 6 - Dynamic, creative and internationally recognised arts community and culture; and Goal 10 - Thriving and innovative industries driven by a high level of business confidence.

**Table 12.3: Summary Financial Information – Output Group 1**

	2006-07	2007-08	
Tourism	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	32 571	32 932	1.1
Sales of Goods and Services <sup>1</sup>	7 479	5 689	(23.9)
<b>TOTAL</b>	<b>40 050</b>	<b>38 621</b>	<b>(3.6)</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	11 596	11 092	(4.3)
Other Employee Related Expenses <sup>2</sup>	49	105	114.3
Superannuation	1 069	1 098	2.7
Depreciation and Amortisation <sup>3</sup>	82	193	135.4
Grants and Transfer Payments	4 169	4 169	....
Supplies and Consumables			
Property Services <sup>4</sup>	1 460	1 033	(29.2)
Maintenance	65	65	....
Information Technology <sup>5</sup>	926	1 521	64.3
Travel and Transport	731	818	11.9
Advertising and Promotion	15 177	15 011	(1.1)
Other Supplies and Consumables <sup>6</sup>	4 109	2 909	(29.2)
Other Expenses	699	600	(14.2)
<b>TOTAL</b>	<b>40 132</b>	<b>38 614</b>	<b>(3.8)</b>
<b>EXPENSES BY OUTPUT</b>			
1.1 Tourism Marketing	18 576	18 574	....
1.2 Tourism Destination Development	5 475	5 569	1.7
1.3 Tourism Distribution Services <sup>6</sup>	10 872	10 098	(7.1)
1.4 Major Events Support <sup>7</sup>	5 209	4 373	(16.0)
<b>TOTAL</b>	<b>40 132</b>	<b>38 614</b>	<b>(3.8)</b>

Notes:

1. The decrease in Sales of Goods and Services reflects a reduction in travel sales through Tasmania's Temptation Holidays and Retail Travel Centres, and a reduction in revenues supporting major events.
2. The increase in Other Employee Related Expenses reflects a revised estimate of this expense based on current data.
3. The increase in Depreciation and Amortisation reflects a more accurate estimate of this expense based on current asset depreciation schedules.
4. The decrease in Property Services reflects reduced operating costs as a result of the closure of the Melbourne and Sydney Travel Centres.
5. The increase in Information Technology reflects of the greater market need for electronic commerce solutions.
6. The decrease in Other Supplies and Consumables, and Tourism Distribution Services reflects reduced expenditure on distribution services associated with estimated reductions in travel sales.
7. The decrease in Major Events Support reflects reduced expenditure previously supported through external revenue sources.

## *Major Issues and Initiatives for 2007-08*

Major issues and initiatives for this Output Group are:

### *Tourism Marketing and Distribution*

- completing a study which fully evaluates Tasmania's unique selling proposition at both the state-wide and regional level;
- engaging Tasmania's target audience through the use of innovative digital mediums including television, internet video streaming, pod-casting, e-marketing and the launch of a new international and domestic consumer web presence site for Tasmania;
- ensuring the Tasmanian tourism brand stands out through: creative and bold approaches to marketing campaign development; partnerships with tourism businesses; and global public relations initiatives which both complement and extend the brand;
- developing innovative promotional partnerships with non-traditional industries including automotive, petroleum, food and beverage, retail and telecommunications companies;
- developing a key position in special interest and events markets through new promotional strategies leveraging the significant personalities involved in such activities;
- producing a 13-episode travel show for Tasmanian television to air between September and November 2007 to stimulate the Tasmanian intrastate market by highlighting regional products and experiences;
- integrating the distribution of visitor information, product and experiences to ensure potential visitors can purchase all, or elements of, their Tasmanian holiday before or on arrival, through their preferred sales channels;

### *Tourism Destination Development*

- facilitating destination development planning in priority tourism locations in partnership with Local Government, industry and key stakeholders;
- assisting the Tasmanian tourism industry to become globally competitive in the use of on-line distribution channels, to ensure seamless links between tourism consumers and tourism operators;
- undertaking work to define opportunities with carbon credit and other environmental offset schemes to position Tasmania's tourism industry as a leader in this area of growing global concern;
- promoting an experience focus as the basis for a Tasmanian holiday and implementing programs with industry which will enhance their ability to effectively deliver on the Brand promise;
- integrating the role of the Tasmanian Visitor Information Network into the broader digital distribution network to ensure availability of expert information and booking capability for visitors on holiday in Tasmania;
- providing insights on emerging trends, gaps and opportunities to enable tourism operators and industry to meet changing consumer needs and keep Tasmania at the forefront of Australian holiday destinations;
- scoping and developing an approach to investment that will attract new development to Tasmania in partnership with the Department of Economic Development and other relevant agencies;

- working with existing air and sea providers to drive competitive and reliable access and working to attract new air carriers to Tasmania;

### *Events Tasmania*

- continuing to leverage the range of events already on offer in Tasmania to build the brand and profile of the destination in new markets and drive conversion;
- developing the 10-year State Events Plan that builds on Tasmania's competitive advantages by evaluating new events with potential to increase visitation in shoulder and non-peak seasons;
- leveraging the on-going support provided for Events of State Significance including AFL games, Targa Tasmania, the Mark Webber Challenge and the V8 Supercars;
- continuing to promote regional tourism through the non-peak tourist season with an events program that encourages Tasmanians and visitors to experience the State's tourism attractions;
- developing motoring and motorbike club interest in Tasmania through facilitating tours of Tasmania with particular emphasis on regional locations; and
- encouraging national sport competitions in soccer, netball, rugby league, rugby union and historic motor racing to hold events in Tasmania.

**Table 12.4: Performance Information – Output Group 1**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
<b>Total Visitor Expenditure</b>	<b>\$ million</b>	<b>1 082</b>	<b>1 175</b>	<b>1 300</b>	<b>1 347</b>
<b>Direct and indirect jobs generated from tourism and related industries</b>	<b>Number</b>	<b>37 830</b>	<b>39 300</b>	<b>38 000</b>	<b>38 000</b>
<b>All Visitors</b>	<b>Number</b>	<b>789 500</b>	<b>865 900</b>	<b>842 000</b>	<b>868 000</b>
<b>Domestic holiday visitors</b>	<b>Number</b>	<b>295 100</b>	<b>317 700</b>	<b>329 200</b>	<b>351 600</b>
<b>Domestic visiting friends and relatives</b>	<b>Number</b>	<b>172 200<sup>1</sup></b>	<b>209 900</b>	<b>217 500</b>	<b>225 800</b>
<b>International leisure visitors</b>	<b>Number</b>	<b>93 800<sup>1</sup></b>	<b>88 500</b>	<b>92 000</b>	<b>115 000</b>
<b>Holiday visitor nights</b>	<b>'000</b>	<b>3 406</b>	<b>3 439</b>	<b>3 542</b>	<b>3 613</b>
<b>All visitor nights</b>	<b>'000</b>	<b>6 857</b>	<b>6 639</b>	<b>6 839</b>	<b>7 100</b>
<b>Holiday expenditure</b>	<b>\$ million</b>	<b>717</b>	<b>820</b>	<b>880</b>	<b>930</b>
<b>Value of major events</b>	<b>\$ million</b>	<b>29.0</b>	<b>32.5</b>	<b>46.0</b>	<b>55.0</b>

Note:

1. The 2004-05 actual figures were incorrectly reported in the 2006-07 Budget Papers. These figures have been corrected in this table.

### *Performance Information Comments*

The performance information detailed in Table 12.4 largely reflects the solid position of Tasmanian tourism, despite a relatively flat domestic tourism market. Even with substantial competition from the other states and the lure of outbound travel for Australians, Tasmania has not only increased its total visitation in the

12 months to December 2006 by 6.0 per cent, but has also increased its market share of total overnight interstate leisure trips within Australia from 4.1 per cent to 4.5 per cent.

Despite the continuing poor domestic outlook and pressure on inbound leisure visitation to Australia, the outlook for visitation to Tasmania is promising, with growth expected through 2007-08.

## Output Group 2: Parks and Wildlife Management

### *Description*

The purpose of this Output Group is to create and maintain a representative and world-renowned reserve and park system that conserves the State's natural and cultural heritage and provides for sustainable use and economic opportunities.

Activities undertaken include:

- protecting the natural and cultural heritage within the parks and reserves, including fuel reduction burning programs;
- improving the planning and development of economic opportunities for parks and reserves;
- enhancing infrastructure and maintenance to ensure visitor safety and improve visitor experiences; and
- providing high quality services, experiences and education to all visitors to enhance their enjoyment and appreciation of Tasmania's parks and reserves.

In protecting and managing around 40 per cent of Tasmania's land area and providing the State's major visitation drawcard, this Output Group is a significant contributor to tourism.

The Output Group contributes to the achievement of Tasmania *Together*: Goal 7 - Acknowledge the right of Aboriginal people to own and preserve their culture, and share with non-Aboriginal people the richness and value of that culture; Goal 10 - Thriving and innovative industries driven by a high level of business confidence; Goal 11 - Sound social and economic infrastructure planning; and Goal 12 - Sustainable management of our natural resources.

Table 12.5: Summary Financial Information - Output Group 2

	2006-07	2007-08	
Parks and Wildlife Management	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	20 759	24 632	18.7
Sales of Goods and Services	7 630	7 724	1.2
<b>TOTAL</b>	<b>28 389</b>	<b>32 356</b>	<b>14.0</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	13 887	14 242	2.6
Other Employee Related Expenses	....	44	....
Superannuation	1 237	1 382	11.7
Depreciation and Amortisation	5 701	5 701	....
Supplies and Consumables			
Property Services	600	619	3.2
Maintenance <sup>2</sup>	2 322	5 139	121.3
Information Technology	896	916	2.2
Travel and Transport	1 763	1 830	3.8
Advertising and Promotion	196	203	3.6
Other Supplies and Consumables	6 592	6 703	1.7
Other Expenses	1 008	1 090	8.1
<b>TOTAL</b>	<b>34 202</b>	<b>37 869</b>	<b>10.7</b>
<b>EXPENSES BY OUTPUT</b>			
2.1 Parks and Wildlife Management <sup>1</sup>	34 202	37 869	10.7
<b>TOTAL</b>	<b>34 202</b>	<b>37 869</b>	<b>10.7</b>

Notes:

1. The increase in the Annual Appropriation and Parks and Wildlife Management reflects additional funding of \$497 000 for the fuel reduction burning program and \$3.0 million for parks infrastructure maintenance as part of a \$12 million program over four years.
2. The increase in Maintenance reflects expenditure associated with the provision of an additional \$3.0 million of funding for parks infrastructure maintenance as part of a \$12 million program over four years.



## *Major Issues and Initiatives for 2007-08*

Major issues and initiatives for this Output Group include:

- commencing a \$12.0 million four-year strategic asset maintenance program, that will repair and replace roads, bridges, walking tracks, toilets and elevated structures in Tasmanian parks;
- implementing fire management strategies for conservation management of natural reserves;
- planning and implementing the annual \$497 000 fuel reduction burning program;
- continuing to work to upgrade and extend the visitor parking and viewing facilities at the Blowhole and Tasman Arch and their road approaches, in compliance with the Pirates Bay Visitor Services Site Plan;
- progressing the 'Three Capes Track' proposal by amending the Tasman National Park Management Plan, which will provide the community with the opportunity for involvement in the proposal;
- completing a general management plan for use on all minor reserves;
- implementing and integrating a quality asset management system as a core component of the Parks and Wildlife Service management operations;
- reviewing the visitor risk management system and implementation of review findings;
- developing a community partnerships framework and support for volunteer programs;
- establishing regional staffing structures and processes that ensure efficient delivery of services;
- developing regional conservation management strategies;
- developing a practical system for monitoring management effectiveness on reserved land;
- establishing a Tasmanian Aboriginal training program;
- supporting the Fox Eradication Program led by the Department of Primary Industries and Water; and
- continuing the implementation of central sewage treatment infrastructure in the Cradle Mountain Valley.

Table 12.6: Performance Information – Output Group 2

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<b>Park satisfaction figures:<sup>1</sup></b>					
Mt Field	% rating	na	na	90	90
Freycinet	% rating	na	na	90	90
Cradle Mountain	% rating	na	na	90	90
Hartz	% rating	na	na	90	90
Narawntapu	% rating	na	na	90	90
South Bruny	% rating	na	na	90	90
Cockle Creek	% rating	na	na	90	90
Lake St Clair	% rating	na	na	90	90
<b>Number of reserves covered by Management Plans (TT)<sup>2</sup></b>					
	Number	55	55	70	77
<b>Percentage of protected land covered by approved management plans (TT)<sup>2</sup></b>					
	%	70	70	72	70
<b>Visitor numbers</b>					
Mt Field	'000	129	117	145	130
Freycinet	'000	206	203	218	210
Cradle Mountain	'000	185	171	200	190
Lake St Clair	'000	98	93	116	100
Gordon River	'000	105	88	119	90
Mole Creek Caves	'000	44	47	46	50

Notes:

1. Satisfaction ratings and attendance numbers are collated for major sites around the State through a four-year rolling program. Surveys for a number of parks are due to be undertaken during 2006-07.
2. (TT) denotes that this measure is linked directly to a Tasmania *Together* Benchmark.

### Performance Information Comments

A key indicator of the effectiveness of parks and reserves management is the number of visitors and users of the parks and their level of satisfaction. Satisfaction ratings and attendance numbers are collated for the major sites around the State on a four-year rolling program, with Narawntapu National Park being the first of the repeat surveys due to be completed. Visitors are surveyed on an individual basis, responding to questionnaires at the park or reserve. The 90 per cent satisfaction target for 2006-07 has been adopted from the United States of America Parks Service standards across parks.

The visitor number targets for 2007-08 have been revised down to reflect the flattening of visitor number growth that has been experienced since 2004-05.

The percentage of protected area (land and water) with approved plans is not projected to increase in line with the number of plans completed due to the continuing increase in the number of new reserves (from

both the Crown Land Assessment and Classification project and the Tasmanian Community Forest Agreement), many of which are small in area.

## Output Group 3: Heritage and the Arts

### *Description*

#### *Historic Heritage Services*

Heritage Tasmania's primary role is to conserve and promote our historic heritage, by working to increase knowledge and understanding of the importance of heritage values and fabric amongst the owners and managers of heritage places, visitors and the wider community.

Heritage Tasmania works closely in partnership with the Tasmanian Heritage Council and the National Trust. Heritage Tasmania also provides professional advice to heritage owners and managers, allocates conservation funding for urgent and essential developments, works in conjunction with government at all levels to encourage the development of a more integrated approach to heritage management in Tasmania, develops key information and resources, and supports a wide range of activities that promote good heritage outcomes.

#### *Tasmanian Museum and Art Gallery*

The Tasmanian Museum and Art Gallery (TMAG) aims to increase community understanding of the cultural and natural world. It achieves this by collecting and conserving material evidence within the areas of humanities, including visual arts, history and anthropology, and the biological and physical sciences.

TMAG collects, conserves, researches, interprets and displays objects of historical, scientific or artistic interest. The objective of its work is to provide the community, both now and in the future, with the opportunity to explore the past and present, to provide a stimulating museum and art environment and to provide public access and participation in the State's collection through diverse programs and publications.

#### *Art Industry Development*

Arts Tasmania focuses on supporting local artists and arts organisations to contribute to public outcomes that broaden the engagement of Tasmanians in the arts, deepen Tasmanian cultural experiences and profile the State's diverse arts and cultural sector.

The Tasmanian Arts Advisory Board advises the Minister on arts policy and the distribution of Government grant funding.

Funding is provided to support Tasmania's major cultural institutions such as the Tasmanian Symphony Orchestra and regional museums and art galleries. Multi-year funding is available to arts organisations to assist their planning, and project funding is available to individuals and organisations to encourage new work.

#### *Aboriginal Heritage*

The Aboriginal Heritage Office is responsible for regulatory advice on protecting and promoting Aboriginal heritage and supporting organisations and individuals to meet their cultural and environmental responsibilities.

The Aboriginal Heritage Office works closely with Aboriginal community groups, particularly key Aboriginal community organisations, to achieve empowerment of the Aboriginal people in all aspects of managing Aboriginal heritage. A significant component of this will be the development of new legislation.

This Output Group contributes to the achievement of Tasmania *Together*: Goal 6 - Dynamic, creative and internationally recognised arts community and culture; Goal 7 - Acknowledge the right of Aboriginal people to own and preserve their culture, and share with non-Aboriginal people the richness and value of that culture; Goal 10 - Thriving and innovative industries driven by a high level of business confidence; and Goal 11 - Sound social and economic infrastructure planning.

**Table 12.7: Summary Financial Information - Output Group 3**

Heritage and the Arts	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	15 298	16 967	10.9
Other <sup>2</sup>	685	230	(66.4)
Sales of Goods and Services <sup>3</sup>	440	188	(58.4)
<b>TOTAL</b>	<b>16 423</b>	<b>17 380</b>	<b>5.8</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	6 563	6 595	0.5
Other Employee Related Expenses	....	32	....
Superannuation	617	660	7.0
Depreciation and Amortisation <sup>4</sup>	22	262	....
Grants and Transfer Payments <sup>5</sup>	4 362	5 550	27.2
Supplies and Consumables			
Property Services	733	717	(2.2)
Maintenance <sup>6</sup>	749	337	(55.0)
Information Technology	588	552	(6.1)
Travel and Transport	316	284	(10.1)
Advertising and Promotion	302	309	2.3
Other Supplies and Consumables	2 567	2 398	(6.6)
Other Expenses	332	329	(0.9)
<b>TOTAL</b>	<b>17 151</b>	<b>18 025</b>	<b>5.1</b>
<b>EXPENSES BY OUTPUT</b>			
3.1 Historic Heritage Services	2 776	2 920	5.2
3.2 Tasmanian Museum and Art Gallery	7 087	7 049	(0.5)
3.3 Art Industry Development <sup>7</sup>	6 483	7 304	12.7
3.4 Aboriginal Heritage <sup>8</sup>	805	752	(6.6)
<b>TOTAL</b>	<b>17 151</b>	<b>18 025</b>	<b>5.1</b>

Notes:

1. The increase in the Annual Appropriation primarily reflects increased funding for the arts and World Heritage Area site listings.
2. The decrease in Other Revenue from Government reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07, primarily reflecting the carry forward for Tasmanian Museum and Art Gallery maintenance expenditure.

3. The decrease in Sales of Goods and Services is primarily related to a reduction in revenue from Australian Government grants (previously classified incorrectly as Sales of Goods and Services).
4. The increase in Depreciation and Amortisation reflects a more accurate estimate of this expense based on current asset depreciation schedules.
5. The increase in Grants and Transfer payments reflects expenditure associated with the additional funding of \$1.5 million for the arts, offset by one-off maintenance funding in 2006-07 for the West Coast Heritage Museum.
6. The decrease in Maintenance primarily reflects the cessation of one-off maintenance funding in 2006-07 for the Tasmanian Museum and Art Gallery.
7. The increase in Art Industry Development reflects additional funding for the arts offset by a reduction in expenditure relating to Australian Government Grants and one-off maintenance in 2006-07 for the West Coast Heritage Museum.
8. The decrease in Aboriginal Heritage reflects the cessation of one-off funding provided in 2005-06 and carried forward to 2006-07 for the development of new Tasmanian Aboriginal Heritage legislation.

## *Major Issues and Initiatives for 2007-08*

Major issues and initiatives for this Output Group include:

### *Historic Heritage Services*

- developing a clearer and more integrated approach to heritage management across the State, that applies a whole-of-government approach, linking local, state, national and world heritage management practices;
- pursuing a program of legislative reform to implement the review of the *Historic Cultural Heritage Act 1995* and working closely with local planning authorities to more actively support their management of heritage;
- adopting a stronger customer focused approach to service delivery with a new shop-front presence and through community education and development activities and initiatives across the State;
- finalising the development of the Heritage Management System and integrated State Heritage Register, delivering the Register on-line and creating a new integrated business system for the Division;
- coordinating the Government's partnership with the National Trust and work with the Trust to review and extend the reach of the Tasmanian Heritage Festival to maximise the outcomes for heritage;
- through additional funding of \$250 000, preparing the nominations for the proposed world heritage serial listing of convict sites, incorporating updated State entries in the Tasmanian Heritage Register;
- coordinating and supporting the pursuit of research and efforts to increase understanding of our historic heritage, through collaboration with other Divisions, and national and international partners;

### *Tasmanian Museum and Art Gallery*

- continuing work on the Tasmanian Museum and Art Gallery redevelopment, including site investigation analysis and the development of a site master plan;
- enhancing the State collection by continuing to pursue opportunities to acquire collections of State significance and by updating collection policies;
- continuing to open areas of the city site for public access, and review exhibition spaces that will include an interpretive exhibition of Tasmanian Aboriginal culture;
- pursuing opportunities to further develop partnerships and strategic alliances with other government and private sector organisations to enhance the profile of the arts, heritage and sciences in Tasmania;
- continuing to enhance operational strategies to deliver on the Tasmanian Museum and Art Gallery's strategic intent;

### *Arts Industry Development*

- providing an additional \$1.5 million of arts grants to develop and support the arts sector in Tasmania, by providing increased opportunities for all Tasmanians to access and engage in the arts and cultural activities;
- consulting with the Tasmanian arts industry during the development of a new Government vision for the arts;
- establishing a partnership between Tasmanian Aboriginal women, Arts Tasmania, the Tasmanian Museum and Art Gallery and the National Museum of Australia to promote traditional basket making techniques and grasses used in contemporary arts practice, leading to a national Aboriginal Baskets exhibition in 2008-09;
- renewing the Visual Arts Crafts Strategy in partnership with the Australian Government to support the growth and infrastructure underpinning this important sector in Tasmania;
- providing support to the Theatre Royal for the refurbishment of seating in the Theatre, as part of ongoing support to the Theatre as a premier performing arts venue. Funding of \$500 000 will be provided to the Theatre for this purpose in 2006-07;
- supporting the Tasmanian Symphony Orchestra (TSO) to develop the acoustics in the Federation Concert Hall to a world-class standard. Funding of \$400 000 will be provided to the TSO for this purpose in 2006-07;
- bringing to completion Design Island, a three-year strategy to develop and promote the work of our emerging designers. Design Island: *Crossing Hemispheres* will take the best of Tasmanian design to a global market;
- working in partnership with the Austrade Arts Export Strategy to develop locally made jewellery for export as its first foray into South East Asia in 2008;

### *Aboriginal Heritage*

- developing new Tasmanian Aboriginal heritage legislation that further empowers the Tasmanian Aboriginal community, improves protection of Aboriginal heritage, and establishes greater certainty and clarity for individuals and organisations seeking to meet their regulatory responsibilities;
- investigating and developing regulatory services and products to streamline business processes and increase awareness and access to advice on Aboriginal heritage;
- undertaking research into Tasmanian Aboriginal rock markings and art; and
- improving identification and understanding of threats to Tasmanian Aboriginal heritage.

**Table 12.8: Performance Information – Output Group 3**

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<b>Historic Heritage Services</b>					
<b>Number of places on the Tasmanian Heritage Register</b>					
	Number	5 325	5 336	5 400	5 500
<b>Recorded historic heritage sites actively managed<sup>1</sup></b>					
	%	12.0	11.0	11.0	10.0
<b>Tasmanian Museum and Art Gallery</b>					
<b>TMAG Total Visitors</b>					
	Number	810/day	883/day	880/day	880/day
<b>Art Industry Development</b>					
<b>Attendance at selected cultural venues</b>					
	'000	729	760	760	770
<b>Contribution to GSP of selected cultural industries</b>					
	\$ million	80	105	116	128
<b>Employment in selected cultural and leisure activities<sup>2</sup></b>					
	Number	19 200	19 800	20 000	20 200
<b>Aboriginal Heritage</b>					
<b>AHO activities involving decision-making by Tasmanian Aboriginal Land and Sea Council<sup>3</sup></b>					
	%	na	na	30	tbd
<b>AHO regulatory activities (compliance and non-compliance)<sup>4</sup></b>					
	%	na	na	60	tbd

Notes:

1. The percentage of recorded historic heritage sites actively managed relates to those places on the Tasmanian Heritage Register that were subject to a work application or exclusion, or those that received conservation funding grants.
2. The 2004-05 and 2005-06 figures are estimates only with the statistic only published every three years by the Australian Bureau of Statistics.
3. Represents percentage of activities focusing on formal assessment and decision-making by the Aboriginal community.
4. Represents percentage of activities dealing with regulatory services under the *Aboriginal Relics Act 1975*.

## Performance Information Comments

### Historic Heritage Services

The performance indicators reflect the increase in the number of heritage sites permanently listed and recorded in the Tasmanian Heritage Register. Permanent entry in the Heritage Register ensures management of heritage properties in line with requirements set out in the *Historic Cultural Heritage Act 1995*. The figures are supported by statistics showing an increase in the number of applications to complete works on heritage listed properties.

### Tasmanian Museum and Art Gallery

The visitation targets set for the Tasmanian Museum and Art Gallery for 2006-07 have been exceeded, an achievement reflective of continued interest shown by intrastate, interstate and international visitors.

Visitation levels are still expected to be high for 2007-08, despite potential disruptions caused by the redevelopment of the Tasmanian Museum and Art Gallery.

### *Art Industry Development*

The performance information indicates continuing and sustained growth in interest in the cultural activities in Tasmania and the increasing involvement of Tasmanians as practitioners and audiences.

### *Aboriginal Heritage*

New performance information is being assessed by the Aboriginal Heritage Office to measure success against key strategies. Baseline performance information is being gathered for activities involving decision-making by the Aboriginal community, community participation, pre-emptive protection activities, compliance activities, and policy development.

## Output Group 4: Environment Protection and Analytical Services

### *Description*

The Environment Protection and Analytical Services Output Group aims to deliver that best practice in environmental management so that Tasmania has a clean, healthy and sustainable environment that supports our economic and social well being.

Activities undertaken include:

- developing high quality, contemporary policies and strategies for the protection of the environment;
- ensuring development proposals meet appropriate environmental guidelines and standards;
- regulating the environmental impacts of major industrial and municipal activities;
- monitoring environmental performance;
- promoting and facilitating sustainable business practices and lifestyles; and
- providing a range of scientific and analytical services.

This Output Group contributes to the achievement of Tasmania Together Goal 11 - Sound social and economic infrastructure planning; and Goal 12 - Sustainable management of our natural resources.

Users of this Output Group include the Australian, State and Local Governments, secondary industries, private businesses and the general community.



