



Ideas. Action. Opportunity.

Government Services

Budget Paper No 2

Volume I

Presented by the Honourable Michael Aird MLC, Treasurer,
for the information of Honourable Members,
on the occasion of the Budget, 2008-09

Useful 2008-09 Budget and Government Web sites

www.budget.tas.gov.au	Contains all Budget Papers.
www.treasury.tas.gov.au	Provides other