**Table 12.9: Summary Financial Information - Output Group 4**

	2006-07	2007-08	
<b>Environment Protection and Analytical Services</b>	<b>Budget</b>	<b>Budget</b>	<b>Variation</b>
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation	8 761	9 177	4.7
Interest Revenue	860	850	(1.2)
Grants	16	....	(100.0)
Sales of Goods and Services <sup>1</sup>	1 840	2 190	19.0
Other Revenue	30	30	....
<b>TOTAL</b>	<b>11 507</b>	<b>12 247</b>	<b>6.4</b>
<b>EXPENSES</b>			
<b>Employee Entitlements</b>			
Salaries and Wages	6 666	6 979	4.7
Other Employee Related Expenses <sup>2</sup>	237	7	(97.0)
Superannuation	673	714	6.1
Depreciation and Amortisation	343	343	....
Grants and Transfer Payments	20	20	....
<b>Supplies and Consumables</b>			
Property Services	781	797	2.0
Maintenance	8	8	....
Information Technology	179	202	12.8
Travel and Transport	387	407	5.2
Advertising and Promotion	23	23	....
Other Supplies and Consumables	1 770	1 893	6.9
Other Expenses	920	966	5.0
<b>TOTAL</b>	<b>12 007</b>	<b>12 359</b>	<b>2.9</b>
<b>EXPENSES BY OUTPUT</b>			
4.1 Environmental and Pollution Control	9 531	9 820	3.0
4.2 Analytical Services	2 476	2 539	2.5
<b>TOTAL</b>	<b>12 007</b>	<b>12 359</b>	<b>2.9</b>

Notes:

1. The increase in Sales of Goods and Services reflects increased sales revenue from the Analytical Laboratories and revenue from a number of smaller programs funded through external revenue sources.
2. The decrease in Other Employee Related Expenses reflects the reclassification of expenditure to Salaries and Wages.

## *Major Issues and Initiatives for 2007-08*

Major issues and initiatives for this Output Group include:

- establishing an Environment Protection Authority (EPA) with funding of \$400 000 which, subject to approval of the legislation, will commence operating in the first half of 2008;
- continuing the Living Environment Program and its suite of projects aimed at improving environmental quality, particularly in cities and towns where Tasmanians live and work;
- assisting with the assessment of the large number of management plans that will need to be prepared and submitted to enable construction and commissioning, if approved, of the proposed northern pulp mill, as well as supporting the regulation and assessment of all major projects;
- improving waste management, through the implementation of a controlled waste tracking system, the development of a household hazardous waste collection system in partnership with Local Government and implementation of initiatives to reduce waste to landfill;
- providing input to the Government's Water and Sewerage Taskforce in relation to water quality and environmental issues;
- reducing pollution of urban waterways through implementation of a state-wide best practice stormwater management program, promotion of water sensitive urban design and continuing the Derwent and Tamar estuary programs;
- building the technical capacity of Local Government to deal with noise problems in the community;
- increasing the level of information available about site contamination and possible land use that may involve a risk of contamination;
- applying new litter legislation, including provision for a litter offence reporting hotline. This will be complemented by increased effort in anti-litter education to reduce the negative impact of litter on the environment and Brand Tasmania;
- further implementing the CleanBiz program to improve the environmental sustainability of Tasmanian industry;
- improving the effectiveness and efficiency of the environmental regulatory system through the development of integrated data management and quality management systems, implementing a new system of annual fees that provide incentives for good performance, and meeting new timeframes for completing development assessments;
- expanding the State's air quality monitoring network with the commencement of the operation of monitoring stations at Devonport and George Town, and taking over the operation of the air quality monitoring station at Bell Bay and a number of subsidiary monitoring stations in the broader Bell Bay air shed;
- implementing the State Air Quality Strategy, with an emphasis on programs to reduce fine particle pollution;
- introducing into Parliament amendments to the *Environmental Management and Pollution Control Act 1994* to give effect to two major reviews of the legislation and put in place a more formal contaminated sites management system;

- calling for expressions of interest to operate a copper cementation plant at Queenstown to recover copper currently being discharged into the Queen River with acid drainage;
- consolidating the operations of the Analytical Services Tasmania laboratory within a single site; and
- improving waste management through the development of a State waste strategy and working with Local Government to improve regional waste management.

**Table 12.10: Performance Information – Output Group 4**

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
<b>Air quality:</b>					
Hobart	Exceeds PM <sub>10</sub> Standards <sup>1</sup>	1	....	2	2
Launceston	Exceeds PM <sub>10</sub> Standards <sup>1</sup>	16	5	5	5
<b>Review of Environmental Management Plans (existing and new)</b>					
Permits reviewed (existing and new)	Number	55 <sup>3</sup>	47	65	60
Median time to complete assessments of Level 2 activities <sup>2</sup>	Days	117	108	90	90
<b>Analytical Services:</b>					
Number of analyses performed	'000	138.1	164.0	160.0	189.0
Turnaround time	Days	7.2	8.8	8.0	8.0

**Notes:**

1. The National Environment Protection Measure (NEPM) PM<sub>10</sub> counts the number of days that exceed the NEPM standard of 50 micrograms per cubic metre of air.
2. Level 2 activities are listed in Schedule 2 of the *Environment Management and Pollution Control Act 1994*. Level 2 activities are generally large scale, with a moderate to high degree of technical or process complexity, considerable waste management issues and with significant potential to cause material or serious environmental harm. Such activities require a formal and thorough environmental impact assessment process and on-going regulation and inspection.
3. The 2004-05 actual varies from that reported in the 2006-07 Budget Papers. The new figure is consistent with that reported in DTAE's 2005-06 Annual Report.

### *Performance Information Comments*

Air quality in Hobart continues to meet the requirements of the National Environment Protection Measure on Air Quality (no more than five exceedances of the 50 ug/m<sup>3</sup> standard). In 2006, the location of the Hobart monitoring site was relocated to a more representative site at New Town and exceedances are expected to increase compared to the former site at Prince of Wales Bay. The number of exceedances in Launceston continues on a downward trend since the mid-1990s, but is heavily influenced by weather conditions. To meet the requirements of the national measure, the Department is targeting no more than five exceedances per year by 2007-08.

Analytical Services Tasmania has continued to provide a timely and efficient service notwithstanding an increase in the number of analyses performed.

The number of Environmental Management Plans (EMPs) reviewed each year is subject to variability depending on when industries provide these plans for review. During the past year, the Division has continued its program of updating old licence/permit conditions, resulting in increased activity in this area (permit reviews often coincide with an EMP review). More of the larger industries are moving towards annual reporting against their permit conditions, with major reviews being undertaken every five years. Over time this will reduce the number of EMP reviews undertaken each year.

## Administered Items

### *Grants and Subsidies*

Table 12.11 summarises the Grants and Subsidies paid by the Department of Tourism, Arts and the Environment. A brief description of each payment follows the Table.

**Table 12.11: Grants and Subsidies Financial Summary**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	9 821	7 456	(24.1)
<b>TOTAL</b>	<b>9 821</b>	<b>7 456</b>	<b>(24.1)</b>
<b>EXPENSES</b>			
Government Contribution to TSO <sup>2</sup>	1 065	1 286	20.7
North East Tourist Trail <sup>3</sup>	1 800	....	(100.0)
Port Arthur Historic Site Management Authority	2 000	2 000	....
Royal Tasmanian Botanical Gardens - Government Contribution	2 303	2 310	0.3
Tasmanian Icon Program	1 000	1 000	....
Ten Days on the Island <sup>4</sup>	1 400	600	(57.2)
Theatre Royal	143	150	4.8
Wellington Park Contribution	110	110	....
<b>TOTAL</b>	<b>9 821</b>	<b>7 456</b>	<b>(24.1)</b>

Notes:

1. The decrease in the Annual Appropriation reflects cessation of funding for the North East Tourist Trail and reduced funding for Ten Days on the Island in a non-festival year.
2. The increase in Government Contribution to TSO reflects additional funding to the Tasmanian Symphony Orchestra to replace a payroll tax rebate that was previously provided to the TSO.
3. The decrease in the North East Tourist Trail reflects the cessation of a one-off contribution in 2006-07 for the North East Tourist Trail project.
4. The decrease in Ten Days on the Island reflects reduced funding at a level consistent with a non-festival year.

### *Government Contribution to Tasmanian Symphony Orchestra*

In January 2007, the Tasmanian Symphony Orchestra, with other State symphony orchestras, cut formal ties to the ABC to become an incorporated entity. Both the Tasmanian and Australian Governments increased their contributions to the TSO in 2006-07 to enable the Orchestra to retain its operating levels and status as one of the world's finest small orchestras under the artistic leadership of Sebastian Lang-Lessing.

The 2007-08 base funding contribution to the Orchestra of \$1.3 million is supplemented with Tasmanian Icon Program funding of \$500 000. The Orchestra will use the Icon funding to tour internationally in 2007-08.

### *North East Tourist Trail*

The Government provided one-off funding of \$1.8 million to the Dorset Council in 2006-07 for a tourism trail experience in the State's North East, the Trail of the Tin Dragon project.

### *Port Arthur Historic Site Management Authority*

The \$2.0 million payment to the Authority represents annual funding provided under the Government's 2005-06 five-year funding agreement to support the agreed conservation plan for the Port Arthur Historic Site.

### *Royal Tasmanian Botanical Gardens – Government Contribution*

This payment represents the Government's contribution towards the operation of the Royal Tasmanian Botanical Gardens (RTBG). Further information on the RTBG is provided in Chapter 23 of Budget Paper No 2.

### *Tasmanian Icon Program*

This program is designed to utilise world-class Tasmanian talent to promote the State both nationally and internationally. Currently, funded icons are the Tasmanian Symphony Orchestra, one of the best small orchestras in the world, and the State Cricket Team, the Tassie Tigers.

### *Ten Days on the Island*

The Government will continue its support for Ten Days on the Island until 2009, with a review of Ten Days on the Island to be undertaken following the 2009 festival. Ten Days on the Island 2007 experienced a growth in financial support from other partners and delivered events in every municipality across Tasmania. Artists with island connections from around the world performed and exhibited state-wide. Major new works developed in Tasmania was a feature. Tasdance premiered a new work in collaboration with a New Zealand choreographer and performances of Dream Makers drew large crowds to a free family event in Salamanca Place.

### *Theatre Royal*

In 2006-07, the Government committed to providing additional funding to Australia's oldest continually operating theatre, the Theatre Royal, to increase its capacity to promote the Theatre as a contemporary and historic performing arts venue. This funding is in addition to the \$500 000 provided to the Theatre in 2006-07 for the refurbishment of seating.

### *Wellington Park Contribution*

The allocation represents the Government's contribution to the costs of administering the Wellington Park Management Authority.

## Revenue Collected on Behalf of the Consolidated Fund

Funds collected from fees and charges levied for services rendered and contributions from various sources for specific purposes are credited to the Consolidated Fund.

Table: 12.12 Revenue Collected on Behalf of the Consolidated Fund

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>REVENUE</b>			
Fines and Regulatory Fees <sup>1</sup>	1 743	1 981	13.6
Grants	3 400	3 400	....
Sales of Goods and Services	9	....	(100.0)
<b>TOTAL REVENUE</b>	<b>5 152</b>	<b>5 381</b>	<b>4.4</b>
<b>Transfers to the Consolidated Fund</b>			
Australian Government Recurrent Grants	3 400	3 400	....
Other Sales of Services	9	....	(100.0)
Environment Regulatory Fees	1 743	1 981	13.6
<b>TOTAL TRANSFERS TO THE CONSOLIDATED FUND</b>	<b>5 152</b>	<b>5 381</b>	<b>4.4</b>

Note:

1. The increase in Fines and Regulatory Fees reflects new Environment fee regulations and a revised fee structure with the additional revenue being directed to improved environmental regulatory practices.

## Capital Investment Program

Table 12.13: Capital Investment Program<sup>1</sup>

	2007-08 Budget
	\$'000
<b>New Projects</b>	
RTBG Backflow Prevention Project	265
<b>Continuing Projects</b>	
Cradle Mt Central Sewage Treatment	9 577
Cradle Mt Park Visitor Infrastructure	250
Overland Track - Implementation of Business Plan	200
Wineglass Bay Visitor Access Improvements	150
<b>TOTAL CAPITAL INVESTMENT PROGRAM</b>	<b>10 442</b>

Note:

1. For more information regarding the Capital Investment Program, see Chapter 7 of Budget Paper No 1 *The Budget*.

### *Royal Tasmanian Botanical Gardens Backflow Prevention Project*

Funding is provided to install Backflow Prevention Devices to maintain the safety and integrity of the water supply at the RTBG. This project will be completed by June 2008.

### *Cradle Mt Central Sewage Treatment*

Funding is provided for the staged construction of a new central sewage treatment infrastructure to support both current and future tourism infrastructure development at the site. This project is expected to be completed by September 2008.

### *Cradle Mt Park Visitor Infrastructure*

The funding will upgrade visitor infrastructure in the Park to ensure expanding visitor use is sustainable and the experiences provided support Government objectives for the growth of Tasmania's tourism industry. Specifically, the funding will be used to extend the existing day shelter at Ronney Creek and upgrade infrastructure in the Cradle Valley. This project will be completed by November 2007.

### *Overland Track – Implementation of Business Plan*

Funding is provided for the replacement of hut infrastructure. This project will be completed by June 2008.

### *Wineglass Bay Visitor Access Improvements*

Funding is provided for the continuation of the staged re-routing and improvements to the Wineglass Bay walking track. This project will be completed by July 2007.

# DETAILED BUDGET STATEMENTS

Table 12.14: Output Group Expense Summary for the Department of Tourism, Arts and the Environment

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<i>Minister for Tourism, Arts and the Environment</i>			
<b>Output Group 1 - Tourism</b>			
1.1 Tourism Marketing	18 576	18 574	....
1.2 Tourism Destination Development	5 475	5 569	1.7
1.3 Tourism Distribution Services <sup>1</sup>	10 872	10 098	(7.1)
1.4 Major Events Support <sup>2</sup>	5 209	4 373	(16.0)
	<b>40 132</b>	<b>38 614</b>	<b>(3.8)</b>
<b>Output Group 2 - Parks and Wildlife Management</b>			
2.1 Parks and Wildlife Management <sup>3</sup>	34 202	37 869	10.7
	<b>34 202</b>	<b>37 869</b>	<b>10.7</b>
<b>Output Group 3 - Heritage and the Arts</b>			
3.1 Historic Heritage Services	2 776	2 920	5.2
3.2 Tasmanian Museum and Art Gallery	7 087	7 049	(0.5)
3.3 Art Industry Development <sup>4</sup>	6 483	7 304	12.7
3.4 Aboriginal Heritage	805	752	(6.6)
	<b>17 151</b>	<b>18 025</b>	<b>5.1</b>
<b>Output Group 4 - Environment</b>			
4.1 Environmental and Pollution Control	9 531	9 820	3.0
4.2 Analytical Services	2 476	2 539	2.5
	<b>12 007</b>	<b>12 359</b>	<b>2.9</b>
Grants and Subsidies <sup>5</sup>	9 821	7 456	(24.1)
Capital Investment Program <sup>6</sup>	1 475	265	(82.0)
Special Capital Investment Funds <sup>7</sup>	3 874	6 129	58.2
<b>TOTAL AGENCY</b>	<b>118 662</b>	<b>120 717</b>	<b>1.7</b>

Notes:

1. The decrease in Tourism Distribution Services reflects reduced expenditure associated with estimated reductions in travel sales.
2. The decrease in Major Events reflects reduced expenditure previously supported from external revenue sources.
3. The increase in Parks and Wildlife Management reflects additional funding of \$497 000 for the fuel reduction burning program and \$3.0 million for parks infrastructure maintenance.
4. The increase in Art Industry Development reflects additional funding for the arts, partly offset by a reduction in expenditure for one-off maintenance in 2006-07 for the West Coast Heritage Museum.
5. The decrease in Grants and Subsidies reflects reduced expenditure for the Ten Days on the Island festival with 2007-08 being a non-festival year, and 2006-07 Grants and Subsidies including a one-off contribution of funding to the North East Tourist Trail.



6. The decrease in Capital Investment Program reflects the cessation of funding for the purchase of environmental air monitoring equipment in 2006-07. Table 12.13 lists the Department's 2007-08 Capital Investment Program projects.
7. The increase in Special Capital Investment Funds reflects funding for the new Hawthorn Football Club Agreement.

**Table 12.15: Income Statement for the Department of Tourism, Arts and the Environment**

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation	88 865	93 550	5.2
Other <sup>1</sup>	2 322	830	(64.3)
<b>Interest Revenue</b>	860	850	(1.2)
<b>Grants<sup>2</sup></b>	5 411	16 730	209.1
<b>Sales of Goods and Services<sup>3</sup></b>	17 004	15 786	(7.2)
<b>Other Revenue</b>	30	30	....
<b>TOTAL</b>	<b>114 492</b>	<b>127 776</b>	<b>11.6</b>
<b>EXPENSES</b>			
<b>Employee Entitlements</b>	39 199	39 509	0.7
<b>Superannuation</b>	3 635	3 899	7.2
<b>Depreciation and Amortisation</b>	6 148	6 499	5.7
<b>Grants and Transfer Payments<sup>4</sup></b>	11 489	12 874	12.0
<b>Supplies and Consumables</b>	47 175	47 203	....
<b>Other Expenses</b>	2 983	3 277	9.8
<b>TOTAL</b>	<b>110 629</b>	<b>113 261</b>	<b>2.3</b>
<b>NET OPERATING RESULT</b>	<b>3 863</b>	<b>14 515</b>	<b>275.7</b>

Notes:

1. The decrease in Other Revenue from Government reflects the cessation of carry forward funding under section 8A(2) of the *Public Account Act 1986* from 2005-06 to 2006-07. The 2007-08 carry forward comprises Capital Investment Program funding for Cradle Mountain Park Visitor Infrastructure, Overland Track - Implementation of Business Plan and Wineglass Bay Visitor Access Improvements.
2. The increase in Grants reflects additional funding allocations from the Economic and Social Infrastructure Fund for the Tasmanian Museum and Art Gallery redevelopment and the Hawthorn Football Club Agreement.
3. The decrease in Sales of Goods and Services primarily relates to a reduction in travel sales through Tasmania's Temptation Holidays and Retail Travel Centre.
4. The increase in Grants and Transfer Payments primarily relates to expenditure from additional funding provided for the arts.

Table 12.15: Income Statement for the Department of Tourism, Arts and the Environment (continued)

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ADMINISTERED ITEMS</b>			
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	7 648	7 456	(2.6)
Fines and Regulatory Fees <sup>2</sup>	1 743	1 981	13.6
Grants	3 400	3 400	....
Sales of Goods and Services	394	....	(100.0)
<b>TOTAL</b>	<b>13 185</b>	<b>12 837</b>	<b>(2.7)</b>
<b>EXPENSES</b>			
Grants and Subsidies			
Employee Entitlements <sup>3</sup>	155	....	(100.0)
Grants and Transfer Payments	7 455	7 456	....
Supplies and Consumables <sup>3</sup>	189	....	(100.0)
Other Expenses <sup>3</sup>	234	....	(100.0)
Total Grants and Subsidies	8 033	7 456	(7.2)
Transfer to the Consolidated Fund	5 152	5 381	4.4
<b>TOTAL</b>	<b>13 185</b>	<b>12 837</b>	<b>(2.7)</b>

Notes:

1. The decrease in the Annual Appropriation reflects reduced funding for the Ten Days on the Island festival with 2007-08 being a non-festival year.
2. The increase in Fines and Regulatory Fees reflects new Environment fee regulations and a revised fee structure with the additional revenue being directed to improved environmental regulatory practices.
3. The decrease in Employee Entitlements, Supplies and Consumables and Other Expenses reflects a reclassification of expenditure on the TSO and other Administered Payments to Grants and Transfer Payments.

Table 12.16: Balance Sheet as at 30 June for the Department of Tourism, Arts and the Environment

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	35 141	30 768	(12.5)
Receivables <sup>2</sup>	15 244	1 935	(87.4)
Investments <sup>2</sup>	....	14 158	....
Prepayments	894	970	8.5
Tax Assets <sup>3</sup>	223	846	279.3
<b>TOTAL</b>	<b>51 502</b>	<b>48 677</b>	<b>(5.5)</b>
<b>NON-FINANCIAL ASSETS</b>			
Inventory <sup>4</sup>	271	603	122.5
Land and Buildings <sup>5</sup>	443 962	490 354	10.4
Plant and Equipment <sup>6</sup>	3 692	346 628	....
Infrastructure <sup>7</sup>	76 337	69 580	(8.9)
Other <sup>8</sup>	2 163	1 096	(49.4)
<b>TOTAL</b>	<b>526 425</b>	<b>908 261</b>	<b>72.5</b>
<b>TOTAL ASSETS</b>	<b>577 927</b>	<b>956 938</b>	<b>65.5</b>
<b>LIABILITIES</b>			
Payables	2 648	2 711	2.3
Tax Liabilities <sup>9</sup>	64	192	200.0
Employee Entitlements	9 461	9 475	0.1
Accrued Expenses <sup>10</sup>	547	293	(46.5)
Other <sup>11</sup>	3 894	18 348	371.1
<b>TOTAL LIABILITIES</b>	<b>16 614</b>	<b>31 019</b>	<b>86.7</b>
<b>NET ASSETS</b>	<b>561 313</b>	<b>925 919</b>	<b>64.9</b>

Notes:

1. The decrease in Cash reflects a reduction in the level of carry forward funds under section 8A(2) of the *Public Account Act 1986*, and a reduction in balances for on-going and one-off programs supported through external funds.
2. The decrease in Receivables and increase in Investments reflects the reclassification of a debt.
3. The increase in Tax Assets represents a revised estimate of GST receivable.
4. The increase in Inventory reflects the initial recognition of the Tasmanian Museum and Art Gallery inventory.
5. The increase in Land and Buildings reflects a revaluation of land and buildings.
6. The increase in Plant and Equipment reflects the valuation and recognition of the Tasmanian Museum and Art Gallery Collection. The collection had not previously been valued for financial statement reporting.
7. The decrease in Infrastructure primarily relates to the revaluation of infrastructure assets.
8. The decrease in Other Non-Financial Assets reflects a reclassification of assets to other Non-Financial Asset categories.
9. The increase in Tax Liabilities represents a revised estimate of the GST payable.
10. The decrease in Accrued Expenses reflects a revised estimate of this liability based on current data.

11. The increase in Other Liabilities reflects the recognition of a provisional liability for remediation works to be undertaken by a third party in accordance with a debt agreement.

**Table 12.17: Statement of Cash Flows for the Department of Tourism, Arts and the Environment**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Appropriation	88 865	93 550	5.2
Interest Received	860	850	(1.2)
Grants <sup>1</sup>	5 411	16 730	209.1
Sales of Goods and Services <sup>2</sup>	17 004	15 786	(7.2)
GST Receipts	8 300	8 300	....
Other Receipts	30	30	....
<b>Payments</b>			
Employee Entitlements	(39 347)	(39 705)	0.9
Superannuation	(3 635)	(3 899)	7.2
Grants and Transfer Payments <sup>3</sup>	(11 489)	(12 874)	12.0
Supplies and Consumables	(47 228)	(47 256)	....
GST Payments	(8 300)	(7 800)	(6.1)
Other Payments	(2 983)	(3 277)	9.8
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>7 488</b>	<b>20 435</b>	<b>172.9</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets <sup>4</sup>	(11 016)	(20 793)	88.7
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(11 016)</b>	<b>(20 793)</b>	<b>88.7</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(3 528)</b>	<b>(358)</b>	<b>(89.9)</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>38 669</b>	<b>31 126</b>	<b>(13.1)</b>
<b>Cash at the End of Reporting Period</b>	<b>35 141</b>	<b>30 768</b>	<b>(4.6)</b>

**Notes:**

1. The increase in Grants reflects additional funding from the Economic and Social Infrastructure Fund for the Tasmanian Museum and Art Gallery redevelopment and the Hawthorn Football Club Agreement.
2. The decrease in Sales of Goods and Services primarily relates to a reduction in travel sales from Tasmania's Temptation Holidays and Retail Travel Centre.
3. The increase in Grants and Transfer Payments primarily relates to expenditure from additional funding provided for the arts.

4. The increase in the purchase of Fixed Assets relates to increased capital expenditure from the Economic and Social Infrastructure Fund relating to the redevelopment of the Tasmanian Museum and Art Gallery, and increased capital expenditure from the Capital Investment Program for the Cradle Mountain Sewage Treatment Plant.

**Table 12.17: Statement of Cash Flows for the Department of Tourism, Arts and the Environment (continued)**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ADMINISTERED ITEMS</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Appropriation	7 648	7 456	(2.6)
Fines and Regulatory Fees <sup>1</sup>	1 743	1 981	13.6
Grants	3 400	3 400	....
Sales of Goods and Services	394	....	(100.0)
<b>Payments</b>			
Employee Entitlements	(155)	....	(100.0)
Grants and Transfer Payments	(7 455)	(7 456)	....
Supplies and Consumables	(189)	....	(100.0)
Transfers to the Consolidated Fund	(5 152)	(5 381)	4.4
Other Payments	(234)	....	(100.0)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Cash at the End of Reporting Period</b>	<b>....</b>	<b>....</b>	<b>....</b>

**Note:**

1. The increase in Fines and Regulatory Fees reflects new Environment fee regulations and a revised fee structure with the additional revenue being directed to improved environmental regulatory practices.

Table 12.18: Reconciliation of Operating Expenses to Consolidated Fund Appropriation

	2006-07	2007-08
	Budget	Budget
	\$'000	\$'000
<b>Total Operating Expenses</b>	118 662	120 717
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	148	196
Depreciation and Amortisation	(6 148)	(6 499)
Supplies and Consumables	53	53
<b>Total Cash Cost of Outputs</b>	112 715	113 647
<b>Other Funding Sources</b>	(27 218)	(34 254)
<b>Purchase of Capital Items</b>	11 016	20 793
<b>Total Consolidated Fund Appropriation</b>	96 513	101 006

# 13 DEPARTMENT OF TREASURY AND FINANCE

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## AGENCY OUTLINE

The Department of Treasury and Finance is responsible for implementing strategies to achieve the Government's economic and financial objectives and is the central agency responsible for the management of Government financial resources.

The Department is responsible to the Treasurer. It provides the Government with objective advice on the economic and financial management of the State; implements Government policy; performs financial analysis, monitoring and reporting functions; and undertakes tax collection and a number of service, regulatory and compliance activities.

## STRATEGIC FOCUS

The broad strategic focus of the Department is encapsulated in its mission, which is to help the Government improve the well being of Tasmanians by providing high quality advice to the Treasurer, best practice financial, regulatory and client services, and leadership in economic and financial reform.

In pursuing this mission, the Department also makes a major contribution to the achievement of the following major Government Outcomes:

- *Tasmania Together*;
  - enhancing economic growth; and
  - improving the business operating environment;
- Fiscal Strategy; and
  - sound management of the State's finances;
  - a sustainable Budget position; and
  - reduction in debt and liabilities;
- Industry Development Plan;
  - maximising opportunities for employment through increased local content; and
  - providing support and financial incentives for local industry.

# KEY STRATEGIES

The Department of Treasury and Finance will pursue a number of strategies and provide a range of services to assist in the achievement of the above Government Outcomes, including:

- using the Department's values to support its people, and strengthen the organisation and relations with stakeholders;
- securing Tasmania's financial position in the face of major financial pressures and demographic change;
- improving the performance, efficiency and reliability of the Department's systems and processes;
- influencing the outcome of economic and financial reforms impacting on Tasmania;
- playing a lead role in assisting the Government to implement its policy objectives and fulfil its national obligations;
- improving the effectiveness, efficiency and appropriateness of our regulatory frameworks and whole-of-government processes, taking account of community standards; and
- minimising the financial risks to the community from, and contributing to the effective implementation of, major infrastructure developments.



# 2007-08 MAJOR INITIATIVES

As part of the above key strategies, the Department of Treasury and Finance is implementing the following major initiatives:

- completing the consultation with key stakeholders and implementing new State financial management legislation;
- implementing the harmonised Generally Accepted Accounting Principles - Government Finance Statistics (GAAP-GFS) reporting requirements for whole-of-government financial reporting;
- providing strategic policy, regulatory and financial advice to assist in achieving the Government's objective to maximise future broadband telecommunication opportunities and create greater competition in the telecommunications sector;
- supporting the Demographic Change Advisory Council's work program to identify emerging demographic issues and opportunities to address them;
- supporting the Ministerial Taskforce on Water and Sewerage in driving reform in Tasmania's water and wastewater sector;
- arguing Tasmania's case in the Commonwealth Grants Commission's major review of the fiscal equalisation process;
- providing support to the Government Prices Oversight Commission in assessing the extent of Local Governments' compliance with guidelines for cost recovery set out in Urban Water and Wastewater Pricing Guidelines;
- providing support to the Tasmanian Energy Regulator in the transfer of regulatory functions to national regulatory bodies in accordance with the Australian Energy Markets Agreement;
- in liaison with other jurisdictions, implementing legislative and administrative payroll tax consistency by 1 July 2008 to reduce the regulatory burden on employers;
- chairing an oversight committee responsible for commissioning a social and economic study into gambling in Tasmania;
- implementing a contemporary Electronic Document Management System (EDMS) to enable the efficient and effective capture of, and access to, information; and
- developing and implementing an integrated communications plan to enhance effective stakeholder communications.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 13.1: Summary Financial Information for the Department of Treasury and Finance

	2006-07 Budget	2007-08 Budget	Variation %
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	35 705	38 559	8.0
Reserved by Law <sup>1</sup>	....	13	....
Other Revenue	9 318	9 236	(0.9)
<b>TOTAL</b>	<b>45 023</b>	<b>47 808</b>	<b>6.2</b>
<b>EXPENSES</b>			
Financial and Resource Management Services <sup>2</sup>	10 611	11 850	11.7
Economic and Fiscal Policy Advice	7 278	7 768	6.7
Revenue and Regulatory Management Services	15 666	16 038	2.4
Community Assistance	12 470	12 734	2.1
Special Capital Investment Funds	100	100	....
<b>TOTAL</b>	<b>46 125</b>	<b>48 490</b>	<b>5.1</b>
<b>NET OPERATING RESULT</b>	<b>(1 102)</b>	<b>(682)</b>	<b>38.1</b>

Notes:

1. The Reserved by Law item allows for Community Support Levy funds received from betting exchanges to be transferred to the Community Support Levy Account within the Special Deposits and Trust Fund.
2. The increase in the Financial and Resource Management Services Output Group is due to the transfer of the functions of the former Market Structures Facilitation Output to the Shareholder Advice on Government Businesses Output.

**Table 13.2: Special Capital Investment Fund Allocation for the Department of Treasury and Finance**

	Estimated Total Cost	2007-08 Estimate
	\$'000	\$'000
<b>Economic and Social Infrastructure Fund (ESIF)<sup>1</sup></b>		
Tasmanian Electronic Commerce Centre Broadband Facilitation Project	500	100
<b>TOTAL ESIF</b>	<b>500</b>	<b>100</b>
<b>TOTAL SPECIAL CAPITAL INVESTMENT FUND ALLOCATION</b>	<b>500</b>	<b>100</b>

Note:

1. Further information in relation to the Economic and Social Infrastructure Fund is provided in Chapter 4 of Budget Paper No 2.

# DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

The individual Outputs of the Department of Treasury and Finance are provided under the following Output Groups:

- Output Group 1: Financial and Resource Management Services;
- Output Group 2: Economic and Fiscal Policy Advice;
- Output Group 3: Revenue and Regulatory Management Services; and
- Output Group 4: Community Assistance.

## Output Group 1: Financial and Resource Management Services

### *Description*

The purpose of this Output Group is to ensure financial responsibility by managing public sector finances to assist the Government achieve its broader objectives. The focus of the Output Group is the provision of services to the Government related to Budget development and management, financial accounting, reporting and control, monitoring of the financial performance of agencies and government businesses and management of government contracts and government property. The Output Group also includes the provision of centralised management of selected key whole-of-government support services.

This Output Group directly contributes to the Agency Outcome – *The Treasurer and other key clients receive efficient and effective financial and resource management services.*

Activities undertaken within this Output Group include:

- managing the State Budget process, providing policy advice on budgetary issues and monitoring financial performance and the Fiscal Strategy;
- undertaking whole-of-government financial management and providing advice on financial management and reform;
- administering the Tasmanian Risk Management Fund;
- providing a range of services relating to the management of financial assets, borrowing and associated risk mitigation strategies, managing and providing information on the State Debt and ensuring appropriate submissions and presentations are made to the credit rating agencies;
- administering loans, grants, subsidies, concessions and guarantees to the public and other bodies;
- monitoring and providing advice on the performance of, and governance arrangements for, government businesses;
- supporting reforms and policies relating to the Government's ownership of businesses;
- administering government-owned office buildings and the disposal of surplus Crown property;

- providing advice in relation to Government procurement activities and the administration of whole-of-government contracts; and
- providing advice to the Government on maximising opportunities arising from the State's telecommunications infrastructure, and facilitating National Energy Market involvement for Tasmania.

**Table 13.3: Summary Financial Information - Output Group 1**

	2006-07	2007-08	
<b>Financial and Resource Management Services</b>	<b>Budget</b>	<b>Budget</b>	<b>Variation</b>
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	8 451	9 622	13.9
Sales of Goods and Services	1 925	1 923	(0.1)
<b>TOTAL</b>	<b>10 376</b>	<b>11 545</b>	<b>11.3</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages <sup>1</sup>	6 938	7 739	11.5
Other Employee Related Expenses <sup>1</sup>	27	30	11.1
Superannuation <sup>1</sup>	763	849	11.3
Depreciation and Amortisation	110	105	(4.5)
Supplies and Consumables			
Consultants <sup>1</sup>	160	376	135.0
Property Services	503	509	1.2
Communications	97	96	(1.0)
Information Technology	599	545	(9.0)
Travel and Transport <sup>1</sup>	136	151	11.0
Advertising and Promotion	21	20	(4.8)
Other Supplies and Consumables <sup>1</sup>	758	879	16.0
Other Expenses <sup>1</sup>	499	551	10.4
<b>TOTAL</b>	<b>10 611</b>	<b>11 850</b>	<b>11.7</b>
<b>EXPENSE BY OUTPUT</b>			
1.1 Budget Development and Management	2 568	2 387	(7.0)
1.2 Financial Management and Accounting Services	3 573	3 653	2.2
1.3 Shareholder Advice on Government Businesses <sup>1</sup>	1 649	3 051	85.0
1.4 Government Property and Accommodation Services	1 099	1 026	(6.6)
1.5 Government Procurement Services	1 722	1 733	0.6
<b>TOTAL</b>	<b>10 611</b>	<b>11 850</b>	<b>11.7</b>

Note:

1. The increase in the Annual Appropriation, various expenses and the Shareholder Advice on Government Businesses Output has arisen due to the transfer of the functions of the former Market Structures Facilitation Output from Output Group 2 to this Output Group.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives for 2007-08 in relation to the Output Group will be to:

- complete the consultation with key stakeholders and implement new State financial management legislation, comprising a separate Financial Management Act and a separate Audit Act;
- implement the harmonised Generally Accepted Accounting Principles – Government Finance Statistics (GAAP-GFS) reporting requirements for whole-of-government financial reporting (including the General Government, Public Non-Financial Corporations and Public Financial Corporations Sectors);
- contribute to the development of the final two phases of the GAAP-GFS harmonisation project and other revised accounting standards;
- develop and promulgate accounting policy guidance in relation to the introduction of the new legislative requirements and revised accounting standards;
- provide ongoing support to the Heads of Treasuries Accounting and Reporting Advisory Committee (HoTARAC) in its consideration of major accounting and public finance reporting issues, particularly in relation to contributing to the revision and development of Australian Accounting Standards applicable to the public sector;
- continue the implementation of the Office Accommodation and Property Services Strategic Plan, with particular regard to the divestment of surplus and non-strategic government-owned office accommodation;
- review and renew major strategic whole-of-government contracts;
- tender the fund administration services contract for the Tasmanian Risk Management Fund;
- continue to identify and implement strategies to enhance the capacity of Tasmania's small-to-medium enterprises to competitively bid for the supply of goods and services to government;
- enhance the governance arrangements for Government Business Enterprises and State-owned Companies;
- coordinate the necessary arrangements to facilitate the effective transition to a competitive retail electricity market; and
- provide strategic policy, regulatory and financial advice to assist the Government's objective to maximise future broadband telecommunications opportunities.

**Table 13.4: Performance Information – Output Group 1**

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
Proportion of financial reports receiving an unqualified audit opinion <sup>1</sup>	%	100	100	100	100
Stakeholder satisfaction rating of the quality of services (expressed as a percentage) <sup>2</sup>	%	na	98	na	>90
Treasury-managed property vacancy rate <sup>3</sup>	%	2.6	2.1	1.5	1.5
State Service workers' compensation contributions as a percentage of the average premium charged by private insurers <sup>4</sup>	%	64	65	<65	<65
Proportion of financial reports published by the required date <sup>5</sup>	%	100	100	100	100
Variance between Budget estimate and actual GBE/SOC returns <sup>6</sup>	%	9.8	2.8	<5.0	<5.0

Notes:

1. An unqualified audit opinion from the Auditor-General indicates that the financial reports are a true and accurate reflection of the Government's finances. The whole-of-government financial reports that receive an audit opinion consist of the Treasurer's Annual Financial Report and the Consolidated Financial Statements.
2. The satisfaction rating is obtained from the results of the Department's Stakeholder Survey in relation to the quality and appropriateness of advice and accessibility and responsiveness of officers in the Budget and Finance Division. This survey is undertaken every second year with the next survey results due in 2007-08.
3. The vacancy rate is the proportion of all owned and leased office space managed by the Department that is currently vacant and available for occupation.
4. The Tasmanian Risk Management Fund, which is managed by the Department, includes a self-insurance scheme for the workers' compensation liabilities of participating agencies. An indication of the relative efficiency of the Fund can be obtained by comparing the workers' compensation contributions paid by agencies to the Fund with the workers' compensation premiums charged by private insurers. The measure is calculated by comparing average agency workers' compensation contributions, as a proportion of salaries, with the contribution rate of private insurers.
5. The whole-of-government financial reports, published each year in accordance with legislative deadlines, include the Mid-Year Financial Report, the Preliminary Outcomes Report and the Treasurer's Annual Financial Report.
6. The estimated returns from Government Businesses and State-owned Companies that will be received during the year include dividends, tax equivalent payments, rate equivalent payments and guarantee fees.

## Output Group 2: Economic and Fiscal Policy Advice

### *Description*

The purpose of this Output Group is to provide high quality policy advice on economic and fiscal issues with the focus on improving Tasmania's economy and business environment, and ensure the sustainability of the State's Budget and fiscal position.

This Output Group directly contributes to the Agency Outcome – *The Government receives sound and timely economic and fiscal policy advice.*

Activities undertaken within this Output Group include:

- publishing annually a Competition Index to assess the competitiveness of Tasmania as a business location relative to the other states and territories in Australia and New Zealand. This assists the Government in identifying how it might best focus industry policy;
- publishing research on emerging social, economic and fiscal issues that Tasmania may face due to projected demographic changes. This will help governments, businesses and individuals prepare for future opportunities and challenges;
- providing advice to the Government on:
  - Tasmanian economic conditions and movements in key international, national and local economic indicators;
  - the progress of economic reform initiatives;
  - water and sewerage reform;
  - Tasmania's participation in national reform issues;
  - Australian Government-State and State-Local Government financial relations;
  - the regulation and taxation of gaming activities, and licensing of liquor sales;
  - public sector superannuation matters, including ensuring compliance with all relevant Australian Government legislation; and
  - State revenue policy issues, including the impact of taxation measures; and
- administering regulatory reform initiatives, including administration of the *Subordinate Legislation Act 1992*, the Legislation Review Program and mutual recognition arrangements.



**Table 13.5: Summary Financial Information - Output Group 2**

	2006-07	2007-08	
Economic and Fiscal Policy Advice	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	6 746	7 622	13.0
Sales of Goods and Services <sup>2</sup>	375	321	(14.4)
<b>TOTAL</b>	<b>7 121</b>	<b>7 943</b>	<b>11.5</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages	4 493	4 855	8.1
Other Employee Related Expenses	18	19	5.6
Superannuation	494	532	7.7
Depreciation and Amortisation	83	76	(8.4)
Supplies and Consumables			
Consultants <sup>1</sup>	612	674	10.1
Property Services	390	411	5.4
Communications	73	67	(8.2)
Information Technology	275	249	(9.5)
Travel and Transport	161	163	1.2
Advertising and Promotion	3	3	....
Other Supplies and Consumables	352	369	4.8
Other Expenses	324	350	8.0
<b>TOTAL</b>	<b>7 278</b>	<b>7 768</b>	<b>6.7</b>
<b>EXPENSE BY OUTPUT</b>			
2.1 Economic Policy Advice <sup>3</sup>	2 244	2 486	10.8
2.2 Fiscal Policy and Regulatory Advice <sup>4</sup>	3 150	5 282	67.7
2.3 Market Structures Facilitation <sup>5</sup>	1 884	....	(100.0)
<b>TOTAL</b>	<b>7 278</b>	<b>7 768</b>	<b>6.7</b>

Notes:

1. The increase in the Annual Appropriation and Consultants reflects additional resources being allocated to the support of the Ministerial Water and Sewerage Taskforce and the Demographic Change Advisory Council.
2. The decrease in Sales of Goods and Services is primarily associated with decreased board fees and Tasmanian Community Fund recoveries paid into the Departmental Operating Account within the Special Deposits and Trust Fund.
3. The increase in the Economic Policy Advice Output has largely resulted from resources being allocated to support the Demographic Change Advisory Council.
4. The increase in the Fiscal Policy and Regulatory Advice Output reflects additional resources being allocated to support the Ministerial Water and Sewerage Taskforce.
5. From 2007-08, the functions of the Market Structures Facilitation Output will be transferred to the Shareholder Advice on Government Businesses Output in Output Group 1.

## Major Issues and Initiatives for 2007-08

During 2007-08, major initiatives will be undertaken to:

- support the State's continued compliance with its Council of Australian Governments (COAG) economic reform obligations;
- argue Tasmania's case in the Commonwealth Grants Commission's major review of the fiscal equalisation process;
- support the Ministerial Taskforce on Water and Sewerage in implementing reform in Tasmania's water and wastewater sector. As detailed in Table 13.6, this initiative will be a major component of Output 2.2 Fiscal Policy and Regulatory Advice;
- implement legislative and administrative payroll tax consistency, in liaison with other jurisdictions, in order to reduce the burden on employers;
- progress the Demographic Change Advisory Council's work program to identify emerging demographic issues and opportunities to address them;
- provide ongoing input into the negotiation of major Australian Government Specific Purpose Payments (SPPs);
- prepare advice to Government on strategies to sustain Tasmania's strong economic performance; and
- continue to ensure that the State's taxation, gaming and superannuation legislation is effective and contemporary.

**Table 13.6: Summary Expense Information - Output 2.2**

	2006-07	2007-08	
<b>Economic and Fiscal Policy Advice</b>	<b>Budget</b>	<b>Budget</b>	<b>Variation</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>2.2 Fiscal Policy and Regulatory Advice</b>	<b>3 150</b>	<b>3 410</b>	<b>8.2</b>
<b>Water and Sewerage Reform Advice<sup>1</sup></b>	<b>....</b>	<b>1 872</b>	<b>....</b>
<b>TOTAL</b>	<b>3 150</b>	<b>5 282</b>	<b>67.7</b>

Note:

1. This activity was not anticipated in the 2006-07 Budget. Estimated expenditure for Water and Sewerage Reform Advice in 2006-07 is \$587 000.

**Table 13.7: Performance Information – Output Group 2**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
Stakeholder satisfaction rating of the quality of services <sup>1</sup>	%	na	96	na	>90
Variance between Budget estimate and actual taxation receipts <sup>2</sup>	%	11.5	5.1	<5.0	<5.0
Variance between Budget estimate and actual Australian Government payments <sup>3</sup>	%	6.4	0.9	<5.0	<5.0
Ranking of the accuracy of Tasmanian tax forecasts compared with other states and territories <sup>4</sup>	Ranking (out of 8)	7th	3rd	4th or better	4th or better
Number of annual Budget economic forecasts more accurate than industry benchmark forecasts <sup>5</sup>	Forecasts Prepared No. more accurate	7 6	6 4	6 4 or more	5 3 or more

Notes:

1. The satisfaction rating is obtained from the results of the Department's Stakeholder Survey in relation to the quality and appropriateness of advice and accessibility and responsiveness of officers in the Economic and Financial Policy Division. This survey is undertaken every second year with the next survey results due in 2007-08.
2. The accuracy of the Department's taxation receipt forecasts can be determined by comparing the Budget estimate with the actual end of year outcome.
3. The accuracy of the Department's Australian Government payments forecasts can be determined by comparing the Budget estimate with the actual end of year outcome.
4. This measure provides an indication of the quality of taxation forecasts by comparing the accuracy of the Department's estimates with the accuracy of estimates developed by other State and Territory Treasuries. The target is for Tasmania to be ranked in the top half of all jurisdictions.
5. The quality of the economic forecasts can be determined by comparing the accuracy of the Department's estimates with the accuracy of industry benchmark forecasts developed by independent economic forecasters at around the same time. The target is for over half of the Department's estimates to be more accurate than industry benchmark forecasts. The reduction in the number of Budget economic forecasts is due to the Department ceasing to provide a forecast of the 10 year Commonwealth bond rate from the 2007-08 Budget.

## Output Group 3: Revenue and Regulatory Management Services

### *Description*

The purpose of this Output Group is to manage taxation revenue collection and certain regulatory services to assist the Government to achieve its objectives. The focus is on the efficient collection of revenue, the regulation of gaming and liquor licensing, and providing support to the Government Prices Oversight Commission and the Tasmanian Energy Regulator.

This Output Group directly contributes to the Agency Outcome – *Statutory bodies receive high quality regulatory and revenue management services.*

Activities undertaken within this Output Group include:

- administering taxation legislation and the associated collection of state revenue, including monitoring the compliance of taxpayers with state revenue legislation;
- administering various grants, subsidies and concessions to the Tasmanian community;
- regulating and controlling casino gaming, gaming machines, internet gaming, Keno, minor gaming and betting exchanges;
- administering gaming legislation, including providing support for the Tasmanian Gaming Commission in the exercise of its statutory functions under the *Gaming Control Act 1993*;
- regulating and administering liquor licensing and providing support to the Commissioner for Licensing and the Licensing Board of Tasmania to enable their statutory functions to be performed in accordance with the *Liquor Licensing Act 1990*; and
- providing support to the Tasmanian Energy Regulator and Government Prices Oversight Commission in the exercise of their statutory functions, which include the regulation of the electricity and gas industries and the conduct of independent pricing reviews on behalf of Government.

**Table 13.8: Summary Financial Information - Output Group 3**

	2006-07	2007-08	
Revenue and Regulatory Management Services	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	12 608	13 337	5.8
Sales of Goods and Services <sup>1</sup>	2 510	2 147	(14.5)
<b>TOTAL</b>	<b>15 118</b>	<b>15 484</b>	<b>2.4</b>
<b>EXPENSE</b>			
Employee Entitlements			
Salaries and Wages	9 330	10 084	8.1
Other Employee Related Expenses	46	50	8.7
Superannuation	1 033	1 112	7.6
Depreciation and Amortisation	157	149	(5.1)
Supplies and Consumables			
Consultants <sup>1</sup>	843	317	(62.4)
Property Services	789	761	(3.5)
Communications	340	328	(3.5)
Information Technology	856	779	(9.0)
Travel and Transport	379	391	3.2
Advertising and Promotion <sup>2</sup>	51	60	17.6
Other Supplies and Consumables	1 170	1 281	9.5
Other Expenses	672	726	8.0
<b>TOTAL</b>	<b>15 666</b>	<b>16 038</b>	<b>2.4</b>
<b>EXPENSE BY OUTPUT</b>			
3.1 Tax Administration and Revenue Collection	7 238	7 720	6.7
3.2 Regulation and Administration of Liquor and Gaming	6 151	6 402	4.1
3.3 Government Prices Oversight and Energy Regulation <sup>1</sup>	2 277	1 916	(15.9)
<b>TOTAL</b>	<b>15 666</b>	<b>16 038</b>	<b>2.4</b>

Notes:

1. The decrease in Sales of Goods and Services, Consultants and the Government Prices Oversight and Energy Regulation Output is due to fewer pricing policy investigations being undertaken by the Government Prices Oversight Commission and the conclusion of the Tasmanian Energy Regulator's investigation into the pricing of regulated electricity distribution and retail services.
2. The increase in Advertising and Promotion is primarily due to the level of advertising associated with public consultation on the electricity price investigation draft report.

## *Major Issues and Initiatives for 2007-08*

The major issues and initiatives for 2007-08 in relation to this Output Group include the:

- provision of support to the Tasmanian Energy Regulator in the transfer of regulatory functions to national regulatory bodies in accordance with the Australian Energy Markets Agreement;
- provision of support to the Government Prices Oversight Commission in assessing the extent of councils' compliance with guidelines for cost recovery set out in Urban Water and Wastewater Pricing Guidelines;
- development of a long term liquor strategy to reduce negative impacts on the community arising from the inappropriate use of liquor;
- implementation of improvements to the Tasmanian Gaming Exclusion Scheme;
- continued development of effective harm minimisation and consumer protection strategies in liquor and gaming;
- implementation of changes to the running and accreditation of responsible conduct of gambling courses;
- expansion of the risk based approach to compliance in casinos and other gaming venues;
- enhancement of the strategic planning approach to current liquor and gaming issues;
- improvement of the customer interface in relation to liquor and gaming licence and permit applications including review of forms and processes;
- working with professional bodies to ensure improved awareness and consultation in relation to State taxation matters;
- undertaking of compliance activity following the abolition of mortgage duty from 1 July 2007, and planning for the abolition of conveyance duty on non-real business property from 1 July 2008;
- implementation of new payroll tax legislation from 1 July 2008 to harmonise payroll tax arrangements with other jurisdictions. This will require changes to systems and processes, delivery of a comprehensive education program, provision of advice to taxpayers and their representatives and the development of supporting rulings and guidelines;
- increase of taxation compliance activity, through both audit and education, with the appointment of two additional tax auditors;
- implementation of a range of amendments to State taxation legislation identified in the annual Miscellaneous Amendments Bill; and
- consolidation of the introduction of compulsory self-assessment of simple duty documents.

**Table 13.9: Performance Information – Output Group 3**

Performance Measure	Unit of Measure	2004-05 Actual	2005-06 Actual	2006-07 Target	2007-08 Target
Total overdue taxation debt as a percentage of total taxation revenue <sup>1</sup>	%	0.7	0.7	<0.8	<0.8
Percentage of formal recommendations accepted by the Tasmanian Gaming Commission <sup>2</sup>	%	92.5	89.2	>80.0	>80.0
Percentage of objections in which the Commissioner of State Revenue's assessment or decision was confirmed <sup>3</sup>	%	81	86	>80	>80
Revenue Branch operating expenses as a percentage of taxation revenue <sup>4</sup>	%	1.5	1.1	<1.5	<1.5
Percentage of liquor applications submitted to a hearing before the Licensing Board within 40 days of receipt <sup>5</sup>	%	81	77	>75	>75

Notes:

1. In providing revenue management services to the Commissioner of State Revenue, the Department seeks to ensure that taxpayers are well informed of their obligations and that overdue taxation debts are minimised. Accordingly, the target is for overdue taxation debt to be a very small percentage of total taxation revenue.
2. Staff of the Department provide advice and support to the Tasmanian Gaming Commission (TGC). While recognising that the TGC is an independent statutory body, a measure of the quality of the services provided is the proportion of all formal recommendations contained in decision papers that are accepted by the TGC.
3. The Commissioner of State Revenue is assisted by staff of the Department to make assessments and decisions in relation to land tax, duties and payroll tax and decide First Home Owner Grant applications. Objections may be lodged against assessments issued to clients or decisions of the Commissioner, Deputy Commissioner or a delegate of the Commissioner. In providing this assistance, the Department seeks to ensure that the original assessments and decisions are accurate and that the number of successful objections to these are minimised. Accordingly, the target is for over 80 per cent of objections to result in the original assessment being confirmed as accurate.
4. An indication of the efficiency of the revenue management services provided by the Department can be gained by comparing total taxation revenue collected with the operating costs required to administer and collect that revenue. The target is for these costs to be kept to a very small proportion of revenue collected.
5. The Department assists the Licensing Board of Tasmania by receiving applications for licences, undertaking investigations on behalf of the Commissioner for Licensing and providing recommendations to the Board on whether the applicant is fit and proper in accordance with the requirements of the *Liquor Licensing Act 1990*. The measure relates to the time taken by the Department to undertake its investigations and prepare submissions for the monthly Board meetings.

## Output Group 4: Community Assistance

### *Description*

The purpose of this Output Group is to administer arrangements that provide targeted community support and subsidised assistance to various segments of the community.

Activities undertaken within this Output Group are:

- payment of the Community Service Obligation (CSO) in relation to the subsidised supply of electricity to Bass Strait Islands customers and the provision of concessions to pensioner customers on the Bass Strait Islands;
- payment of the CSO to The Public Trustee;
- the collection of funds, through the Department's Revenue, Gaming and Licensing Division, for the Community Support Levy. The Department of Health and Human Services provides administrative support for grant programs for the provision of services to compulsive gamblers and for the benefit of charitable organisations, delivers community education on gambling matters and funds activities in the category of other health services. The Department of Economic Development provides administrative support for the grant programs for sport and recreation organisations. The levy is distributed as follows:
  - 50 per cent for research; services for the prevention of compulsive gambling; treatment or rehabilitation of compulsive gamblers; and community education and other health services;
  - 25 per cent for the benefit of charitable organisations; and
  - 25 per cent for sport and recreation organisations;
- payment of an annual contribution to the Anzac Day Trust in accordance with the provisions of the *Anzac Day Observance Act 1929*. The funds are disbursed by the Trust to returned services organisations to assist in providing welfare benefits for their members and families; and
- payment to the Royal Society of Tasmania to assist with the printing of papers.



Table 13.10: Summary Financial Information - Output Group 4

	2006-07	2007-08	
Community Assistance	Budget	Budget	Variation
	\$'000	\$'000	
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	7 900	7 978	1.0
Reserved by Law <sup>1</sup>	....	13	....
Sales of Goods and Services	4 408	4 745	7.6
<b>TOTAL</b>	<b>12 308</b>	<b>12 736</b>	<b>3.5</b>
<b>EXPENSES</b>			
Grants and Transfer Payments	12 470	12 734	2.1
<b>TOTAL</b>	<b>12 470</b>	<b>12 734</b>	<b>2.1</b>
<b>EXPENSES BY OUTPUT</b>			
4.1 Bass Strait Islands Community Service Obligation	7 059	7 092	0.5
4.2 Public Trustee Community Service Obligation	820	864	5.4
4.3 Community Support Levy	4 570	4 756	4.1
4.4 Payment to Anzac Day Trust and Royal Society of Tasmania	21	22	4.8
<b>TOTAL</b>	<b>12 470</b>	<b>12 734</b>	<b>2.1</b>

Note:

1. The Reserved by Law item allows for Community Support Levy funds received from betting exchanges to be transferred to the Community Support Levy Account within the Special Deposits and Trust Fund.

## Administered Items

### *Revenue Collected on Behalf of the Consolidated Fund*

Major fees collected by the Department, which are transferred to the Consolidated Fund, relate to the activities of the Commissioner for Licensing in relation to annual liquor licence fees, applications and transfers of liquor licences for hotels, clubs, restaurants and other premises. Fees are also charged for liquor permits for events, functions and sporting clubs, and to authorise out of hours trading.

Table 13.11 summarises the Revenue collected on behalf of the Consolidated Fund by the Department of Treasury and Finance.

**Table 13.11: Revenue Collected on Behalf of the Consolidated Fund**

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>REVENUE</b>			
Sales of Goods and Services <sup>1</sup>	602	637	5.8
<b>TOTAL REVENUE</b>	602	637	5.8
<b>Transfers to the Consolidated Fund</b>			
Other Sales of Services	602	637	5.8
<b>TOTAL TRANSFERS TO THE CONSOLIDATED FUND</b>	602	637	5.8

**Note:**

1. Sales of Goods and Services consist of revenue from Annual Liquor Licence Fees of \$198 000, Special Licence Fees of \$134 000, and Liquor Licence Transfers and Other Fees of \$305 000.

# DETAILED BUDGET STATEMENTS

Table 13.12: Output Group Expense Summary for the Department of Treasury and Finance

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<i>Treasurer</i>			
<b>Output Group 1 - Financial and Resource Management Services</b>			
1.1 Budget Development and Management	2 568	2 387	(7.0)
1.2 Financial Management and Accounting Services	3 573	3 653	2.2
1.3 Shareholder Advice on Government Businesses <sup>1</sup>	1 649	3 051	85.0
1.4 Government Property and Accommodation Services	1 099	1 026	(6.6)
1.5 Government Procurement Services	1 722	1 733	0.6
	<b>10 611</b>	<b>11 850</b>	<b>11.7</b>
<b>Output Group 2 - Economic and Fiscal Policy Advice</b>			
2.1 Economic Policy Advice <sup>2</sup>	2 244	2 486	10.8
2.2 Fiscal Policy and Regulatory Advice <sup>3</sup>	3 150	5 282	67.7
2.3 Market Structures Facilitation <sup>1</sup>	1 884	....	(100.0)
	<b>7 278</b>	<b>7 768</b>	<b>6.7</b>
<b>Output Group 3 - Revenue and Regulatory Management Services</b>			
3.1 Tax Administration and Revenue Collection	7 238	7 720	6.7
3.2 Regulation and Administration of Liquor and Gaming	6 151	6 402	4.1
3.3 Government Prices Oversight and Energy Regulation <sup>4</sup>	2 277	1 916	(15.9)
	<b>15 666</b>	<b>16 038</b>	<b>2.4</b>
<b>Output Group 4 - Community Assistance</b>			
4.1 Bass Strait Islands Community Service Obligation	7 059	7 092	0.5
4.2 Public Trustee Community Service Obligation	820	864	5.4
4.3 Community Support Levy	4 570	4 756	4.1
4.4 Payment to Anzac Day Trust and Royal Society of Tasmania	21	22	4.8
	<b>12 470</b>	<b>12 734</b>	<b>2.1</b>
<b>Special Capital Investment Funds</b>	<b>100</b>	<b>100</b>	<b>....</b>
<b>TOTAL AGENCY</b>	<b>46 125</b>	<b>48 490</b>	<b>5.1</b>

Notes:

1. The increase in the Shareholder Advice on Government Businesses Output has arisen due to the transfer of the functions of the former Market Structures Facilitation Output from Output Group 2 to Output Group 1.
2. The increase in the Economic Policy Advice Output has largely resulted from resources being allocated to support the Demographic Change Advisory Council.
3. The increase in the Fiscal Policy and Regulatory Advice Output reflects resources being allocated to support the Ministerial Water and Sewerage Taskforce.
4. The decrease in the Government Prices Oversight and Energy Regulation Output is due to fewer pricing policy investigations being undertaken by the Government Prices Oversight Commission and the conclusion of the Tasmanian Energy Regulator's investigation into the pricing of regulated electricity distribution and retail services.

Table 13.13: Income Statement for the Department of Treasury and Finance

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	35 705	38 559	7.9
Reserve by Law	....	13	....
Grants	100	100	....
Sales of Goods and Services	9 218	9 136	(0.9)
<b>TOTAL</b>	<b>45 023</b>	<b>47 808</b>	<b>6.2</b>
<b>EXPENSES</b>			
Employee Entitlements	20 852	22 777	9.2
Superannuation	2 290	2 493	8.8
Depreciation and Amortisation	350	330	(5.8)
Grants and Transfer Payments	12 470	12 734	2.1
Supplies and Consumables	8 668	8 529	(1.7)
Other Expenses	1 495	1 627	8.8
<b>TOTAL</b>	<b>46 125</b>	<b>48 490</b>	<b>5.1</b>
<b>NET OPERATING RESULT</b>	<b>(1 102)</b>	<b>(682)</b>	<b>38.1</b>
<b>ADMINISTERED ITEMS</b>			
<b>INCOME</b>			
Revenue from Government			
Sales of Goods and Services	602	637	5.8
<b>TOTAL</b>	<b>602</b>	<b>637</b>	<b>5.8</b>
<b>EXPENSES</b>			
Transfer to the Consolidated Fund	602	637	5.8
<b>TOTAL</b>	<b>602</b>	<b>637</b>	<b>5.8</b>

Table 13.14: Balance Sheet as at 30 June for the Department of Treasury and Finance

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	3 236	7 065	118.3
Receivables <sup>2</sup>	171	304	77.7
Prepayments <sup>2</sup>	190	214	12.6
Accrued Revenue <sup>2</sup>	131	163	24.4
Tax Assets	195	194	(0.6)
<b>TOTAL</b>	<b>3 923</b>	<b>7 940</b>	<b>102.4</b>
<b>NON-FINANCIAL ASSETS</b>			
Plant and Equipment <sup>3</sup>	924	2 216	139.8
<b>TOTAL</b>	<b>924</b>	<b>2 216</b>	<b>139.8</b>
<b>TOTAL ASSETS</b>	<b>4 847</b>	<b>10 156</b>	<b>109.5</b>
<b>LIABILITIES</b>			
Payables	2 113	2 251	6.5
Employee Entitlements	4 880	5 153	5.5
<b>TOTAL LIABILITIES</b>	<b>6 993</b>	<b>7 404</b>	<b>5.9</b>
<b>NET ASSETS</b>	<b>(2 146)</b>	<b>2 752</b>	<b>228.2</b>

Notes:

1. The increase in Cash of \$3.8 million primarily reflects adjustments to the 2006-07 opening balance. Budget estimates for 2006-07 were compiled in May 2006 prior to the completion of the actual outcomes as at 30 June 2006. The variance from the 2006-07 Budget estimate was impacted by the \$3.2 million difference between the estimated cash as at 1 July 2006 of \$3.8 million and the actual opening cash balance of \$7.0 million.
2. The increases in Receivables, Prepayments and Accrued Revenue primarily reflects adjustments to their 2006-07 opening balances. Budget estimates for 2006-07 were compiled in May 2006 prior to the completion of the actual outcomes as at 30 June 2006. The estimated balances of Receivables, Prepayments and Accrued Revenue are expected to be of a similar magnitude to the actual outcomes as at 30 June 2006 and are presented accordingly.
3. The increase in Plant and Equipment has resulted from the capitalisation of leasehold improvements undertaken in 2005-06 and 2006-07, together with the on-going capitalisation of expenditure associated with the Electronic Document Management System.

Table 13.15: Statement of Cash Flows for the Department of Treasury and Finance

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Appropriation	35 705	38 559	7.9
Reserve by Law	....	13	....
Grants	100	100	
Sales of Goods and Services	9 218	9 136	(0.9)
GST Receipts	1 600	1 600	
<b>Payments</b>			
Employee Entitlements	(20 717)	(22 527)	8.7
Superannuation	(2 290)	(2 493)	8.9
Grants and Transfer Payments	(12 470)	(12 734)	2.1
Supplies and Consumables	(8 668)	(8 529)	(1.7)
GST Payments	(1 600)	(1 600)	....
Other Payments	(1 495)	(1 627)	8.8
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>(617)</b>	<b>(102)</b>	<b>83.5</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(617)</b>	<b>(102)</b>	<b>83.5</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>3 853</b>	<b>7 167</b>	<b>86.0</b>
<b>Cash at the End of Reporting Period</b>	<b>3 236</b>	<b>7 065</b>	<b>118.3</b>

**Table 13.15: Statement of Cash Flows for the Department of Treasury and Finance (continued)**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ADMINISTERED ITEMS</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts			
Sales of Goods and Services	602	637	5.8
Payments			
Transfers to the Consolidated Fund	(602)	(637)	5.8
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	....	....	....
<b>Net Increase/(Decrease) in Cash Held</b>	....	....	....
<b>Cash at the Beginning of Reporting Period</b>	....	....	....
<b>Cash at the End of Reporting Period</b>	....	....	....

Table 13.16: Reconciliation of Operating Expenses to Consolidated Fund Appropriation

	2006-07	2007-08
	Budget	Budget
	\$'000	\$'000
Total Operating Expenses	46 125	48 490
Adjustments for Non-Cash Items		
Employee Entitlements	(134)	(250)
Depreciation	(350)	(330)
Total Cash Cost of Outputs	45 641	47 910
Other Funding Sources	(9 936)	(9 338)
Total Consolidated Fund Appropriation	35 705	38 572



# PART 2:

# AGENCIES

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# 14 HOUSE OF ASSEMBLY

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## AGENCY OUTLINE

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

## STRATEGIC FOCUS

The Office of the Clerk of the House of Assembly will continue to ensure the:

- lawful operation of the House of Assembly and the fulfilment of statutory requirements;
- lawful operation of Committees of the House and Joint Committees; and
- promotion of the role of Parliament.

## KEY STRATEGIES

In order to achieve or assist in the achievement of the above outcomes, the Office of the Clerk of the House of Assembly has implemented the following key strategies:

- the provision of the highest levels of advice and procedural research and administrative services for the effective functioning of the House, its Committees and Members;
- the maintenance of the highest level of professional competence and efficiency;
- being a fair and responsible employer, maximising the potential of all its staff through effective human resource practices; and
- promoting public awareness of the purpose, functions and work of the House by encouraging and facilitating visits by the widest possible range of citizens.

## 2007-08 MAJOR INITIATIVES

A major initiative for the House of Assembly in 2007-08 will be the outcome of the *Working Arrangements of the Parliament* review by the Joint Select Committee, which was established by the Parliament to enquire into Parliamentary reform. Further deliberations of this Committee in 2007-08 may result in changes to Parliamentary performance and efficiency, which could have procedural and financial implications for the House of Assembly.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 14.1: Summary Financial Information for the House of Assembly

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	1 992	2 219	11.4
Reserved by Law <sup>2</sup>	3 387	4 273	26.2
<b>TOTAL</b>	<b>5 379</b>	<b>6 492</b>	<b>20.7</b>
<b>EXPENSES</b>			
House of Assembly Support Services <sup>3</sup>	2 033	2 302	13.2
Payments Administered by the House of Assembly <sup>4</sup>	3 387	4 273	26.2
<b>TOTAL</b>	<b>5 420</b>	<b>6 575</b>	<b>21.3</b>
<b>NET OPERATING RESULT</b>	<b>(41)</b>	<b>(83)</b>	<b>102.4</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Reserved by Law income reflects the additional funding for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
3. The increase in House of Assembly Support Services is primarily due to the additional salaries and wages costs and the anticipated costs associated with upgrading facilities.
4. The increase in Payments Administered by the House of Assembly is primarily due to the additional costs associated with Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.

# DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

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

Output Group 1: House of Assembly Support Services; and

Output Group 2: Payments Administered by the House of Assembly.

# Output Group 1: House of Assembly Support Services

## Description

The Outcomes of this Output Group are the effective and lawful operation of the House and its Committees, the fulfilment of statutory requirements, and the promotion of the role of the Parliament. This Output Group is produced internally by the Office of the Clerk of the House through the provision of both written and oral advice, and the provision of a Committee Secretariat.

**Table 14.2: Summary Financial Information - Output Group 1**

House of Assembly Support Services	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	1 992	2 219	11.4
<b>TOTAL</b>	<b>1 992</b>	<b>2 219</b>	<b>11.4</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages <sup>2</sup>	1 041	1 166	12.0
Other Employee Related Expenses	67	72	7.5
Superannuation	126	132	4.8
Depreciation and Amortisation	39	52	33.3
Supplies and Consumables			
Communications	236	242	2.5
Information Technology	58	59	1.7
Travel and Transport	193	198	2.6
Advertising and Promotion	15	15	....
Other Supplies and Consumables <sup>3</sup>	201	306	52.2
Other Expenses	57	60	5.3
<b>TOTAL</b>	<b>2 033</b>	<b>2 302</b>	<b>13.2</b>
<b>EXPENSES BY OUTPUT</b>			
1.1 House of Assembly Support Services <sup>4</sup>	1 925	2 191	13.8
1.2 Select Committee Support Services	7	7	....
1.3 Investigatory Committee Support Services	101	104	3.0
<b>TOTAL</b>	<b>2 033</b>	<b>2 302</b>	<b>13.2</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Salaries and Wages reflects the anticipated growth in employee entitlements.
3. The increase in Other Supplies and Consumables relates to the anticipated costs associated with upgrading facilities.
4. The increase in House of Assembly Support Services is primarily due to the additional salaries and wages costs and the anticipated costs associated with upgrading facilities.

## Output Group 2: Payments Administered by the House of Assembly

### Description

This Output Group relates to the payment of salaries and allowances as prescribed by the *Parliamentary Salaries, Superannuation and Allowances Act 1973*. This Output Group is produced internally by the Office of the Clerk of the House.

Table 14.3: Summary Financial Information - Output Group 2

	2006-07	2007-08	
Payments Administered by the House of Assembly	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Reserved by Law <sup>1</sup>	3 387	4 273	26.2
<b>TOTAL</b>	<b>3 387</b>	<b>4 273</b>	<b>26.2</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages <sup>2</sup>	3 137	3 612	15.1
Other Employee Related Expenses	....	50	....
Superannuation <sup>3</sup>	75	147	96.0
Supplies and Consumables			
Communications	23	33	43.5
Travel and Transport <sup>4</sup>	140	419	199.3
Other Supplies and Consumables	12	12	....
<b>TOTAL</b>	<b>3 387</b>	<b>4 273</b>	<b>26.2</b>
<b>EXPENSES BY OUTPUT</b>			
2.1 Payments Administered by the House of Assembly <sup>5</sup>	3 387	4 273	26.2
<b>TOTAL</b>	<b>3 387</b>	<b>4 273</b>	<b>26.2</b>

#### Notes:

1. The increase in Reserved by Law income reflects the additional funding for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
2. The increase in Salaries and Wages reflects the additional costs for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
3. The increase in Superannuation reflects the continuing implementation of changed superannuation arrangements for Members elected since 1999.
4. The increase in Travel and Transport reflects the additional costs for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
5. The increase in Payments Administered by the House of Assembly is primarily due to the additional costs associated with Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.

# DETAILED BUDGET STATEMENTS

Table 14.4: Output Group Expense Summary for the House of Assembly

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>Output Group 1 - House of Assembly Support Services</b>			
1.1 House of Assembly Support Services <sup>1</sup>	1 925	2 191	13.8
1.2 Select Committee Support Services	7	7	....
1.3 Investigatory Committee Support Services	101	104	3.0
	<u>2 033</u>	<u>2 302</u>	<u>13.2</u>
<b>Output Group 2 - Payments Administered by the House of Assembly</b>			
2.1 Payments Administered by the House of Assembly <sup>2</sup>	3 387	4 273	26.2
	<u>3 387</u>	<u>4 273</u>	<u>26.2</u>
<b>TOTAL AGENCY</b>	<u>5 420</u>	<u>6 575</u>	<u>21.3</u>

Notes:

1. The increase in House of Assembly Support Services is primarily due to the additional salaries and wages costs and the anticipated costs associated with upgrading facilities.
2. The increase in Payments Administered by the House of Assembly is primarily due to the additional costs associated with Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.

**Table 14.5: Income Statement for the House of Assembly**

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	1 992	2 219	11.3
Reserved by Law <sup>2</sup>	3 387	4 273	26.1
<b>TOTAL</b>	<b>5 379</b>	<b>6 492</b>	<b>20.6</b>
<b>EXPENSES<sup>3</sup></b>			
Employee Entitlements	4 245	4 900	15.4
Superannuation	201	279	38.8
Depreciation and Amortisation	39	52	33.3
Supplies and Consumables	878	1 284	46.2
Other Expenses	57	60	5.2
<b>TOTAL</b>	<b>5 420</b>	<b>6 575</b>	<b>21.3</b>
<b>NET OPERATING RESULT</b>	<b>(41)</b>	<b>(83)</b>	<b>102.4</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Reserved by Law income reflects the additional funding for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
3. The increase in Expenses is primarily due to additional costs associated with salaries and wages, the upgrading of facilities, and the additional costs for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.



**Table 14.6: Balance Sheet as at 30 June for the House of Assembly**

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash	7	8	14.2
Receivables	16	16	....
<b>TOTAL</b>	<b>23</b>	<b>24</b>	<b>4.3</b>
<b>NON-FINANCIAL ASSETS</b>			
Plant and Equipment	1 172	1 261	7.5
<b>TOTAL</b>	<b>1 172</b>	<b>1 261</b>	<b>7.5</b>
<b>TOTAL ASSETS</b>	<b>1 195</b>	<b>1 285</b>	<b>7.5</b>
<b>LIABILITIES</b>			
Payables	69	83	20.2
Employee Entitlements <sup>1</sup>	554	696	25.6
Accrued Expenses	1	2	100.0
Other	4	4	....
<b>TOTAL LIABILITIES</b>	<b>628</b>	<b>785</b>	<b>25.0</b>
<b>NET ASSETS</b>	<b>567</b>	<b>500</b>	<b>(11.9)</b>

Note:

1. The increase in Employee Entitlements reflects an increase in accrued salaries and a provision for leave entitlements.

**Table 14.7: Statement of Cash Flows for the House of Assembly**

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
<b>Revenue from Government</b>			
Appropriation <sup>1</sup>	1 992	2 219	11.3
Reserved by Law <sup>2</sup>	3 387	4 273	26.1
GST Receipts	67	94	40.2
<b>Payments<sup>3</sup></b>			
Employee Entitlements	(4 223)	(4 849)	14.8
Superannuation	(201)	(279)	38.8
Supplies and Consumables	(878)	(1 284)	46.2
GST Payments	(67)	(94)	40.2
Other Payments	(57)	(60)	5.2
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>20</b>	<b>20</b>	<b>...</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets	(20)	(20)	...
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(20)</b>	<b>(20)</b>	<b>...</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>7</b>	<b>8</b>	<b>14.2</b>
<b>Cash at the End of Reporting Period</b>	<b>7</b>	<b>8</b>	<b>14.2</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Reserved by Law income reflects the additional funding for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
3. The increase in Payments is primarily due to additional costs associated with salaries and wages, the upgrading of facilities, and the additional costs for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.

**Table 14.8: Reconciliation of Operating Expenses to Consolidated Fund Appropriation**

	2006-07	2007-08
	Budget	Budget
	\$'000	\$'000
<b>Total Operating Expenses</b>	5 420	6 575
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	(22)	(51)
Depreciation and Amortisation	(39)	(52)
<b>Total Cash Cost of Outputs</b>	5 359	6 472
<b>Purchase of Capital Items</b>	20	20
<b>Total Consolidated Fund Appropriation</b>	<u>5 379</u>	<u>6 492</u>



# 15 LEGISLATIVE COUNCIL

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## AGENCY OUTLINE

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

The Governor, the Legislative Council and House of Assembly together constitute the Parliament of Tasmania.

The Legislative Council is the Upper House of the Parliament and functions as a House of Review.

The role of the Members of the Legislative Council is two-fold:

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

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

## STRATEGIC FOCUS

The strategic focus of the Office of the Clerk of the Legislative Council is to be an efficient and responsive administration. The continued aim is to provide the necessary levels and type of support to the Legislative Council and its Members to enable the effective and legitimate functioning of the Council. This is an important element in a democratic system of government, a system of government in which a 'House of Review' continues, as part of its role, to examine and question decisions made by government.

## KEY STRATEGIES

The Office of the Clerk of the Legislative Council will continue to:

- support the Legislative Council in its constitutional role;
- provide the highest possible level of advice, together with apolitical support including administrative, research, policy and procedural support; and
- promote public awareness of the purpose, functions and work of the Council.

# 2007-08 MAJOR INITIATIVES

A major initiative for the Legislative Council in 2007-08 will be the outcome of the *Working Arrangements of the Parliament* review by the Joint Select Committee, which was established by the Parliament to inquire into Parliamentary reform. Further deliberations of this Committee in 2007-08 may result in changes to Parliamentary performance and efficiency, which could have procedural and financial implications for the Legislative Council.

The principal objectives and responsibilities of the Office of the Clerk of the Legislative Council are to:

- provide an accurate retrieval and assessment system of precedent, law, history and parliamentary method necessary for the effective functioning of the Legislative Council and its Committees;
- provide effective apolitical support, including administrative, research, policy and procedural support and advice to the President of the Legislative Council and other elected Members;
- ensure the effective custody of documents, including journals, records and papers of the Legislative Council, the responsibility for which, in accordance with Standing Orders, is vested in the Clerk of the Legislative Council;
- ensure the effective functioning of Standing, Sessional and Select Committees, including the provision of adequate and appropriate resources;
- accurately prepare and present legislation, once passed through both Houses, to the Governor for Royal Assent;
- promote public awareness of the purpose, functions and work of the Legislative Council;
- maximise the potential of all staff through effective human resource practices; and
- efficiently manage resources, both financial and human.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 15.1: Summary Financial Information for the Legislative Council

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation <sup>1</sup>	2 405	2 654	10.4
Reserved by Law <sup>2</sup>	2 090	2 611	24.9
<b>TOTAL</b>	<b>4 495</b>	<b>5 265</b>	<b>17.1</b>
<b>EXPENSES</b>			
Legislative Council Support Services <sup>3</sup>	2 422	2 692	11.1
Payments Administered by the Legislative Council <sup>4</sup>	2 090	2 611	24.9
<b>TOTAL</b>	<b>4 512</b>	<b>5 303</b>	<b>17.5</b>
<b>NET OPERATING RESULT</b>	<b>(17)</b>	<b>(38)</b>	<b>123.5</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Reserved by Law income reflects the additional funding for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
3. The increase in Legislative Council Support Services is primarily due to the additional salaries and wages costs and proposed additional expenditure on services and facilities.
4. The increase in Payments Administered by the Legislative Council is primarily due to the additional costs associated with Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.

# DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

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

Output Group 1: Legislative Council Support Services; and

Output Group 2: Payments Administered by the Legislative Council.

## Output Group 1: Legislative Council Support Services

### *Description*

Services provided under this Output Group include:

- procedural, administrative and research support and advice to the President and Members of the Legislative Council;
- assistance to Members of the Legislative Council in order that they are able to execute their duties and responsibilities as elected representatives of the people of Tasmania;
- tabling of Legislative Council Select Committee and Parliamentary Joint Select and Standing Committee reports on a variety of subject specific matters agreed by Resolution or as referred;
- the continuing statutory obligations of the three Joint Parliamentary Standing Committees; and
- the provision of equipment and research support allowances to Members.

Outcomes to be achieved from this Output Group are as follows:

- the continuing lawful and constitutional operation of the Legislative Council;
- provision of quality and timely advice on parliamentary practice and procedure to the President and Members;
- provision of a range of services to directly support the functioning of the Legislative Council during ordinary sittings and to support its Sessional, Standing and Select Committees;
- provision of quality and timely research and information to Members;
- provision of accommodation and office services to Members so as to enable the efficient and effective discharge of their Parliamentary and electorate responsibilities; and
- the effective financial management of the Legislative Council in accordance with statutory requirements and other instructions.



**Table 15.2: Summary Financial Information – Output Group 1**

	2006-07	2007-08	
Legislative Council Support Services	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	2 405	2 654	10.4
<b>TOTAL</b>	<b>2 405</b>	<b>2 654</b>	<b>10.4</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	1 620	1 745	7.7
Other Employee Related Expenses	20	20	....
Superannuation	180	188	4.4
Depreciation and Amortisation <sup>2</sup>	5	26	420.0
Supplies and Consumables			
Communications	110	113	2.7
Information Technology	15	15	....
Travel and Transport	116	118	1.7
Advertising and Promotion	1	1	....
Other Supplies and Consumables <sup>3</sup>	246	352	43.1
Other Expenses	109	114	4.6
<b>TOTAL</b>	<b>2 422</b>	<b>2 692</b>	<b>11.1</b>
<b>EXPENSES BY OUTPUT</b>			
1.1 Legislative Council Support Services <sup>4</sup>	2 402	2 672	11.2
1.2 Committee Support Services	20	20	....
<b>TOTAL</b>	<b>2 422</b>	<b>2 692</b>	<b>11.1</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Depreciation and Amortisation reflects the purchase and upgrade of depreciable fixed assets and the amortisation of leasehold improvements.
3. The increase in Other Supplies and Consumables reflects proposed additional expenditure on services and facilities.
4. The increase in Legislative Council Support Services is primarily due to the additional salaries and wages costs and proposed additional expenditure on services and facilities.

## Output Group 2: Payments Administered by the Legislative Council

### Description:

This Output Group specifically provides for the Parliamentary salaries, superannuation and allowances of Members of the Legislative Council as prescribed in the *Parliamentary Salaries, Superannuation and Allowances Act 1973*.

Table 15.3: Summary Financial Information - Output Group 2

	2006-07	2007-08	
Payments Administered by the Legislative Council	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Reserved by Law <sup>1</sup>	2 090	2 611	24.9
<b>TOTAL</b>	<b>2 090</b>	<b>2 611</b>	<b>24.9</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages <sup>2</sup>	1 860	2 153	15.8
Other Employee Related Expenses	....	39	....
Superannuation	76	79	3.9
Supplies and Consumables			
Communications <sup>2</sup>	13	29	123.1
Travel and Transport <sup>2</sup>	141	311	120.6
<b>TOTAL</b>	<b>2 090</b>	<b>2 611</b>	<b>24.9</b>
<b>EXPENSES BY OUTPUT</b>			
2.1 Payments Administered by the Legislative Council	2 090	2 611	24.9
<b>TOTAL</b>	<b>2 090</b>	<b>2 611</b>	<b>24.9</b>

#### Notes:

1. The increase in Reserved by Law income reflects the additional funding for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
2. The increase in Salaries and Wages, Communications and Travel and Transport reflects the additional costs for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.

# DETAILED BUDGET STATEMENTS

Table 15.4: Output Group Expense Summary for the Legislative Council

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>Output Group 1 - Legislative Council Support Services</b>			
1.1 Legislative Council Support Services <sup>1</sup>	2 402	2 672	11.2
1.2 Committee Support Services	20	20	....
	<u>2 422</u>	<u>2 692</u>	<u>11.1</u>
<b>Output Group 2 - Payments Administered by the Legislative Council</b>			
2.1 Payments Administered by the Legislative Council <sup>2</sup>	2 090	2 611	24.9
	<u>2 090</u>	<u>2 611</u>	<u>24.9</u>
<b>TOTAL AGENCY</b>	<u>4 512</u>	<u>5 303</u>	<u>17.5</u>

Notes:

1. The increase in Legislative Council Support Services is primarily due to the additional salaries and wages costs and proposed additional expenditure on services and facilities.
2. The increase in Payments Administered by the Legislative Council is primarily due to the additional costs associated with Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.

**Table 15.5: Income Statement for the Legislative Council**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	2 405	2 654	10.3
Reserved by Law <sup>2</sup>	2 090	2 611	24.9
<b>TOTAL</b>	<b>4 495</b>	<b>5 265</b>	<b>17.1</b>
<b>EXPENSES</b>			
Employee Entitlements <sup>3</sup>	3 500	3 957	13.0
Superannuation	256	267	4.2
Depreciation and Amortisation	5	26	420.0
Supplies and Consumables <sup>4</sup>	642	939	46.2
Other Expenses	109	114	4.5
<b>TOTAL</b>	<b>4 512</b>	<b>5 303</b>	<b>17.5</b>
<b>NET OPERATING RESULT</b>	<b>(17)</b>	<b>(38)</b>	<b>123.5</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Reserved by Law income reflects the additional funding for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
3. The increase in Employee Entitlements is primarily due to additional costs associated with salaries and wages and the additional costs for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits provided to Members of Parliament*.
4. The increase in Supplies and Consumables is primarily due to additional costs associated with the proposed additional expenditure on services and facilities and the additional costs for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.

**Table 15.6: Balance Sheet as at 30 June for the Legislative Council**

	2007 Budget \$'000	2008 Budget \$'000	Variation %
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash	3	1	(66.7)
Receivables	8	8	....
<b>TOTAL</b>	<b>11</b>	<b>9</b>	<b>(18.2)</b>
<b>NON-FINANCIAL ASSETS</b>			
Plant and Equipment <sup>1</sup>	968	1 136	17.3
Other	25	15	(40.0)
<b>TOTAL</b>	<b>993</b>	<b>1 151</b>	<b>15.9</b>
<b>TOTAL ASSETS</b>	<b>1 004</b>	<b>1 160</b>	<b>15.5</b>
<b>LIABILITIES</b>			
Payables <sup>2</sup>	158	117	(26.0)
Employee Entitlements <sup>3</sup>	648	720	11.1
Accrued Expenses	8	2	(75.0)
Other	3	3	....
<b>TOTAL LIABILITIES</b>	<b>817</b>	<b>842</b>	<b>3.0</b>
<b>NET ASSETS</b>	<b>187</b>	<b>318</b>	<b>70.0</b>

Notes:

1. The increase in Plant and Equipment reflects the revaluation of antique furniture and artwork.
2. The decrease in Payables reflects a more accurate estimate of the level of accounts payable, based on the actual level as at 30 June 2006.
3. The increase in Employee Entitlements reflects an increase in accrued salaries and a provision for leave entitlements.

**Table 15.7: Statement of Cash Flows for the Legislative Council**

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Appropriation <sup>1</sup>	2 405	2 654	10.3
Reserved by Law <sup>2</sup>	2 090	2 611	24.9
GST Receipts <sup>3</sup>	27	64	137.0
<b>Payments</b>			
Employee Entitlements <sup>4</sup>	(3 488)	(3 945)	13.1
Superannuation	(256)	(267)	4.2
Supplies and Consumables <sup>5</sup>	(642)	(939)	46.2
GST Payments <sup>3</sup>	(27)	(64)	137.0
Other Payments	(109)	(114)	4.5
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	....	....	....
<b>Net Increase/(Decrease) in Cash Held</b>	....	....	....
<b>Cash at the Beginning of Reporting Period</b>	3	1	(66.7)
<b>Cash at the End of Reporting Period</b>	3	1	(66.7)

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Reserved by Law income reflects the additional funding for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
3. The increase in GST Receipts and Payments reflects a revision of the actual level of cash inflows and outflows.
4. The increase in Employee Entitlements is primarily due to additional costs associated with salaries and wages and the additional costs for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.
5. The increase in Supplies and Consumables is primarily due to additional costs associated with the proposed additional expenditure on services and facilities and the additional costs for Members' allowances and entitlements as recommended by the *Report of the Second Committee of Review Inquiring into Allowances and Benefits Provided to Members of Parliament*.

**Table 15.8: Reconciliation of Operating Expenses to Consolidated Fund Appropriation**

	2006-07	2007-08
	<b>Budget</b>	<b>Budget</b>
	\$'000	\$'000
<b>Total Operating Expenses</b>	4 512	5 303
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	(12)	(12)
Depreciation and Amortisation	(5)	(26)
<b>Total Cash Cost of Outputs</b>	4 495	5 265
<b>Total Consolidated Fund Appropriation</b>	<u>4 495</u>	<u>5 265</u>





# 16 LEGISLATURE-GENERAL

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## AGENCY OUTLINE

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

## STRATEGIC FOCUS

The strategic focus of Legislature-General is to support the:

- operations of the Houses of Parliament and the fulfilment of statutory requirements; and
- operation of Joint Committees.

## KEY STRATEGIES

In order to achieve, or assist in the achievement of the above outcomes, Legislature-General is implementing the following key strategies:

- the provision of the highest level of research and administrative services for the effective functioning of the both Houses, its committees and Members;
- liaison with the managers of the various branches to ensure the highest level of professional competence and efficiency; and
- being a fair and responsible employer, maximising the potential of all staff through effective human resource practices.

## 2007-08 MAJOR INITIATIVES

A major issue for Legislature-General in 2007-08 will be the outcome of the *Working Arrangements of the Parliament* review by the Joint Select Committee, which was established by the Parliament to inquire into Parliamentary reform. Further deliberations of this Committee in 2007-08 may result in changes to Parliamentary performance and efficiency, which could have procedural and/or financial implications for Legislature-General.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 16.1: Summary Financial Information for the Legislature-General

	2006-07 Budget	2007-08 Budget	Variation %
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	4 531	4 839	6.8
Other Revenue	172	172	....
<b>TOTAL</b>	<b>4 703</b>	<b>5 011</b>	<b>6.5</b>
<b>EXPENSES</b>			
Parliamentary Reporting Service	852	889	4.3
Parliamentary Library Service	663	690	4.1
Parliamentary Printing and Systems	775	849	9.5
Joint Services	2 713	2 936	8.2
<b>TOTAL</b>	<b>5 003</b>	<b>5 364</b>	<b>7.2</b>
<b>NET OPERATING RESULT</b>	<b>(300)</b>	<b>(353)</b>	<b>17.7</b>

Note:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.

# DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

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

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

## Output Group 1: Parliamentary Reporting Service

### *Description*

The Parliamentary Reporting Service produces an accurate and timely official record of debates in both Houses of Parliament, and of evidence presented to Parliamentary Committees.

**Table 16.2: Summary Financial Information – Output Group 1**

Parliamentary Reporting Service	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	842	879	4.4
<b>TOTAL</b>	842	879	4.4
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	657	688	4.7
Other Employee Related Expenses	24	24	....
Superannuation	59	62	5.1
Supplies and Consumables			
Communications	6	6	....
Information Technology	10	10	....
Travel and Transport	6	6	....
Other Supplies and Consumables	48	49	2.1
Other Expenses	42	44	4.8
<b>TOTAL</b>	852	889	4.3
<b>EXPENSES BY OUTPUT</b>			
1.1 Production and Printing of Parliamentary Reports	852	889	4.3
<b>TOTAL</b>	852	889	4.3

## Output Group 1: Performance Information

### *Delivery of Hansard*

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

Methods of production of the records are constantly under investigation and review in the light of new technology, which may produce significant changes and savings in the future.

On a normal sitting day, with the House of Assembly sitting from 10.00 am to 7.00 pm, a transcript of the morning sitting (10.00 am to 1.00 pm) is available:

- on the Intranet (internal Parliamentary network) by 5.30 pm; and
- to Members as hard copy between 6.30 pm and 7.30 pm.

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

Delivery of Hansard transcripts for the Legislative Council meets a similar range of deadlines, depending on sitting hours.

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

## Output Group 2: Parliamentary Library Service

### Description

The Parliamentary Library Service provides for the maintenance of the Parliamentary Library and research services specifically designed to assist Members of Parliament and Parliamentary Committees in performing their duties.

**Table 16.3: Summary Financial Information - Output Group 2**

Parliamentary Library Service	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	650	677	4.2
<b>TOTAL</b>	<b>650</b>	<b>677</b>	<b>4.2</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	489	512	4.7
Other Employee Related Expenses	16	16	....
Superannuation	51	53	3.9
Supplies and Consumables			
Communications	16	16	....
Information Technology	2	2	....
Travel and Transport	1	1	....
Other Supplies and Consumables	50	51	2.0
Other Expenses	38	39	2.6
<b>TOTAL</b>	<b>663</b>	<b>690</b>	<b>4.1</b>
<b>EXPENSES BY OUTPUT</b>			
2.1 Parliamentary Library Service	663	690	4.1
<b>TOTAL</b>	<b>663</b>	<b>690</b>	<b>4.1</b>

## Output Group 2: Performance Information

### *Parliamentary Library*

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

- enquiries: perform 80 per cent of enquiries within clients' deadlines;
- newspapers and media releases: prepare and file daily newspaper clippings and press releases by 5.00 pm. Action to date has shown that this indicator has been 90 per cent achieved;
- media-monitoring: 85 per cent completion of videotape indexing of weeknight television broadcasts by 10.15 am;
- prepare 80 per cent of media transcription requests within clients' deadlines;
- databases: input 75 per cent of Questions, Answers and Adjournments within one week of receipt of Hansard; and
- input 85 per cent of tabled parliamentary papers within one week of tabling or receipt.

### *Parliamentary Research Service*

The performance of the Service allows it to:

- meet 85 per cent of clients' requests within their deadlines;
- update statistics on the Intranet within five days of Australian Bureau of Statistics data arrival;
- complete 10 new or updated Internet guides per year; and
- complete 95 per cent of background briefings and submission summaries to Parliamentary Committees prior to the hearing of witnesses.

## Output Group 3: Parliamentary Printing and Systems

### Description

This Output Group involves the provision of services which:

- meet the printing needs of Parliament, including the production of Parliamentary Papers, Votes and Proceedings, Notice Papers and Bills;
- facilitate the maintenance of computerised system links between the Printing Authority of Tasmania and the Parliament; and
- meet the computer requirements of the Parliamentary Reporting Service and Members within both Houses of Parliament.

**Table 16.4: Summary Financial Information - Output Group 3**

Parliamentary Printing and Systems	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	775	849	9.5
<b>TOTAL</b>	<b>775</b>	<b>849</b>	<b>9.5</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages <sup>2</sup>	168	228	35.7
Superannuation	15	15	....
Supplies and Consumables			
Communications	71	73	2.8
Information Technology	102	104	2.0
Travel and Transport	5	5	....
Other Supplies and Consumables	408	418	2.5
Other Expenses	6	6	....
<b>TOTAL</b>	<b>775</b>	<b>849</b>	<b>9.5</b>
<b>EXPENSES BY OUTPUT</b>			
3.1 Parliamentary Printing	407	417	2.5
3.2 Parliamentary Systems <sup>3</sup>	368	432	17.4
<b>TOTAL</b>	<b>775</b>	<b>849</b>	<b>9.5</b>

#### Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Salaries and Wages reflects additional costs associated with the employment of an information technology officer.
3. The increase in Parliamentary Systems is primarily due to additional costs associated with the employment of an information technology officer.

## *Major Issues and Initiatives for 2007-08*

The printing costs of Parliament depend entirely on the number of sitting days/hours of both Houses of Parliament. The consequent amount of material required to be printed is generated directly by sessions of Parliament.

With advances in information technology, information dissemination is increasingly being performed by electronic means and Legislature-General officers are reviewing this on an ongoing basis.

## Output Group 4: Joint Services

### *Description*

This Output Group provides the financial management services relating to:

- Legislature-General, including the Joint House Committee and other functional areas not directly under the control of either House of Parliament;
- the Clerks of both Houses of Parliament; and
- other branch heads.

Services provided include:

- the provision of purchasing and maintenance services for the Parliamentary complex, gardens and other offices (including rentals, security, cleaning and communication services);
- provision of administrative services to the Clerks of both Houses, including responsibility for all human resources and financial administration;
- services not directly related to the Legislative Council or House of Assembly for certain Parliamentary Committees and the Leader of the Opposition; and
- payments for services administered on behalf of the Legislative Council and the House of Assembly.



**Table 16.5: Summary Financial Information - Output Group 4**

Joint Services	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	2 264	2 434	7.5
Sales of Goods and Services	172	172	....
<b>TOTAL</b>	<b>2 436</b>	<b>2 606</b>	<b>7.0</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	745	778	4.4
Other Employee Related Expenses	71	71	....
Superannuation	71	74	4.2
Depreciation and Amortisation <sup>2</sup>	310	363	17.1
Grants and Transfer Payments	59	59	....
Supplies and Consumables			
Property Services	849	873	2.8
Maintenance	211	216	2.4
Communications	19	19	....
Information Technology	9	9	....
Travel and Transport	129	132	2.3
Advertising and Promotion	3	3	....
Other Supplies and Consumables <sup>3</sup>	183	285	55.7
Other Expenses	54	54	....
<b>TOTAL</b>	<b>2 713</b>	<b>2 936</b>	<b>8.2</b>
<b>EXPENSES BY OUTPUT</b>			
4.1 Buildings and Operations Management <sup>4</sup>	1 573	1 765	12.2
4.2 Joint Management Services	187	193	3.2
4.3 Services to Members	841	866	3.0
4.4 Corporate Services for Parliamentary Agencies	112	112	....
<b>TOTAL</b>	<b>2 713</b>	<b>2 936</b>	<b>8.2</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Depreciation and Amortisation reflects a more accurate estimate of the expense.
3. The increase in Other Supplies and Consumables reflects the additional costs of upgrading facilities including the ongoing replacement of carpet in the House and public areas.
4. The increase in Buildings and Operations Management reflects the ongoing upgrading of facilities.

# DETAILED BUDGET STATEMENTS

Table 16.6: Output Group Expense Summary for the Legislature-General

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<b>Output Group 1 - Parliamentary Reporting Service</b>			
1.1 Production and Printing of Parliamentary Reports	852	889	4.3
	852	889	4.3
<b>Output Group 2 - Parliamentary Library Service</b>			
2.1 Parliamentary Library Service	663	690	4.1
	663	690	4.1
<b>Output Group 3 - Parliamentary Printing and Systems</b>			
3.1 Parliamentary Printing	407	417	2.5
3.2 Parliamentary Systems <sup>1</sup>	368	432	17.4
	775	849	9.5
<b>Output Group 4 - Joint Services</b>			
4.1 Buildings and Operations Management <sup>2</sup>	1 573	1 765	12.2
4.2 Joint Management Services	187	193	3.2
4.3 Services to Members	841	866	3.0
4.4 Corporate Services for Parliamentary Agencies	112	112	....
	2 713	2 936	8.2
<b>TOTAL AGENCY</b>	<b>5 003</b>	<b>5 364</b>	<b>7.2</b>

Notes:

1. The increase in Parliamentary Systems is primarily due to additional costs associated with the employment of an information technology officer.
2. The increase in Buildings and Operations Management reflects the ongoing upgrading of facilities.

**Table 16.7: Income Statement for the Legislature-General**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation <sup>1</sup>	4 531	4 839	6.7
Sales of Goods and Services	172	172	....
<b>TOTAL</b>	<b>4 703</b>	<b>5 011</b>	<b>6.5</b>
<b>EXPENSES</b>			
Employee Entitlements	2 170	2 317	6.7
Superannuation	196	204	4.0
Depreciation and Amortisation <sup>2</sup>	310	363	17.0
Grants and Transfer Payments	59	59	....
Supplies and Consumables	2 128	2 278	7.0
Other Expenses	140	143	2.1
<b>TOTAL</b>	<b>5 003</b>	<b>5 364</b>	<b>7.2</b>
<b>NET OPERATING RESULT</b>	<b>(300)</b>	<b>(353)</b>	<b>17.6</b>

Notes:

1. The increase in the Annual Appropriation reflects additional funding provided under revised Budget indexation arrangements.
2. The increase in Depreciation and Amortisation reflects a more accurate estimate of the expense.

**Table 16.8: Balance Sheet as at 30 June for the Legislature-General**

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash	47	47	....
Receivables	47	47	....
Prepayments	10	10	....
Tax Assets	2	2	....
<b>TOTAL</b>	<b>106</b>	<b>106</b>	<b>....</b>
<b>NON-FINANCIAL ASSETS</b>			
Inventory	23	23	....
Land and Buildings	25 597	25 374	(0.9)
Plant and Equipment <sup>1</sup>	336	246	(26.8)
Other	11	11	....
<b>TOTAL</b>	<b>25 967</b>	<b>25 654</b>	<b>(1.3)</b>
<b>TOTAL ASSETS</b>	<b>26 073</b>	<b>25 760</b>	<b>(1.3)</b>
<b>LIABILITIES</b>			
Payables	171	171	....
Employee Entitlements	562	602	7.1
Accrued Expenses	3	3	....
<b>TOTAL LIABILITIES</b>	<b>736</b>	<b>776</b>	<b>5.4</b>
<b>NET ASSETS</b>	<b>25 337</b>	<b>24 984</b>	<b>(1.4)</b>

Note:

1. The decrease in Plant and Equipment reflects a more accurate estimate of the value of these assets.

**Table 16.9: Statement of Cash Flows for the Legislature-General**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Appropriation	4 531	4 839	6.7
Sales of Goods and Services	172	172	....
GST Receipts <sup>1</sup>	199	333	67.3
<b>Payments</b>			
Employee Entitlements	(2 130)	(2 277)	6.9
Superannuation	(196)	(204)	4.0
Grants and Transfer Payments	(59)	(59)	....
Supplies and Consumables	(2 128)	(2 278)	7.0
GST Payments <sup>1</sup>	(199)	(333)	67.3
Other Payments	(140)	(143)	2.1
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>50</b>	<b>50</b>	<b>....</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets	(50)	(50)	....
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(50)</b>	<b>(50)</b>	<b>....</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>47</b>	<b>47</b>	<b>....</b>
<b>Cash at the End of Reporting Period</b>	<b>47</b>	<b>47</b>	<b>....</b>

Note:

1. The increase in GST Receipts and GST Payments reflects a more accurate estimate of the actual level of cash inflows and outflows.

Table 16.10: Reconciliation of Operating Expenses to Consolidated Fund Appropriation

	2006-07 Budget	2007-08 Budget
	\$'000	\$'000
<b>Total Operating Expenses</b>	5 003	5 364
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	(40)	(40)
Depreciation and Amortisation	(310)	(363)
<b>Total Cash Cost of Outputs</b>	4 653	4 961
<b>Other Funding Sources</b>	(172)	(172)
<b>Purchase of Capital Items</b>	50	50
	(122)	(122)
<b>Total Consolidated Fund Appropriation</b>	4 531	4 839

# 17 OFFICE OF THE GOVERNOR

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## AGENCY OUTLINE

His Excellency the Governor represents the Crown in Tasmania. The role of the Governor is defined by the Letters Patent constituting his Office, by legislation and by constitutional conventions. In essence, the Governor's function is to protect the Constitution, secure the orderly transition of Governments, facilitate the work of the Parliament and the Government, act as a non-political representative of the State, and to participate in the affairs of the Tasmanian community.

Apart from his constitutional functions, the Governor acts on behalf of the people of Tasmania in many other ways. Each year, the Governor welcomes and extends hospitality to heads of state, ambassadors and other official visitors, and thousands of other interstate and international visitors to Tasmania, particularly those attending conferences and conventions. The Governor also invests members of the community with honours, participates in official public events, and involves himself in the activities of a large number of organisations throughout the State.

In performing these functions, the Governor, on behalf of the people of Tasmania, recognises achievement, encourages worthwhile endeavours, honours our history, reinforces our cultural identity and reaffirms the essential values of our society.

The Office of the Governor provides services through giving the necessary support for the Governor to carry out his constitutional, administrative, ceremonial and community responsibilities.

The Office:

- provides the Governor with advice and administrative support;
- prepares official documents and correspondence, and assists with writing speeches;
- arranges official meetings and ceremonies, including the Executive Council, Royal Assents, the Opening of Parliament, the swearing in of the Premier and Ministers, and investitures;
- organises the program of events and appointments for the Governor and his spouse;
- arranges and caters for official dinners and receptions; and
- maintains the buildings, gardens and grounds of Government House.

The Office's mission is to:

- provide a high standard of policy advice and administrative support to the Governor, including the organisation of constitutional and ceremonial duties and his program of community engagements;
- facilitate the efficient and effective interaction between the Office of the Governor, the Parliament, the Executive and the State Service; and
- maintain the Government House estate in a sound and attractive state.

# STRATEGIC FOCUS

The strategic focus of the Office is on achieving, or assisting to achieve, the following major Government outcomes:

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

## KEY STRATEGIES

In order to achieve or assist in achieving the above outcomes, the Office of the Governor is implementing the following key strategies:

- continuing to provide the Governor and his spouse with the maximum possible support for their official duties; and
- ensuring proper planning and appropriate works to maintain the fabric and historical integrity of Government House and its grounds.

## 2007-08 MAJOR INITIATIVES

As part of the above key strategies, the Office of the Governor is implementing the following major initiatives:

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



# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 17.1: Summary Financial Information for the Office of the Governor

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	2 373	2 616	10.2
Reserved by Law	425	425	....
<b>TOTAL</b>	<b>2 798</b>	<b>3 041</b>	<b>8.7</b>
<b>EXPENSES</b>			
The Office of the Governor	2 943	3 284	11.6
<b>TOTAL</b>	<b>2 943</b>	<b>3 284</b>	<b>11.6</b>
<b>NET OPERATING RESULT</b>	<b>(145)</b>	<b>(243)</b>	<b>67.6</b>

# DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

The individual Output of the Office of the Governor is provided under Output Group 1: The Office of the Governor.

## Output Group 1: The Office of the Governor

### *Description*

The focus of this Output Group is the Governor's constitutional role in the operation of the Parliament and the Executive, his official role in the affairs of the Tasmanian community and the preservation of the Government House estate as an important part of Tasmania's heritage.

The Output Group consists of the single Output entitled 'Support of the Governor', which has as its primary objective the efficient and effective interaction between the Office of the Governor, the Parliament, the Executive, the State Service and the Tasmanian community. It has a further objective of cooperating closely with all arms of government and the community to promote the State of Tasmania to a widening range of international guests and other visitors to the State.

The services provided under this Output Group are delivered by the Governor and his support staff.

**Table 17.2: Summary Financial Information - Output Group 1**

	2006-07	2007-08	
The Office of the Governor	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation	2 373	2 616	10.2
Reserved by Law	425	425	....
<b>TOTAL</b>	<b>2 798</b>	<b>3 041</b>	<b>8.7</b>
<b>EXPENSES</b>			
<b>Employee Entitlements</b>			
Salaries and Wages	1 804	1 880	4.2
Other Employee Related Expenses	166	166	....
Superannuation	164	172	4.9
Depreciation and Amortisation <sup>1</sup>	125	215	72.0
<b>Supplies and Consumables</b>			
Consultants	2	2	....
Property Services <sup>2</sup>	246	383	55.7
Communications <sup>3</sup>	30	51	70.0
Information Technology	30	31	3.3
Travel and Transport	139	142	2.2
Advertising and Promotion	2	2	....
Other Supplies and Consumables	207	212	2.4
Other Expenses	28	28	....
<b>TOTAL</b>	<b>2 943</b>	<b>3 284</b>	<b>11.6</b>
<b>EXPENSES BY OUTPUT</b>			
1.1 Support of the Governor	2 943	3 284	11.6
<b>TOTAL</b>	<b>2 943</b>	<b>3 284</b>	<b>11.6</b>

Notes:

1. The increase in Depreciation and Amortisation reflects a revaluation of Land and Buildings by the Valuer-General.
2. The increase in Property Services is due to an allocation of funds towards maintenance and restoration works on Government House estate.
3. The increase in Communications is due to an allocation of funds towards upgrading an outdated telephone system.

**Major Issues and Initiatives for 2007-08**

Major issues and initiatives for this Output Group for 2007-08 include:

- responding to the Governor's continued emphasis on promoting the State;
- maintaining operational efficiency in the light of a significant workload and within the Budget allocations; and
- maintaining the Government House estate.

# Performance Information

The Office of the Governor has a single Output, being Support of the Governor. The Office has successfully performed this Output by:

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

# DETAILED BUDGET STATEMENTS

Table 17.3: Output Group Expense Summary for the Office of the Governor

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<i>Premier</i>			
<b>Output Group 1 - The Office of the Governor</b>			
1.1 Support of the Governor	2 943	3 284	11.6
	2 943	3 284	11.6
<b>TOTAL AGENCY</b>	<b>2 943</b>	<b>3 284</b>	<b>11.6</b>

Table 17.4: Income Statement for the Office of the Governor

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation	2 373	2 616	10.2
Reserved by Law	425	425	....
<b>TOTAL</b>	<b>2 798</b>	<b>3 041</b>	<b>8.6</b>
<b>EXPENSES</b>			
Employee Entitlements	1 970	2 046	3.8
Superannuation	164	172	4.8
Depreciation and Amortisation <sup>1</sup>	125	215	72.0
Supplies and Consumables <sup>2</sup>	656	823	25.4
Other Expenses	28	28	....
<b>TOTAL</b>	<b>2 943</b>	<b>3 284</b>	<b>11.5</b>
<b>NET OPERATING RESULT</b>	<b>(145)</b>	<b>(243)</b>	<b>67.5</b>

Notes:

1. The increase in Depreciation and Amortisation reflects a revaluation of Land and Buildings by the Valuer-General.
2. The increase in Supplies and Consumables reflects additional maintenance expenditure and the replacement of the outdated telephone system.

Table 17.5: Balance Sheet as at 30 June for the Office of the Governor

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash	1	1	....
Prepayments	3	14	366.6
Tax Assets	32	31	(3.2)
<b>TOTAL</b>	<b>36</b>	<b>46</b>	<b>27.7</b>
<b>NON-FINANCIAL ASSETS</b>			
Land and Buildings <sup>1</sup>	17 524	27 580	57.3
Plant and Equipment	151	146	(3.4)
Other <sup>2</sup>	....	2 272	....
<b>TOTAL</b>	<b>17 675</b>	<b>29 998</b>	<b>69.7</b>
<b>TOTAL ASSETS</b>	<b>17 711</b>	<b>30 044</b>	<b>69.6</b>
<b>LIABILITIES</b>			
Payables	80	35	(56.3)
Employee Entitlements	418	394	(5.8)
Accrued Expenses	30	29	(3.4)
<b>TOTAL LIABILITIES</b>	<b>528</b>	<b>458</b>	<b>(13.3)</b>
<b>NET ASSETS</b>	<b>17 183</b>	<b>29 586</b>	<b>72.1</b>

Notes:

1. The increase in Land and Buildings reflects the most recent revaluation conducted by the Valuer-General.
2. The increase in Other Non-Financial Assets is due to the identification and inclusion of Heritage Assets, which were not previously reflected in the Balance Sheet.

**Table 17.6: Statement of Cash Flows for the Office of the Governor**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
<b>Revenue from Government</b>			
Appropriation	2 373	2 616	10.2
Reserved by Law	425	425	....
GST Receipts	60	60	....
<b>Payments</b>			
Employee Entitlements	(1 950)	(2 018)	3.4
Superannuation	(164)	(172)	4.8
Supplies and Consumables <sup>1</sup>	(656)	(823)	25.4
GST Payments	(60)	(60)	....
Other Payments	(28)	(28)	....
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	....	....	....
<b>Net Increase/(Decrease) in Cash Held</b>	....	....	....
<b>Cash at the Beginning of Reporting Period</b>	1	1	....
<b>Cash at the End of Reporting Period</b>	1	1	....

Note:

1. The increase in Supplies and Consumables reflects additional maintenance expenditure and the replacement of the outdated telephone system.

Table 17.7: Reconciliation of Operating Expenses to Consolidated Fund Appropriation

	2006-07	2007-08
	Budget	Budget
	\$'000	\$'000
<b>Total Operating Expenses</b>	2 943	3 284
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	(20)	(28)
Depreciation and Amortisation	(125)	(215)
<b>Total Cash Cost of Outputs</b>	2 798	3 041
<b>Total Consolidated Fund Appropriation</b>	2 798	3 041



# 18 OFFICE OF THE OMBUDSMAN

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## AGENCY OUTLINE

The function of the Ombudsman under the *Ombudsman Act 1978* is to enquire into and investigate complaints about the administrative actions of Tasmanian government agencies, local councils and a wide range of other public authorities. The Ombudsman exercises functions under a number of other statutes, and the same appointee also holds the position of Health Complaints Commissioner under the *Health Complaints Act 1995*. The primary role of the Health Complaints Commissioner is to address complaints made by the users of health services against those who provide them, in the public or private sector.

The Ombudsman serves the Tasmanian community by seeking to resolve individual grievances, and by addressing systemic issues which are identified in the course of dealing with complaints or through other means. Through independent, objective and impartial investigations, the Ombudsman promotes fairness and equity and aims to bring about improvement in the quality of public administration. Likewise, the Health Complaints Commissioner seeks to not only resolve health complaints, but to also bring about the improvement of health services provided to the Tasmanian community.

The responsibilities which fall to the Ombudsman other than those under the Ombudsman Act and the Health Complaints Act include:

- the investigation of complaints under the *Energy Ombudsman Act 1998*;
- the review of decisions under the *Freedom of Information Act 1991*;
- oversight of the operation of the *Public Interest Disclosures Act 2002*, and the investigation of disclosures made under that Act;
- the investigation of complaints under the *Personal Information Protection Act 2004*; and
- oversight of compliance by Tasmania Police with record-keeping requirements in the *Telecommunications (Interception) Tasmania Act 1999*.

The costs of administering the *Energy Ombudsman Act 1998* are met by industry, in accordance with the budgetary provisions in the Act.

# STRATEGIC FOCUS

The strategic focus of the Office of the Ombudsman is the service of the Tasmanian community through the independent and impartial resolution of complaints, and investigation of systemic issues, relating to public administration, health care and energy services.

As part of this strategic focus, the Office of the Ombudsman has identified the following goals:

- to be recognised as an accessible, effective, independent and impartial office for the investigation and resolution of complaints;
- to be recognised as an agent for positive change in public administration, and in the delivery of health and energy services;
- to demonstrate best practice in complaint management and conciliation, and in the conduct of investigations;
- to assist agencies to effectively address complaints through internal processes;
- to increase awareness of the services provided by the Office; and
- to create a supportive and professional work environment where staff respect each other, are diligent, and work cooperatively and responsibly to achieve the purposes of the Office.

## KEY STRATEGIES

The following key strategies of the Office of the Ombudsman, will assist in achieving these goals:

- continue to refine procedures to ensure that complaints are handled as efficiently and effectively as possible whilst complying with all legislative requirements;
- seek to identify, in the handling of complaints and otherwise, areas where the Office may contribute to the improvement of public administration;
- continue to provide training in complaint management for public authorities;
- respond to and create opportunities to make the services provided by the Office known throughout the community; and
- provide staff with the resources and training needed to maximise the effectiveness of the Office.

# 2007-08 MAJOR INITIATIVES

The Office of the Ombudsman will focus on the following major initiatives:

- continue to work at maximising the percentage of health complaints assessed within 45 days of receipt;
- work with Aurora Energy on new processes designed to reduce the time taken to finalise energy complaints;
- complete the process of replacing the present case management system;
- develop an intranet site which provides officers with easy access to the information they need in handling complaints and carrying out investigations; and
- develop and begin the implementation of an outreach plan for raising public awareness of the services provided by the Office.

## OUTPUT GROUP RESTRUCTURE

In the 2006 *State of the State* Address, the Premier, the Hon Paul Lennon MHA, announced that the Government would introduce a separate Budget Appropriation for independent agencies, including the Office of the Ombudsman.

On 30 April 2007, the *Financial Management and Audit Amendment Act 2007* received Royal Assent. The Act establishes the Office of the Ombudsman as a separate agency for the purposes of receiving an appropriation from the Consolidated Fund.

Previously, the activities of the Office of the Ombudsman were reported as part of Output 4.1 under the Department of Justice. This Output has been used as the basis to establish the Office of the Ombudsman as a separate agency for the purposes of receiving an appropriation from the Consolidated Fund.

The Office of the Ombudsman's 2006-07 Budget has been recast to reflect the new administrative structure.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 18.1: Summary Financial Information for the Office of the Ombudsman

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	1 229	1 280	4.1
Other Revenue	475	475	....
<b>TOTAL</b>	<b>1 704</b>	<b>1 755</b>	<b>3.0</b>
<b>EXPENSES</b>			
The Office of the Ombudsman	1 713	1 764	3.0
<b>TOTAL</b>	<b>1 713</b>	<b>1 764</b>	<b>3.0</b>
<b>NET OPERATING RESULT</b>	<b>(9)</b>	<b>(9)</b>	<b>....</b>

# DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

The individual Output of the Office of the Ombudsman is provided under Output Group 1: The Office of the Ombudsman.

## Output Group 1: The Office of the Ombudsman

### *Description*

The focus of this Output Group is service to the Tasmanian community through the independent and impartial resolution of complaints, and investigation of systemic issues, relating to public administration, health care and energy services. This service is provided by the Ombudsman and Health Complaints Commissioner, and his staff.

**Table 18.2: Summary Financial Information - Output Group 1**

The Office of the Ombudsman	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Annual Appropriation	1 229	1 280	4.1
Other Revenue	475	475	....
<b>TOTAL</b>	<b>1 704</b>	<b>1 755</b>	<b>3.0</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	1 155	1 201	4.0
Other Employee Related Expenses	8	4	(50.0)
Superannuation	66	68	3.0
Supplies and Consumables			
Other Supplies and Consumables	400	404	1.0
Other Expenses	84	87	3.6
<b>TOTAL</b>	<b>1 713</b>	<b>1 764</b>	<b>3.0</b>
<b>EXPENSES BY OUTPUT</b>			
1.1 Decisions on Complaints Referred to the Ombudsman and Health Complaints Commissioner and Freedom of Information	1 713	1 764	3.0
<b>TOTAL</b>	<b>1 713</b>	<b>1 764</b>	<b>3.0</b>

**Table 18.3: Performance Information – Output Group 1**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
<b>Complaints finalised – Ombudsman, Health</b>					
Complaints and Energy Ombudsman	Number	1 809	1 445	1 800	1 800
<b>Average cost per resolved complaint –</b>					
Ombudsman, Health Complaints and Energy Ombudsman	\$	860	1 020	925	925
<b>Complaints to Ombudsman, Health Complaints and Energy Ombudsman resolved in less than three months</b>					
	%	70	73	75	75
<b>Health Complaints assessed within statutory period of 45 days<sup>1</sup></b>					
	%	39	35	50	50
<b>Health Complaints assessed within the extended statutory period of 90 days</b>					
	%	57	70	95	95

Note:

1. A review of Health Complaints Performance Information by the Office of the Ombudsman has identified the need for a correction to 2004-05 Performance Information previously reported in the 2006-07 Budget. In the 2006-07 Budget, the percentage of Health Complaints assessed within the statutory period of 45 days in 2004-05 was reported as 70.

### *Performance Information Comments*

The performance assessment for this Output Group focuses on the demand for the services provided and the timeliness of the resolution of complaints and reviews.

The demand for these services, together with the outcomes of the decisions made, are used in respect of Tasmania *Together* as benchmarks for assessing the community's progress towards: Goal 9 – Foster an inclusive society that acknowledges and respects our multicultural heritage, values diversity and treats everyone with compassion and respect; and Goal 13 – Have a system of government which is open, seeks and listens to people's views and ideas, and uses them in decision-making at all levels.

The Performance Information for the Output Group previously included a figure for the percentage of agency Freedom of Information decisions overturned by the Ombudsman. This measure has been excluded from Table 18.3 because it is a measure not of the effectiveness of the Ombudsman, but of compliance by agencies with the requirements of the *Freedom of Information Act 1991*.

# DETAILED BUDGET STATEMENTS

Table 18.4: Output Group Expense Summary for the Office of the Ombudsman

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<i>Attorney-General and Minister for Justice and Workplace Relations</i>			
<b>Output Group 1 - The Office of the Ombudsman</b>			
<b>1.1 Decisions on Complaints Referred to the Ombudsman and Health</b>			
Complaints Commissioner and Freedom of Information	1 713	1 764	3.0
	1 713	1 764	3.0
<b>TOTAL AGENCY</b>	<b>1 713</b>	<b>1 764</b>	<b>3.0</b>

Table 18.5: Income Statement for the Office of the Ombudsman

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
<b>Revenue from Government</b>			
Annual Appropriation	1 229	1 280	4.1
Other Revenue	475	475	....
<b>TOTAL</b>	<b>1 704</b>	<b>1 755</b>	<b>2.9</b>
<b>EXPENSES</b>			
Employee Entitlements	1 163	1 205	3.6
Superannuation	66	68	3.0
Supplies and Consumables	400	404	1.0
Other Expenses	84	87	3.5
<b>TOTAL</b>	<b>1 713</b>	<b>1 764</b>	<b>2.9</b>
<b>NET OPERATING RESULT</b>	<b>(9)</b>	<b>(9)</b>	<b>....</b>

Table 18.6: Balance Sheet as at 30 June for the Office of the Ombudsman

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash	339	339	....
<b>TOTAL ASSETS</b>	<b>339</b>	<b>339</b>	<b>....</b>
<b>LIABILITIES</b>			
Payables	5	5	....
Employee Entitlements	183	192	4.9
<b>TOTAL LIABILITIES</b>	<b>188</b>	<b>197</b>	<b>4.7</b>
<b>NET ASSETS</b>	<b>151</b>	<b>142</b>	<b>(6.0)</b>

Table 18.7: Statement of Cash Flows for the Office of the Ombudsman

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
<b>Revenue from Government</b>			
Appropriation	1 229	1 280	4.1
GST Receipts	....	46	....
Other Receipts	475	475	....
<b>Payments</b>			
Employee Entitlements	(1 154)	(1 196)	3.6
Superannuation	(66)	(68)	3.0
Supplies and Consumables	(400)	(404)	1.0
GST Payments	....	(46)	....
Other Payments	(84)	(87)	3.5
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>339</b>	<b>339</b>	<b>....</b>
<b>Cash at the End of Reporting Period</b>	<b>339</b>	<b>339</b>	<b>....</b>



**Table 18.8: Reconciliation of Operating Expenses to Consolidated Fund Appropriation**

	2006-07 Budget	2007-08 Budget
	\$'000	\$'000
<b>Total Operating Expenses</b>	1 713	1 764
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	(9)	(9)
<b>Total Cash Cost of Outputs</b>	(1 704)	(1 755)
<b>Other Funding Sources</b>	(475)	(475)
<b>Total Consolidated Fund Appropriation</b>	<u>1 229</u>	<u>1 280</u>



# 19 TASMANIAN AUDIT OFFICE

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## AGENCY OUTLINE

The statutory office of the Auditor-General is established by the *Financial Management and Audit Act 1990*. The Tasmanian Audit Office (the Office) supports the Auditor-General in meeting his statutory responsibilities and the Auditor-General is the Head of the Agency. The Office is part of the accountability mechanism by which the Parliament holds the Government accountable for fulfilling its responsibilities.

The Auditor-General is responsible for audits under the *Financial Management and Audit Act 1990*, the *Government Business Enterprises Act 1995*, the *Local Government Act 1993*, and other Acts. The Auditor-General also has responsibilities in respect of Commonwealth grants and payments to the State under Commonwealth legislation.

## STRATEGIC FOCUS

The broad strategic focus of the Office is encapsulated in its purpose 'To provide Parliament with independent opinion, advice and recommendations on the performance of the Tasmanian Public Sector (including Local Government and State-owned entities)'.

The Office's strategic objectives are to improve:

- public confidence in the performance of public sector entities; and
- service delivery by public sector entities.

The achievement of the above strategic objectives will be measured by the Office's ability to meet the following critical success factors and objectives:

- Providing Value for Money:
  - improved public sector entity accountability, outcomes and processes; and
  - efficient and effective Audit Office operations;
- Highly satisfied Parliament (representing the community) and clients:
  - appropriate reports;
  - positive, action focused and independent advice; and
  - audit role and scope to match current and emerging need;
- Rigorous methodology and process relevant to context:
  - appropriate delivery, methodology and processes;
  - optimal resource planning and allocation; and
  - high quality business decisions and processes;

- Have strongly performing teams:
  - skills profile matches needs; and
  - people engaged with objectives and values and motivated to perform.

The Office contributes to the accountability framework by providing independent audit assurance to Parliament concerning:

- the financial statements of the Treasurer, government agencies and other public bodies; and
- the economy, efficiency and effectiveness of the operations of those entities.

The independent audit assurance provided by the Office is achieved by undertaking:

- financial statement audits;
- performance audits;
- compliance audits;
- special reviews and investigations; and
- reporting to Parliament and clients on the results of these audits and investigations.

The Office's strategic focus has been recognised in the Tasmania *Together* benchmarks. Under Goal 15 - 'Have a system of government that is accountable to the people and plans for the future at all levels', it is stated that one of the challenges is to 'maintain the number of performance-based audits conducted by the Auditor-General'.

## KEY STRATEGIES

In order to achieve or assist in the achievement of the above strategic focus, the Office has identified the following organisational objectives:

- establish structures that will enable the employment of people who have relevant technical competencies, professional and personal skills, and who are remunerated appropriately;
- provide our staff with relevant business tools, training and systems to enable the delivery of effective financial and performance audits, and business services;
- utilise best practice audit methodologies and practices for all audit activities and ensuring these practices are specifically aimed at improving the efficiency and timeliness of audit services;
- continue to outsource financial audit work on a strategic basis;
- selective outsourcing of performance audit capability;
- continue to implement and refine business processes to ensure the Office is managed with maximum efficiency and effectiveness;
- continue to enhance our relationship with all members of Parliament, particularly through the Public Accounts Committee and other Parliamentary Committees;

- be effective in our professional relationships with audit clients through timely and well coordinated communications and proactive identification of audit issues and emerging developments, particularly in accounting and auditing;
- manage our people in an exemplary manner in line with corporate values; and
- maintain an internal quality assurance program together with a periodic external independent review to ensure quality standards are met and Office operations are effective and efficient.

## 2007-08 MAJOR INITIATIVES

As part of the above key strategies, the Office is implementing the following major initiatives:

- targeting audits to areas offering the greatest potential for the Office to contribute to improved performance and enhanced accountability in the public sector;
- continually improving the structure and content of reports, and methods of communicating audit results to Parliament;
- continuing to implement and refine business processes to ensure the Office is managed with maximum efficiency and effectiveness;
- considering, and where appropriate implementing, the recommendations made by the independent peer reviewer and other external and internal reviews;
- completing the development of the human resource management framework;
- completing the implementation of the corporate governance framework;
- completing the implementation of an upgraded job costing system;
- completing the implementation of a revised corporate reporting framework;
- completing the full rollout of the Office's new financial audit methodology;
- completing the upgrade of the Office's ICT infrastructure;
- commencing a review of the Office's performance audit methodology; and
- developing a revised planning cycle and four year strategic plan.

# SUMMARY AGENCY 2007-08 BUDGET INFORMATION

## Financial Summary

Table 19.1: Summary Financial Information for the Tasmanian Audit Office

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Reserved by Law	319	330	3.4
Other Revenue	4 818	4 960	2.9
<b>TOTAL</b>	<b>5 137</b>	<b>5 290</b>	<b>3.0</b>
<b>EXPENSES</b>			
Public Sector Management and Accountability	4 967	5 246	5.6
<b>TOTAL</b>	<b>4 967</b>	<b>5 246</b>	<b>5.6</b>
<b>NET OPERATING RESULT</b>	<b>170</b>	<b>44</b>	<b>(74.1)</b>

# DETAILED OUTPUT GROUP 2007-08 BUDGET INFORMATION

The sole Output of the Tasmanian Audit Office is provided under Output Group 1: Public Sector Management and Accountability.

## Output Group 1: Public Sector Management and Accountability

### *Description*

The Office's Outcome Statement is 'To provide Parliament with independent opinion, advice and recommendations on the performance of the Tasmanian Public Sector (including Local Government and State-owned entities)'.

The Auditor-General's principal aim is to improve accountability and encourage economic, efficient and effective use of public resources in Tasmania.

The Auditor-General is responsible for auditing the financial affairs and other activities of the Parliament and around 160 public sector organisations, including government agencies, public bodies, government businesses, superannuation funds, health services, educational institutions and Local Government entities.

Audit findings and recommendations address:

- improvements in the management practices and systems of government organisations;
- fair presentation of financial statements; and
- compliance with legislative and other requirements.

The process to determine audit findings and recommendations primarily involves the carrying out of two types of audits: financial audits and performance audits.

### *Financial Audits*

Any audit assignment that relates to forming an opinion on the annual financial statements of a public sector entity is a financial audit. These audits provide independent assurances to the Parliament and the community that the information in the financial statements of public sector entities is presented fairly and in accordance with Australian Accounting Standards.

### *Performance Audits*

A performance audit is an audit that evaluates whether an organisation is achieving its objectives effectively, economically, efficiently and in compliance with relevant legislation.

The Office also conducts special investigations.

Table 19.2: Summary Financial Information - Output Group 1

Public Sector Management and Accountability	2006-07	2007-08	Variation
	Budget	Budget	
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Reserved by Law	319	330	3.4
Interest Revenue	12	13	8.3
Sales of Goods and Services <sup>1</sup>	4 806	4 947	2.9
<b>TOTAL</b>	<b>5 137</b>	<b>5 290</b>	<b>3.0</b>
<b>EXPENSES</b>			
Employee Entitlements			
Salaries and Wages	2 848	2 986	4.8
Other Employee Related Expenses	149	156	4.7
Superannuation	295	310	5.1
Depreciation and Amortisation <sup>2</sup>	167	210	25.7
Supplies and Consumables			
Consultants	609	639	4.9
Property Services	192	202	5.2
Communications	25	26	4.0
Information Technology	130	137	5.4
Travel and Transport	150	157	4.7
Other Supplies and Consumables	217	228	5.1
Other Expenses	185	195	5.4
<b>TOTAL</b>	<b>4 967</b>	<b>5 246</b>	<b>5.6</b>
<b>EXPENSES BY OUTPUT</b>			
1.1 Public Sector Management and Accountability	4 967	5 246	5.6
<b>TOTAL</b>	<b>4 967</b>	<b>5 246</b>	<b>5.6</b>

Notes:

1. Sales of Goods and Services income includes \$1.5 million for Performance Audit Services and Reports to Parliament. This amount is initially appropriated to Finance-General. The Office invoices Finance-General on a cost recovery basis as the Audits are performed.
2. The increase in Depreciation and Amortisation reflects the additional information technology infrastructure assets recently purchased by the Office.



**Table 19.3: Performance Information - Output Group 1**

<b>Performance Measure</b>	<b>Unit of Measure</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Target</b>	<b>2007-08 Target</b>
<b>Financial statement audits completed within three and a half months of balance date - Agencies and GBEs</b>	%	79	79	90	85 <sup>1</sup>
<b>Financial statement audits completed within four months of balance date - Other</b>	%	78	78	90	85 <sup>1</sup>
<b>Financial statement audits completed within 30 days of receipt of signed final financial statements</b>	%	90	85	90	90
<b>Client General Satisfaction Index</b>	%	76	93	75	70 <sup>1</sup>
<b>Client index on timeliness of financial statement audits</b>	%	76	91	75	75
<b>Number of performance audits tabled during the year</b>	Number	7	9	8	8
<b>Usefulness index for performance audits</b>	%	90	na	75	75
<b>Parliamentarian General Satisfaction Index</b>	%	96	na	75	75

Note:

1. The 2007-08 Target reflects the impact of the adjustment to the new reporting timeframe and staff resources issues.

## *Performance Information Comments*

### *Financial Statement Audits completed*

While the Office does not have formal performance agreements with clients in respect of issuing audit reports within a specific time frame, the Office has its own benchmarks. Since 2003-04, the Office's benchmarks have been to issue an audit report within:

- three and a half months for Government departments and Government Business Enterprises; and
- four months for all other public sector bodies (including State-owned Companies and Local Government).

For the 2004-05 audit cycle completed during the 2005-06 financial year, and the 2005-06 audit cycle completed during the 2006-07 financial year, the Office maintained its performance for these audit cycles, which were below the stated benchmark. The main factor impacting the result was staff resourcing issues including the loss of personnel in senior management positions.

Another performance measure is the completion of the financial statement audit within 30 days of receipt of signed financial statements. Achievement of this performance measure has declined in recent years due, in part, to adjusting to the new reporting timeframe and staff resourcing issues.

### *Comment on Survey Indices*

The Office engaged a private sector firm to independently undertake a survey of Parliamentarians and audit clients on its behalf. The survey is part of a benchmarking exercise with other state and territory audit offices. The last survey was completed in 2007. Preliminary outcomes indicate that the office has improved in all aspects of performance, with a significant improvement in the performance of financial audits. The full results of all surveys will be reported in the Office's 2006-07 Annual Report.

# DETAILED BUDGET STATEMENTS

Table 19.4: Output Group Expense Summary for the Tasmanian Audit Office

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<i>Treasurer</i>			
<b>Output Group 1 - Public Sector Management and Accountability</b>			
1.1 Public Sector Management and Accountability	4 967	5 246	5.6
	4 967	5 246	5.6
<b>TOTAL AGENCY</b>	<b>4 967</b>	<b>5 246</b>	<b>5.6</b>

Table 19.5: Income Statement for the Tasmanian Audit Office

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Revenue from Government			
Reserved by Law	319	330	3.4
Interest Revenue	12	13	8.3
Sales of Goods and Services	4 806	4 947	2.9
<b>TOTAL</b>	<b>5 137</b>	<b>5 290</b>	<b>2.9</b>
<b>EXPENSES</b>			
Employee Entitlements	2 997	3 142	4.8
Superannuation	295	310	5.0
Depreciation and Amortisation <sup>1</sup>	167	210	25.7
Supplies and Consumables	1 323	1 389	4.9
Other Expenses	185	195	5.4
<b>TOTAL</b>	<b>4 967</b>	<b>5 246</b>	<b>5.6</b>
<b>NET OPERATING RESULT</b>	<b>170</b>	<b>44</b>	<b>(74.2)</b>

Note:

1. The increase in Depreciation and Amortisation reflects the additional information technology infrastructure assets recently purchased by the Office.

Table 19.6: Balance Sheet as at 30 June for the Tasmanian Audit Office

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	1 266	749	(40.9)
Receivables <sup>2</sup>	300	422	40.6
Prepayments	59	93	57.6
Accrued Revenue <sup>3</sup>	250	3	(98.9)
Tax Assets	11	3	(72.8)
<b>TOTAL</b>	<b>1 886</b>	<b>1 270</b>	<b>(32.7)</b>
<b>NON-FINANCIAL ASSETS</b>			
Plant and Equipment <sup>4</sup>	243	664	173.2
<b>TOTAL</b>	<b>243</b>	<b>664</b>	<b>173.2</b>
<b>TOTAL ASSETS</b>	<b>2 129</b>	<b>1 934</b>	<b>(9.2)</b>
<b>LIABILITIES</b>			
Payables <sup>5</sup>	89	183	105.6
Employee Entitlements <sup>6</sup>	688	847	23.1
Other <sup>7</sup>	....	180	....
<b>TOTAL LIABILITIES</b>	<b>777</b>	<b>1 210</b>	<b>55.7</b>
<b>NET ASSETS</b>	<b>1 352</b>	<b>724</b>	<b>(46.5)</b>

Notes:

1. The decrease in Cash reflects a more accurate estimate of cash holdings based on the Office's current cash position.
2. The increase in Receivables reflects the expectation that the Office will invoice all clients for work in progress prior to 30 June 2008.
3. The decrease in Accrued Revenue reflects the invoicing arrangements detailed in Note 2.
4. The increase in Plant and Equipment reflects the purchase of additional information technology infrastructure.
5. The increase in Payables reflects a more accurate estimate of the anticipated level of Payables.
6. The increase in Employee Entitlements reflects growth in salaries and the accrual liabilities associated with leave and other Employee Entitlements.
7. The increase in Other Liabilities reflects the establishment of a provision to meet the potential costs associated with the removal of alterations made by the Office to the leased premises it currently occupies at the end of its lease.

**Table 19.7: Statement of Cash Flows for the Tasmanian Audit Office**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Revenue from Government			
Reserved by Law	319	330	3.4
Interest Received	12	13	8.3
Sales of Goods and Services	4 806	4 947	2.9
GST Receipts	477	264	(44.7)
<b>Payments</b>			
Employee Entitlements	(2 909)	(3 054)	4.9
Superannuation	(295)	(310)	5.0
Supplies and Consumables	(1 323)	(1 389)	4.9
GST Payments	(477)	(264)	(44.7)
Other Payments	(185)	(195)	5.4
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>425</b>	<b>342</b>	<b>(19.6)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets <sup>1</sup>	(140)	(246)	75.7
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(140)</b>	<b>(246)</b>	<b>75.7</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>285</b>	<b>96</b>	<b>(66.4)</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>981</b>	<b>653</b>	<b>(33.5)</b>
<b>Cash at the End of Reporting Period</b>	<b>1 266</b>	<b>749</b>	<b>(40.9)</b>

Note:

1. The increase in the Purchase of Fixed Assets reflects the acquisition of information technology infrastructure.

Table 19.8: Reconciliation of Operating Expenses to Consolidated Fund Appropriation

	2006-07 Budget \$'000	2007-08 Budget \$'000
<b>Total Operating Expenses</b>	4 967	5 246
<b>Adjustments for Non-Cash Items</b>		
Employee Entitlements	(88)	(88)
Depreciation and Amortisation	(167)	(210)
<b>Total Cash Cost of Outputs</b>	4 712	4 948
<b>Other Funding Sources</b>	(4 533)	(4 864)
<b>Purchase of Fixed Assets</b>	140	246
<b>Total Consolidated Fund Appropriation</b>	319	330

PART 3:

STATUTORY AUTHORITIES

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# 20 INLAND FISHERIES SERVICE

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## AUTHORITY OUTLINE

The Director of Inland Fisheries, as a corporation sole established under the *Inland Fisheries Act 1995*, has wide statutory powers to regulate, manage, protect and improve fisheries in inland waters and freshwater fish. The Inland Fisheries Service (IFS) exists to:

- manage the inland recreational fishery of Tasmania;
- manage inland commercial fisheries and associated aquaculture industries;
- manage native fish; and
- manage pest fish.

The responsible Minister is the Minister for Primary Industries and Water, Hon David Llewellyn MHA, and the supporting agency is the Department of Primary Industries and Water.

The Service has 29.7 Full Time Equivalent staff located at four sites around Tasmania. Staff are generally divided into three categories: administrative (30 per cent); compliance (21 per cent); and fisheries management (49 per cent).

About half of the Service's funding is derived from sales of recreational angling licences and various other commercial fisheries licences or permits. The remainder of the funding (including \$395 000 specifically for the Carp Eradication Program) is provided by an administrative payment under the portfolio of Primary Industries and Water.

## STRATEGIC FOCUS

The vision of the IFS is 'For Tasmania to have sustainable fisheries of a world class standard'. The IFS mission is 'To manage Tasmania's inland fisheries for the benefit of anglers and the Tasmanian community'.

## KEY STRATEGIES

The key strategy for 2007-08 is to develop the sustainable production of fish from the new hatchery at New Norfolk for stocking of inland lakes and rivers for recreational angling.

Coupled with the sustainable production of fish, is the improvement of access to lakes and streams for recreational anglers in accordance with the Recreational Fishing Plan. This will provide an increase in revenues for the IFS, and ultimately lead to further improvement of facilities for sustainable inland fisheries.

# 2007-08 MAJOR INITIATIVES

In 2007-08, the major initiatives for the IFS include:

- working up to full capacity operation of the new controlled atmosphere fish hatchery at New Norfolk for restocking and sale of fish to commercial hatcheries;
- updating of the IFS Corporate Plan to further focus the direction of the organisation;
- developing a Recreational Fishery Plan that will provide clear direction in fisheries management activities;
- improving performance in a range of key fisheries, in particular, Craigbourne Dam, Curries Dam, Lake Barrington, Lake Kara and Four Springs. Other lakes will also be targeted with adult fish transfers, as required;
- continuing to develop management policies and procedures to meet contemporary management needs of the Service;
- progressing a project to develop and enhance access to lakes, streams and rivers for trout fishing; and
- maintaining a commercial approach to the way IFS conducts business and deals with its customers.

**Table 20.1: Income Statement for the Inland Fisheries Service**

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<b>INCOME</b>			
Fines and Regulatory Fees	1 470	1 597	8.6
Interest Revenue	102	110	7.8
Grants	1 158	1 179	1.8
Sales of Goods and Services	472	481	1.9
Gain (Loss) on Sale of Non-Financial Assets	173	190	9.8
<b>TOTAL</b>	<b>3 375</b>	<b>3 557</b>	<b>5.3</b>
<b>EXPENSES</b>			
Employee Entitlements	1 801	1 847	2.5
Superannuation	187	184	(1.7)
Depreciation and Amortisation <sup>1</sup>	150	167	11.3
Supplies and Consumables <sup>2</sup>	1 300	1 119	(14.0)
<b>TOTAL</b>	<b>3 438</b>	<b>3 317</b>	<b>(3.6)</b>
<b>NET OPERATING RESULT</b>	<b>(63)</b>	<b>240</b>	<b>(481.0)</b>

Notes:

1. The increase in Depreciation and Amortisation is due to the construction of a hatchery at New Norfolk to enable breeding of fish under controlled conditions.
2. The decrease in Supplies and Consumables reflects the continued improvement in IFS expenditure control.

Table 20.2: Balance Sheet as at 30 June for the Inland Fisheries Service

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	400	697	74.2
Receivables <sup>2</sup>	140	45	(67.9)
Investments	602	550	(8.7)
<b>TOTAL</b>	<b>1 142</b>	<b>1 292</b>	<b>13.1</b>
<b>NON-FINANCIAL ASSETS</b>			
Land and Buildings <sup>3</sup>	2 799	3 564	27.3
Plant and Equipment <sup>4</sup>	173	910	426.0
<b>TOTAL</b>	<b>2 972</b>	<b>4 474</b>	<b>50.5</b>
<b>TOTAL ASSETS</b>	<b>4 114</b>	<b>5 766</b>	<b>40.1</b>
<b>LIABILITIES</b>			
Payables	91	76	(16.5)
Employee Entitlements	665	593	(10.9)
Accrued Expenses <sup>5</sup>	90	....	(100.0)
<b>TOTAL LIABILITIES</b>	<b>846</b>	<b>669</b>	<b>(21.0)</b>
<b>NET ASSETS</b>	<b>3 268</b>	<b>5 097</b>	<b>55.9</b>

Notes:

1. The increase in Cash reflects a higher level of operating activities.
2. The decrease in Receivables reflects the anticipated timing of receivables in 2007-08.
3. The increase in Land and Buildings reflects the purchase of new premises at New Norfolk for the construction of a hatchery.
4. The increase in Plant and Equipment reflects a new hatchery constructed at New Norfolk to facilitate breeding of fish under controlled conditions.
5. The decrease in Accrued Expenses reflects the projection that no accrued expenses will be outstanding as at 30 June 2008.

**Table 20.3: Statement of Cash Flows for the Inland Fisheries Service**

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Fines and Regulatory Fees	1 470	1 597	8.6
Interest Received	102	110	7.8
Grants	1 159	1 179	1.7
Sales of Goods and Services	472	481	1.9
GST Receipts	49	49	....
<b>Payments</b>			
Employee Entitlements	(1 801)	(1 847)	2.5
Superannuation	(187)	(184)	(1.7)
Supplies and Consumables <sup>1</sup>	(1 300)	(1 119)	(14.0)
GST Payments	(49)	(49)	....
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>(85)</b>	<b>217</b>	<b>355.2</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale of Fixed Assets	173	190	9.8
Purchase of Fixed Assets	(196)	(200)	2.0
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(23)</b>	<b>(10)</b>	<b>(56.6)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(108)</b>	<b>207</b>	<b>291.6</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>508</b>	<b>490</b>	<b>(3.6)</b>
<b>Cash at the End of Reporting Period</b>	<b>400</b>	<b>697</b>	<b>74.2</b>

Note:

1. The decrease in Supplies and Consumables reflects the continued improvement in IFS expenditure control.

# 21 MARINE AND SAFETY TASMANIA

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## AUTHORITY OUTLINE

Marine and Safety Tasmania (MAST) was created by the *Marine and Safety Authority Act 1997*. Its functions are to:

- ensure safe operations of vessels;
- provide and manage marine facilities; and
- manage environmental issues relating to vessels.

MAST commenced operations on 30 July 1997. The former Department of Transport and the former Port Authorities transferred a large number of marine facilities to MAST. The Port Authorities divested all boat ramps and jetties and all the navigation aids that were outside their immediate port areas, or were not part of their core commercial activities. MAST also assumed the assets and liabilities of the former Navigation and Survey Authority of Tasmania.

The responsible Minister is the Minister for Infrastructure, Hon Jim Cox MHA, and the supporting agency is the Department of Infrastructure, Energy and Resources.

MAST is largely self-funding, other than an annual \$800 000 administrative payment through the Department of Infrastructure, Energy and Resources. This funding is used for the maintenance and management of commercial facilities vested in MAST from the former Department of Transport (\$700 000) and dredging (\$100 000).

Income is also derived from recreational boat registrations and licence and mooring registration fees. Fees from recreational users are returned to the community through the provision of new recreational facilities and the maintenance of existing facilities vested in MAST, as well as funding community owned facilities through the Recreational Boating Fund.

MAST receives income from commercial vessel owners for the inspection of vessels and licensing of operators as well as ensuring new vessels are built to the appropriate standards. These activities are largely fee for service.

## STRATEGIC FOCUS

MAST seeks to be widely recognised as a proactive, approachable and knowledgeable organisation, and to carry out the functions required by it under the Marine and Safety Authority Act.

# KEY STRATEGIES

In order to achieve or assist in achieving the above functions, MAST is implementing the following key strategies:

- working with the commercial industry to improve its safety culture and safety performance;
- providing and managing marine facilities which promote safe vessel operations and meet the needs of marine users;
- improving the management of Tasmanian waterways;
- delivering innovative and proactive programs to support safe recreational boating; and
- continuing to deliver highly effective business and administrative processes to enhance MAST activities.

## 2007-08 MAJOR INITIATIVES

In 2007-08, the major initiatives for MAST include:

- rebuilding existing jetty infrastructure at a cost of \$500 000. This is the second instalment of a \$5.0 million Election Commitment allocation over five years for replacing ageing marine infrastructure;
- developing and implementing a long-term strategy for the St Helens barway at a cost of \$100 000. This is the first instalment of a five year \$500 000 program to improve access to Georges Bay. This is conditional on further assistance from the Break O'Day Council and the Australian Government; and
- continuing the recreational boating facilities program using revenue from recreational boating registrations and licences.

Table 21.1: Income Statement for Marine *and* Safety Tasmania

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Interest Revenue <sup>1</sup>	25	75	200.0
Grants	1 400	1 300	(7.2)
Sales of Goods and Services	2 865	2 887	0.7
<b>TOTAL</b>	<b>4 290</b>	<b>4 262</b>	<b>(0.7)</b>
<b>EXPENSES</b>			
Employee Entitlements	1 020	1 054	3.3
Superannuation <sup>2</sup>	221	287	29.8
Depreciation and Amortisation <sup>3</sup>	453	503	11.0
Supplies and Consumables	2 623	2 687	2.4
<b>TOTAL</b>	<b>4 317</b>	<b>4 531</b>	<b>4.9</b>
<b>NET OPERATING RESULT</b>	<b>(27)</b>	<b>(269)</b>	<b>896.2</b>

Notes:

1. The increase in Interest Revenue more accurately reflects the level of interest that will be earned by MAST as a result of holding higher average cash balances throughout the 2007-08 financial year.
2. The increase in Superannuation reflects a greater number of staff making their salary sacrifice payments into Superannuation.
3. The increase in Depreciation and Amortisation reflects additional capital expenditure on infrastructure and revaluation increments on infrastructure.

Table 21.2: Balance Sheet as at 30 June for Marine and Safety Tasmania

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	984	719	(27.0)
Receivables	110	130	18.1
Prepayments	42	48	14.2
Accrued Revenue	33	45	36.3
Tax Assets	73	100	36.9
<b>TOTAL</b>	<b>1 242</b>	<b>1 042</b>	<b>(16.2)</b>
<b>NON-FINANCIAL ASSETS</b>			
Plant and Equipment	50	68	36.0
Infrastructure	7 696	8 022	4.2
<b>TOTAL</b>	<b>7 746</b>	<b>8 090</b>	<b>4.4</b>
<b>TOTAL ASSETS</b>	<b>8 988</b>	<b>9 132</b>	<b>1.6</b>
<b>LIABILITIES</b>			
Payables <sup>2</sup>	300	358	19.3
Tax Liabilities	7	12	71.4
Employee Entitlements	187	193	3.2
Accrued Expenses	8	3	(62.5)
<b>TOTAL LIABILITIES</b>	<b>502</b>	<b>566</b>	<b>12.7</b>
<b>NET ASSETS</b>	<b>8 486</b>	<b>8 566</b>	<b>0.9</b>

Notes:

1. The decrease in Cash reflects the expenditure of funds on capital infrastructure projects.
2. The increase in Payables reflects the anticipated timing of billing for various licence projects in 2007-08.



**Table 21.3: Statement of Cash Flows for Marine and Safety Tasmania**

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Interest Received <sup>1</sup>	25	75	200.0
Grants	1 400	1 300	(7.2)
Sales of Goods and Services	2 865	2 887	0.7
GST Receipts	47	63	34.0
<b>Payments</b>			
Employee Entitlements	(1 020)	(1 053)	3.2
Superannuation <sup>2</sup>	(221)	(280)	26.6
Supplies and Consumables	(2 623)	(2 687)	2.4
GST Payments	(48)	(64)	33.3
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>425</b>	<b>241</b>	<b>(43.3)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets <sup>3</sup>	(841)	(525)	(37.6)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(841)</b>	<b>(525)</b>	<b>(37.6)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(416)</b>	<b>(284)</b>	<b>(31.8)</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>1 400</b>	<b>1 003</b>	<b>(28.4)</b>
<b>Cash at the End of Reporting Period</b>	<b>984</b>	<b>719</b>	<b>(27.0)</b>

Notes:

1. The increase in Interest Received more accurately reflects the level of interest that will be earned by MAST as a result of holding higher average cash balances throughout the 2007-08 financial year.
2. The increase in Superannuation reflects a greater number of staff making their salary sacrifice payments into Superannuation.
3. The decrease in Purchase of Fixed Assets reflects the timing of the marine infrastructure replacement program.



# 22 THE NOMINAL INSURER

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## AUTHORITY OUTLINE

The Nominal Insurer was established under the *Workers Rehabilitation and Compensation Act 1988* to:

- manage workers' compensation claims where an employer has failed to maintain a policy of workers' compensation or where an insurer or self-insurer is unable to meet its liabilities under the Act; and
- manage the Nominal Insurer Fund.

The responsible Minister is the Attorney-General, the Hon Steve Kons MHA, and the supporting agency is the Department of Justice.

Prior to the collapse of the former HIH Insurance Group, the Nominal Insurer managed a small number of workers' compensation claims in situations where either the employer was uninsured and failed to meet the claim, or the insurer was insolvent. The cost of such claims was funded by a small levy on insurers.

Following the collapse of the former HIH Insurance Group, the Nominal Insurer assumed responsibility for over 700 workers' compensation claims with an initial estimated outstanding cost of \$50 million. Those claims are being managed on behalf of the Nominal Insurer by Insurance Australia Group Limited (IAG) and the cost is met by an annual levy of four per cent of the premium income of insurers and the notional premium of self-insurers. To meet the initial cost of settling a large number of relatively straightforward claims at a cost in excess of the levy income, the Nominal Insurer has borrowed funds from the Tasmanian Public Finance Corporation (Tascorp). These borrowings and the interest cost will be repaid from future levies.

During 2005-06, the Nominal Insurer transferred the tail of the outstanding claims against the former HIH Insurance Group to CGU Insurance, a subsidiary of IAG, taking into account the actuarially determined outstanding cost estimate of the claims. The effect of the transfer is that the Nominal Insurer no longer has responsibility, either financially or administratively, for the outstanding claims. The value of the outstanding claims less the outstanding cost estimate was \$8.0 million, which was used to retire a portion of the Tascorp borrowings.

## STRATEGIC FOCUS

The strategic focus of the Nominal Insurer is to ensure that workers are not disadvantaged in circumstances where an employee is not insured, where an employer cannot be located or has been declared bankrupt, or where an employer/insurer has defaulted in payment of an accepted claim.

# KEY STRATEGIES

In order to achieve the strategic focus, the Nominal Insurer will continue to collect the annual levy from insurers and self-insurers, and will use the funds collected to meet the interest costs on the borrowings from Tascorp and, over time, to retire these borrowings. It is anticipated that the remaining borrowings relating to HIH will be fully repaid in 2008-09.

**Table 22.1: Income Statement for the Nominal Insurer**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Other Revenue <sup>1</sup>	....	1 500	....
<b>TOTAL</b>	....	1 500	....
<b>EXPENSES</b>			
Borrowing Costs	500	500	....
Other Expenses <sup>2</sup>	....	1 000	....
<b>TOTAL</b>	500	1 500	200.0
<b>NET OPERATING RESULT</b>	<b>(500)</b>	<b>....</b>	<b>(100.0)</b>

Notes:

1. The increase in Other Revenue reflects a dividend payment from the HIH Liquidator.
2. The increase in Other Expenses reflects a write down of the amount expected to be collected from insurers.

**Table 22.2: Balance Sheet as at 30 June for the Nominal Insurer**

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	269	455	69.1
Receivables <sup>2</sup>	22 451	4 459	(80.2)
<b>TOTAL</b>	<b>22 720</b>	<b>4 914</b>	<b>(78.4)</b>
<b>TOTAL ASSETS</b>	<b>22 720</b>	<b>4 914</b>	<b>(78.4)</b>
<b>LIABILITIES</b>			
Interest Bearing Liabilities <sup>3</sup>	21 355	4 914	(77.0)
<b>TOTAL LIABILITIES</b>	<b>21 355</b>	<b>4 914</b>	<b>(77.0)</b>
<b>NET ASSETS</b>	<b>1 365</b>	<b>....</b>	<b>(100.0)</b>

Notes:

1. The increase in Cash reflects a fluctuation in the timing of interest bearing liability repayments.
2. The significant reduction in Receivables reflects a reduced need to collect funds from insurers to repay borrowings.
3. The decrease in Interest Bearing Liabilities reflects a lower than expected borrowing required to fund the transfer of HIH claims to CGU.

**Table 22.3: Statement of Cash Flows for the Nominal Insurer**

	2006-07 Budget \$'000	2007-08 Budget \$'000	Variation %
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Fines and Regulatory Fees <sup>1</sup>	5 000	5 500	10.0
Other Receipts	....	1 500	....
<b>Payments</b>			
Borrowing Costs	(500)	(500)	....
Supplies and Consumables	....	....	....
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>4 500</b>	<b>6 500</b>	<b>44.4</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	....	....	....
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net Borrowings <sup>2</sup>	(4 500)	(6 500)	44.4
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>(4 500)</b>	<b>(6 500)</b>	<b>44.4</b>
<b>Net Increase/(Decrease) in Cash Held</b>	....	....	....
<b>Cash at the Beginning of Reporting Period</b>	<b>269</b>	<b>455</b>	<b>69.1</b>
<b>Cash at the End of Reporting Period</b>	<b>269</b>	<b>455</b>	<b>69.1</b>

Notes:

1. The increase in Fines and Regulatory Fees is due to an expected increase in receipts received from insurers.
2. The increase in Net Borrowings is due to the repayment of interest bearing liabilities.

# 23 ROYAL TASMANIAN BOTANICAL GARDENS

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## AUTHORITY OUTLINE

The Royal Tasmanian Botanical Gardens (RTBG) is a State authority, governed by the *Royal Tasmanian Botanical Gardens Act 2002*. The RTBG Board is appointed by the Minister for Tourism, Arts and the Environment and comprises seven members.

The Board is responsible for managing, conserving and enhancing the RTBG in accordance with the Act.

The responsible Minister is the Minister for Tourism, Arts and the Environment, the Hon Paula Wriedt MHA, and the supporting agency is the Department of Tourism, Arts and the Environment.

## STRATEGIC FOCUS

The RTBG's Strategic Plan, which guides the RTBG in '*Managing Tasmania's Botanical Heritage*' was developed with valuable contributions from more than 100 stakeholders in government, industry and community organisations across Tasmania, and from the Board, staff and the Friends of the RTBG. The Minister approved the Plan in April 2003.

Some key issues identified include the need for recognition of the RTBG as a state-wide resource that is accessible and available to the whole of Tasmania, the broader cultural heritage precinct identity and management, access to and within the RTBG, improvements to living collection management, expansion of conservation and research initiatives, the expansion of cultural programs, and improving the link to the foreshore while addressing road noise and access issues.

## KEY STRATEGIES

The vision for the RTBG is to be internationally recognised as a centre of excellence in Southern Hemisphere cool climate plants, and to enrich Tasmania's social and cultural environment. The mission of the RTBG is to manage, conserve and enhance the RTBG by delivering sustainable and relevant programs in plant collections and displays, tourism and recreation, cultural heritage and research and learning for Tasmania and the broader community.

# 2007-08 MAJOR INITIATIVES

In 2007-08, the major initiatives for RTBG include:

- continued development of an RTBG Strategic Master Plan in accordance with the Royal Tasmanian Botanical Gardens Act;
- development of ancillary plans including a Thematic Interpretation Plan, Visitor and Community Survey, Conservation Management Plan, Living Collections Plan, Asset Management Plan, Tree Management Plan, and Marketing Plan;
- completion of Stage II of the Friend Mixed Border project;
- development and implementation of a new interpretation display for the RTBG Visitor Centre;
- further development and expansion of the partnership with TAFE Tasmania in relation to workplace student training for horticulture and other relevant disciplines;
- further upgrading and enhanced interpretation and signage within the RTBG;
- reviewing the operations of retail functions under the control of the RTBG;
- improvements to environmental sustainability practices including water management, green waste and resource retrieval programs, and pest and disease management;
- reviewing the production system for annuals for ornamental display;
- operation of the Tasmanian Seed Conservation Centre in partnership with the Royal Botanic Gardens Kew, Department of Primary Industries and Water, and the Tasmanian Museum and Art Gallery Herbarium, including the development of an associated research program;
- development of industry benchmarks in conjunction with the Council Heads of Australian Botanic Gardens (CHABG);
- continued identification, investigation and implementation of financial diversification strategies for RTBG;
- reviewing education programs offered both on site and via outreach programs in other regional centres around Tasmania;
- reviewing the current events program and exploring opportunities for new events;
- continuing work on the Rare and Threatened Species Database and Propagation Project through BHP Billiton, TEMCO and Tasmanian Minerals Council grant funding;
- contributing to the international Global Strategy for Plant Conservation under the United Nation's Convention of Biodiversity;
- developing and implementing strategies to achieve the Botanic Gardens Conservation International (BGCI) 2010 Targets for Botanic Gardens;
- further upgrading and expansion of the RTBG website and development of a range of RTBG publications;
- continued development of the corrective services inmate labour and training programs;



- continued implementation of the RTBG Occupational Health and Safety Audit Action Plan and Risk Mitigation Plan; and
- working cooperatively with Local Government and the community for a more integrated management approach to the broader cultural heritage precinct of Queen's Domain.

**Table 23.1: Income Statement for the Royal Tasmanian Botanical Gardens**

	2006-07 Budget	2007-08 Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Interest Revenue	95	95	....
Grants	2 710	2 798	3.2
Sales of Goods and Services	960	1 020	6.2
Gain (Loss) on Sale of Non-Financial Assets	5	5	....
Other Revenue	50	50	....
<b>TOTAL</b>	<b>3 820</b>	<b>3 968</b>	<b>3.8</b>
<b>EXPENSES</b>			
Employee Entitlements	1 873	2 001	6.8
Superannuation <sup>1</sup>	182	221	21.4
Depreciation and Amortisation <sup>2</sup>	403	625	55.0
Supplies and Consumables	1 578	1 644	4.2
<b>TOTAL</b>	<b>4 036</b>	<b>4 491</b>	<b>11.2</b>
<b>NET OPERATING RESULT</b>	<b>(216)</b>	<b>(523)</b>	<b>142.1</b>

Notes:

1. The increase in Superannuation reflects a revised estimate of superannuation expenditure based on the RTBG employment agreement.
2. The increase in Depreciation and Amortisation reflects an increase in the infrastructure asset base following completion of an asset revaluation process.

**Table 23.2: Balance Sheet as at 30 June for the Royal Tasmanian Botanical Gardens**

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	305	683	123.9
Receivables	35	40	14.2
Prepayments	50	50	....
Tax Assets	15	15	....
<b>TOTAL</b>	<b>405</b>	<b>788</b>	<b>94.5</b>
<b>NON-FINANCIAL ASSETS</b>			
Inventory	60	60	....
Land and Buildings	6 480	6 394	(1.4)
Plant and Equipment <sup>2</sup>	20	80	300.0
Infrastructure <sup>3</sup>	1 586	7 520	374.1
Other	15	15	....
<b>TOTAL</b>	<b>8 161</b>	<b>14 069</b>	<b>72.3</b>
<b>TOTAL ASSETS</b>	<b>8 566</b>	<b>14 857</b>	<b>73.4</b>
<b>LIABILITIES</b>			
Payables <sup>4</sup>	128	181	41.4
Employee Entitlements <sup>5</sup>	365	430	17.8
Accrued Expenses	20	....	(100.0)
<b>TOTAL LIABILITIES</b>	<b>513</b>	<b>611</b>	<b>19.1</b>
<b>NET ASSETS</b>	<b>8 053</b>	<b>14 246</b>	<b>76.9</b>

Notes:

1. The increase in Cash reflects cash held in trust for the completion of specific projects and working capital for the RTBG restaurant.
2. The increase in Plant and Equipment reflects estimated purchases for the replacement of assets.
3. The increase in Infrastructure is the result of an asset revaluation and a more accurate classification of Non-Financial Assets.
4. The increase in Payables reflects annual fluctuations in business activity for the RTBG restaurant.
5. The increase in Employee Entitlements reflects changes to the staffing structure and the accrual of entitlements for additional staff at the RTBG restaurant.

**Table 23.3: Statement of Cash Flows for the Royal Tasmanian Botanical Gardens**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Interest Received	95	95	....
Grants	2 710	2 798	3.2
Sales of Goods and Services	960	1 020	6.2
GST Receipts	150	150	....
Other Receipts	50	50	....
<b>Payments</b>			
Employee Entitlements	(1 873)	(2 001)	6.8
Superannuation <sup>1</sup>	(182)	(221)	21.4
Supplies and Consumables	(1 578)	(1 644)	4.1
GST Payments	(150)	(150)	....
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>182</b>	<b>97</b>	<b>(46.8)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale of Fixed Assets	5	5	....
Purchase of Fixed Assets <sup>2</sup>	(206)	(62)	(70.0)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(201)</b>	<b>(57)</b>	<b>(71.7)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(19)</b>	<b>40</b>	<b>310.5</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>324</b>	<b>643</b>	<b>98.4</b>
<b>Cash at the End of Reporting Period</b>	<b>305</b>	<b>683</b>	<b>123.9</b>

Notes:

1. The increase in Superannuation reflects a revised estimate of superannuation expenditure based on the RTBG employment agreement.
2. The decrease in the Purchase of Fixed Assets reflects the anticipated level of capital expenditure during 2007-08.



# 24 STATE FIRE COMMISSION

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## AUTHORITY OUTLINE

The State Fire Commission's primary purpose is to minimise the social, economic and environmental impact of fire on the Tasmanian community.

The Commission is also responsible for road accident rescue (in career brigade and surrounding areas); managing incidents involving hazardous materials, providing an Urban Search and Rescue (USAR) capability to manage the rescue of people from collapsed buildings and structures; and providing a rescue/mitigation response to terrorist incidents involving chemical, biological and radiological agents. The Commission delivers all of its services through its operational arm, the Tasmania Fire Service (TFS).

The State Fire Commission is a non-profit statutory authority and as such is not required to make provision for income tax equivalents, dividends or returns to the State Government. The pricing policies of the Commission are primarily determined by external market forces and the ability of users to pay for services.

The State Fire Commission reports to the Minister for Police and Emergency Management, Hon David Llewellyn MHA, and the supporting agency is the Department of Police and Emergency Management.

The major sources of revenue to the Commission are contributions from the State Government, landowners, insurance companies, and motor vehicle owners. In addition, the Commission raises revenue through the sale and maintenance of fire equipment, the provision of training services to both the public and private sectors, alarm monitoring fees, plan approval fees, avoidable false alarm charges and fire reports.

Pensioners and health care cardholders receive discounts from the Commission on the fire service contribution charged to landowners and the motor vehicle fire levy charged to motor vehicle registrations.

## STRATEGIC FOCUS

The strategic focus of the Commission is to provide a rapid and effective response to emergencies and the delivery of a broad range of fire prevention and safety programs.

## KEY STRATEGIES

The Commission has a number of long-term goals and objectives. The major emphasis of the Commission is currently placed on:

- delivery of an efficient and effective response to fires, hazardous materials incidents and other emergencies;
- promotion, coordination and delivery of fire safety education to the community;
- supporting employees in a fair, productive and safe working environment; and

- managing the Commission's financial, information and physical resources in a planned, consistent and cost effective way.

## 2007-08 MAJOR INITIATIVES

In 2007-08, the major initiatives of the Commission include:

- continuing the fire appliance replacement program with the fabrication of 15 heavy tankers;
- continuing the fire station building program with the redevelopment of the George Town Fire Station, and new fire stations for Runnymede, Molesworth and Judbury; and
- working with the Parks and Wildlife Service and Forestry Tasmania on a fuel reduction burning program, which will involve low-intensity fires that will burn off forest fuels in areas at risk of major bushfire damage.

**Table 24.1: Income Statement for the State Fire Commission**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Fire Service Contribution and Levies <sup>1</sup>	43 818	45 780	4.4
Fines and Regulatory Fees	100	100	....
Interest Revenue	50	25	(50.0)
Grants	3 050	3 050	....
Sales of Goods and Services <sup>2</sup>	3 500	4 400	25.7
Other Revenue <sup>3</sup>	568	918	61.6
<b>TOTAL</b>	<b>51 086</b>	<b>54 273</b>	<b>6.2</b>
<b>EXPENSES</b>			
Employee Entitlements <sup>4</sup>	27 069	29 738	9.8
Superannuation	3 636	3 532	(2.9)
Depreciation and Amortisation <sup>5</sup>	4 400	4 860	10.4
Borrowing Costs	400	400	....
Supplies and Consumables <sup>2</sup>	13 000	13 782	6.0
Other Expenses	1 995	2 030	1.7
<b>TOTAL</b>	<b>50 500</b>	<b>54 342</b>	<b>7.6</b>
<b>NET OPERATING RESULT</b>	<b>586</b>	<b>(69)</b>	<b>(111.8)</b>

Notes:

1. The Fire Service Contribution and Levies reflects income received from the Fire Service Contribution, Insurance Fire Levy and Motor Vehicle Fire Levy. The Fire Service Contribution has increased by 10 per cent and will enable the Commission to: offset the decline in revenue in the Insurance Fire Levy; meet increases in operational costs including salaries and continue its fire appliance replacement program that provides safe and effective fire trucks for volunteer and career fire fighters.
2. The increase in Sales of Goods and Services and Supplies and Consumables reflects a change in the accounting treatment of Tas Fire Equipment Cost of Sales. In 2006-07, the Tas Fire Equipment Cost of Sales expense was netted off against Sales of Goods and Services income. However in 2007-08, in accordance with Australian Accounting Standards, the Tas Fire Equipment Cost of Sales is recorded on a gross basis and included in the Supplies and Consumables expense.
3. The increase in Other Revenue reflects additional Australian Government funding for the reimbursement of helicopter usage, and chemical, biological and radiological equipment maintenance.
4. The increase in Employee Entitlements reflects the salary increases that arose from the previous enterprise bargaining agreement and the provision for further salary increases from the new agreement to be negotiated in 2007-08.
5. The increase in Depreciation and Amortisation reflects the increase in the value of Plant and Equipment.

**Table 24.2: Balance Sheet as at 30 June for the State Fire Commission**

	2007	2008	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	4 604	2 072	(55.0)
Receivables <sup>2</sup>	1 309	951	(27.4)
Investments <sup>3</sup>	....	1 029	....
Prepayments <sup>4</sup>	731	919	25.7
Accrued Revenue <sup>5</sup>	935	1 197	28.0
Other Financial Assets	1 029	1 184	15.0
<b>TOTAL</b>	<b>8 608</b>	<b>7 352</b>	<b>(14.6)</b>
<b>NON-FINANCIAL ASSETS</b>			
Land and Buildings	42 408	41 729	(1.7)
Plant and Equipment <sup>6</sup>	29 751	38 492	29.3
<b>TOTAL</b>	<b>72 159</b>	<b>80 221</b>	<b>11.1</b>
<b>TOTAL ASSETS</b>	<b>80 767</b>	<b>87 573</b>	<b>8.4</b>
<b>LIABILITIES</b>			
Payables <sup>7</sup>	3 004	2 383	(20.7)
Interest Bearing Liabilities	4 698	4 698	....
Employee Entitlements <sup>8</sup>	7 534	8 729	15.8
<b>TOTAL LIABILITIES</b>	<b>15 236</b>	<b>15 810</b>	<b>3.7</b>
<b>NET ASSETS</b>	<b>65 531</b>	<b>71 763</b>	<b>9.5</b>

Notes:

1. The decrease in Cash reflects a more accurate estimate of the Commission's anticipated cash holdings based on the actual 30 June 2006 result and current projections.
2. The decrease in Receivables reflects the Commission's strategy to ensure accounts receivables are collected within terms and more efficiently.
3. The increase in Investments reflects the net balance of the SFC Superannuation Fund. As at 30 June 2006, the fair value of the SFC Superannuation Fund plan assets exceeded the present value of the defined benefit obligation, and it is anticipated that an asset for the SFC Superannuation Fund will be recorded in future periods.
4. The increase in Prepayments reflects a timing difference associated with the payment of the Commission's workers' compensation premiums.
5. The increase in Accrued Revenue reflects a more accurate assessment of revenue estimates based on the Commission's current and projected activity levels.
6. The increase in Plant and Equipment reflects the Commissioner's investment in infrastructure, including 15 new heavy tankers, fire fighting equipment and communication equipment.
7. The decrease in Payables reflects the current estimate for payables based on a lower than anticipated closing balance as at 30 June 2006.
8. The increase in Employee Entitlements reflects a more accurate estimate based on anticipated increases in salaries and wages for future periods.



**Table 24.3: Statement of Cash Flows for the State Fire Commission**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Fire Service Levy	43 818	45 780	4.4
Fines and Regulatory Fees	100	100	....
Interest Received	50	25	(50.0)
Grants	3 050	3 050	....
Sales of Goods and Services <sup>1</sup>	3 500	4 400	25.7
Other Receipts <sup>2</sup>	568	918	61.6
<b>Payments</b>			
Employee Entitlements	(27 069)	(29 738)	9.8
Superannuation	(3 636)	(3 532)	(2.9)
Borrowing Costs	(400)	(400)	....
Supplies and Consumables <sup>1</sup>	(13 000)	(13 782)	6.0
Other Payments	(1 995)	(2 030)	1.7
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>4 986</b>	<b>4 791</b>	<b>(4.0)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale of Fixed Assets	800	800	....
Purchase of Fixed Assets <sup>3</sup>	(6 190)	(5 230)	(15.6)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(5 390)</b>	<b>(4 430)</b>	<b>(17.9)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(404)</b>	<b>361</b>	<b>189.3</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>5 008</b>	<b>1 711</b>	<b>(65.9)</b>
<b>Cash at the End of Reporting Period</b>	<b>4 604</b>	<b>2 072</b>	<b>(55.0)</b>

Notes:

1. The increase in Sales of Goods and Services and Supplies and Consumables reflects a change in the accounting treatment of Tas Fire Equipment Cost of Sales. In 2006-07 the Tas Fire Equipment Cost of Sales expense was netted off against Sales of Goods and Services income. However in 2007-08, in accordance with Australian Accounting Standards, the Tas Fire Equipment Cost of Sales is recorded on a gross basis and included in the Supplies and Consumables expense.
2. The increase in Other Receipts reflects additional Australian Government funding for the reimbursement of helicopter usage, and chemical, biological and radiological equipment maintenance.
3. The decrease in the Purchase of Fixed Assets reflects a reduction in the Commission's capital expenditure program in 2007-08.



# 25 TAFE TASMANIA

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## AUTHORITY OUTLINE

This Budget marks important changes for TAFE Tasmania.

In the coming financial year, TAFE Tasmania will be re-defined, with new structural frameworks, new targets and new abilities to aggressively meet the challenges of improving the skills of Tasmanian workers.

This Budget sets the scene for TAFE Tasmania to build on the progress and achievements of recent years, and to move ahead more efficiently in partnership with business and industry.

As the State's largest Registered Training Organisation (RTO), TAFE Tasmania is committed to working with industry, developing skilled Tasmanians for competitive enterprises to drive workplace productivity for the benefit of the Tasmanian community. TAFE Tasmania's clarity of purpose is found in two key objectives: firstly, to ensure training meets the needs of enterprise clients; and secondly, to ensure the level, mix and delivery of career courses remains aligned to the State's economic and skill development needs.

In 2006, more than 35 000 people trained with TAFE Tasmania, either at one of 21 major training campuses, via online learning or through workplace delivery and assessment, accessing more than 400 nationally accredited training courses. Nearly 50 per cent of TAFE Tasmania's training delivery is performed in conjunction with employers, conducted in the workplace delivered through 80 delivery teams operating in approximately 30 industry sectors across Tasmania.

TAFE Tasmania forms part of the Education Portfolio and the Chair of the Board of TAFE Tasmania is responsible to the Minister for Education, Hon David Bartlett MHA, for TAFE Tasmania's performance.

Government funding is provided through a purchase agreement negotiated with the Department of Education. In 2007, the agreement provides for the purchase of 3.62 million nominal hours of training at a cost of \$64.95 million. In addition, 617 000 nominal hours of training were purchased at a cost of \$9.96 million for qualifications where TAFE Tasmania is the sole nominated RTO for publicly funded training under User Choice arrangements.

## STRATEGIC FOCUS

To achieve a demand-led approach to learning and skills development, TAFE Tasmania continues to be responsive to business and employer needs. Specific initiatives will continue to be undertaken to align the organisation's training profile with industry and enterprise skill needs in Tasmania. TAFE Tasmania will continue to invest in innovative training development to improve both internal productivity and delivery of training to Tasmanian enterprises.

## KEY STRATEGIES

The directions and activities of TAFE Tasmania will continue to be shaped in accordance with the policy expectations of Government by planning, developing and delivering training consistent with the State's

development needs. This will be achieved by using key policy documents – *Tasmania Together, Learning Together*, *Tasmania: A State of Learning*, the Tasmanian VET Plan and the Industry Development Plan.

Consistent with these policies, the Government considers that as well as meeting social and community obligations, improving Tasmania's productivity is a key objective of the education and training sector. In the post-school sector, priorities for skill development include providing young people with good career advice and relevant and accessible pathways to employment, supporting adults with low literacy skills to enter the workforce and ensuring that employees in enterprises have ongoing skills development as an integral part of their working life.

Tasmania's school leaver retention rates in education and training can improve to provide young people with workplace skills and capabilities needed to effectively participate in today's society. The Government has a range of initiatives to improve retention rates and more are proposed over the next two years including:

- *Guaranteeing Futures* supporting students from Years 8 to 10 to plan their post-school pathway;
- the *Youth Participation in Education and Training Act* requiring all young Tasmanians completing Year 10 to participate in education, training or full time employment until they have turned 17; and
- the development of a new Tasmanian Certificate of Education (TCE) certifying students that meet a set of key requirements for successful life-long learning and employment.

These initiatives provide young people with a reason to continue in education, training and/or employment. To give all Tasmanians the best possible opportunity to succeed, the level of qualifications and skills development throughout their careers needs to increase. During the transition from school to work, young people make choices that not only shape their future but also either limit or expand their life choices. They must have a range of effective pathways open to attract them.

It is proposed to further improve these pathways by better aligning courses currently delivered by colleges and TAFE Tasmania, for:

- students aiming for higher education with an academic pathway to provide curriculum for Year 11 and 12 students seeking university entrance and foster academic excellence, critical and creative thought and enterprise;
- students seeking applied learning with an applied studies pathway to provide optional academic studies and vocational qualifications for students preparing to enter the workforce or gain university articulation, and for adults seeking to change careers, to re-enter the workforce, or to gain further qualifications or employment. It would provide applied and workplace relevant learning; and
- employees and their employers with a training pathway to provide skills development for employees within their own enterprises, in line with industry training qualifications and enterprise and employer needs. Employees could acquire, gain recognition for, or upgrade their vocational skills.

The pathway plan developed at school will enable students and their families to make informed choices on the best pathway for them to achieve their goals.

A focussed academic pathway would ensure that more Tasmanians achieve university entrance in order to meet skill shortages in the professions, such as nursing and engineering.

The applied pathway would develop more workplace ready students, with a qualification that is meaningful to employers. Their certificate, diploma, or TCE qualification would align to industry needs and articulate

with diploma or university courses. The students' applied learning would develop both their workplace ready and specialist vocational skills that are highly valued by employers.

Access to academic and applied learning pathways for youth and adults in regional and remote locations can also improve. The Community Knowledge Network of online access centres, adult education and regional libraries will improve this access at a basic level. Opportunities for district high schools and local skills centres to offer access to academic and vocational courses will be developed.

A training pathway would effectively meet enterprises' skills development needs through a business enterprise to partner with them. It would be flexible and open for business on business terms and deliver quality outcomes for the business. Its staff would relate to an enterprise's business needs, would listen to them, customise training and respond quickly to them. It would deliver skill sets, through partnerships, flexible delivery and direct industry engagement in the training.

There is evidence across a range of industry sectors that training investment yields high levels of return. For industry to partner and invest in training, training needs to respond to industry demand, with high-level flexibility, a workplace orientation and commercial viability. While an institutional based training model works well for entry-level training, an industry aligned delivery model is essential to gain industry's commitment to training existing employees.

To ensure career relevance, employment outcomes and a future focus, all three pathways would be overseen by industry and community leadership. This leadership would also have a role in generating industry and business sponsorship, scholarship programs to assist students, particularly those from rural areas.

A more highly skilled and qualified workforce will help Tasmania to avoid skills shortages and to increase productivity. The industry led Skills Tasmania will provide leadership in skills development, through analysing economic trends, employment demand, and potential skills shortages and determining the appropriateness of the training effort in meeting those priorities. It will also have key strategic advice from the Departments of Treasury and Finance, and Economic Development.

## 2007-08 MAJOR INITIATIVES

In 2007-08, the major initiatives for TAFE Tasmania include:

- from 2007-08, a key objective of the education and training sector will be the improvement of post-school pathways and their role in improving Tasmania's productivity. It is proposed to further improve these pathways by better aligning courses currently delivered by colleges and TAFE Tasmania, for three target groups, specifically students aiming for higher education, students seeking applied learning and employees and their employers;
- provision of \$9.6 million over four years to fulfil the Government's 2006 Election commitments to meet the increase in demand, across the State, for training places in traditional trades, with particular focus on support for both young people and apprenticeship places. Specifically, the initiative has three components:
  - a fee cap of \$300 for all 16 - 19 year olds in all apprenticeships, traineeships and identified pre-employment trade courses in 2007 and 2008 calendar years to encourage young Tasmanians to enter the traditional trades;

- targeted funding of \$1.0 million per year to support the costs associated with increased demand for workplace training and assessment; and
- targeted funding to attract and skill up to 340 additional apprentices over the next four years in key trades such as building and construction, metals and allied trades to effectively tackle skill shortages and support Tasmania's growing economy;
- provision of \$1.0 million per year to continue implementation of an enterprise development policy to stimulate demand-driven training in the workforce;
- strengthen training in the workplace for Tasmanian enterprises through the ongoing promotion and support of successful enterprise partnerships across industry sectors such as The Federal Group's trainee chef initiative, as well as targeted support for the manufacturing sector;
- expansion of the training options and support available to refugees through the continuation of a preparation program that provides underpinning skills and knowledge to better enhance and maximise their training and employment outcomes;
- continue the development of flexible learning methods on campus, online and in the workplace;
- remain committed to maximising TAFE Tasmania's productivity through efficiency measures and ongoing development of eBusiness solutions; and
- continue to work in collaboration with, and use continuous feedback from, enterprises, peak bodies, the network of Enterprise Reference Groups and key government agencies to ensure the profile of training is relevant to the Tasmanian economy.

Table 25.1: Income Statement for TAFE Tasmania

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>INCOME</b>			
Interest Revenue	280	263	(6.1)
Grants <sup>1</sup>	80 963	89 212	10.1
Sales of Goods and Services	14 825	16 124	8.7
Gain (Loss) on Sale of Non-Financial Assets <sup>2</sup>	176	518	194.3
Other Revenue <sup>3</sup>	807	1 423	76.3
<b>TOTAL</b>	<b>97 051</b>	<b>107 540</b>	<b>10.8</b>
<b>EXPENSES</b>			
Employee Entitlements <sup>4</sup>	65 608	72 299	10.1
Depreciation and Amortisation	8 430	8 321	(1.3)
Supplies and Consumables <sup>5</sup>	22 725	25 141	10.6
Other Expenses	4 262	4 354	2.1
<b>TOTAL</b>	<b>101 025</b>	<b>110 115</b>	<b>8.9</b>
<b>NET OPERATING RESULT</b>	<b>(3 974)</b>	<b>(2 575)</b>	<b>(35.3)</b>

Notes:

1. The increase in Grants relates to anticipated increases in capital and recurrent purchase agreement funding.
2. The increase in the Sale of Non-Financial Assets relates to the planned disposal of property and equipment.
3. The increase in Other Revenue is due to increased commercial revenue for the acquisition of learning resources.
4. The increase in Employee Entitlements relates to increases in the Teachers Agreement, the State Service Wages Agreement and additional employee costs associated with increased Government funding and commercial training activity.
5. The increase in Supplies and Consumables relates to one-off savings identified in the 2006-07 period.

Table 25.2: Balance Sheet as at 30 June for TAFE Tasmania

	2007 Budget \$'000	2008 Budget \$'000	Variation %
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash <sup>1</sup>	4 869	3 127	(35.8)
Receivables <sup>2</sup>	2 440	2 149	(12.0)
Prepayments	29	37	27.5
Accrued Revenue	25	44	76.0
<b>TOTAL</b>	<b>7 363</b>	<b>5 357</b>	<b>(27.2)</b>
<b>NON-FINANCIAL ASSETS</b>			
Inventory	436	494	13.3
Land and Buildings	162 235	159 659	(1.6)
Plant and Equipment <sup>3</sup>	23 863	20 857	(12.6)
<b>TOTAL</b>	<b>186 534</b>	<b>181 010</b>	<b>(3.0)</b>
<b>TOTAL ASSETS</b>	<b>193 897</b>	<b>186 367</b>	<b>(3.9)</b>
<b>LIABILITIES</b>			
Payables <sup>2</sup>	1 419	925	(34.9)
Employee Entitlements	11 591	12 452	7.4
Tax Liabilities	....	464	....
Other	168	16	(90.5)
<b>TOTAL LIABILITIES</b>	<b>13 178</b>	<b>13 857</b>	<b>(5.2)</b>
<b>NET ASSETS</b>	<b>180 719</b>	<b>172 510</b>	<b>(4.6)</b>

Notes:

1. The decrease in Cash reflects the estimated level of cash consumed during business operations.
2. The decrease in Receivables and Payables reflects annual fluctuations in business activity.
3. The decrease in the value of Plant and Equipment relates to anticipated equipment disposals and normal depreciation charges.



**Table 25.3: Statement of Cash Flows for TAFE Tasmania**

	2006-07	2007-08	
	Budget	Budget	Variation
	\$'000	\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Interest Received	280	263	(6.1)
Grants	84 340	89 212	5.7
Sales of Goods and Services <sup>1</sup>	13 887	16 124	16.1
GST Receipts	7 500	7 600	1.3
Other Receipts <sup>2</sup>	768	1 423	85.2
<b>Payments</b>			
Employee Entitlements <sup>3</sup>	(64 423)	(71 314)	10.6
Supplies and Consumables	(24 831)	(26 125)	5.2
GST Payments	(7 500)	(7 599)	1.3
Other Payments	(3 930)	(4 354)	10.7
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>6 091</b>	<b>5 230</b>	<b>(14.2)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale of Fixed Assets <sup>4</sup>	176	518	194.3
Purchase of Fixed Assets	(6 856)	(6 830)	(0.4)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>(6 680)</b>	<b>(6 312)</b>	<b>(5.6)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>....</b>	<b>....</b>	<b>....</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(589)</b>	<b>(1 082)</b>	<b>83.7</b>
<b>Cash at the Beginning of Reporting Period</b>	<b>5 458</b>	<b>4 209</b>	<b>(22.9)</b>
<b>Cash at the End of Reporting Period</b>	<b>4 869</b>	<b>3 127</b>	<b>(35.8)</b>

Notes:

1. The increase in Sales of Goods and Services reflects an anticipated increase in commercial training activity.
2. The increase in Other Receipts is due to increased commercial revenue for the acquisition of learning resources.
3. The increase in Employee Entitlements relates to increases in the Teachers Agreement, the State Service Wages Agreement and additional employee costs associated with increased Government funding and commercial training activity.
4. The increase in the Sale of Fixed Assets relates to the planned disposal of property and equipment.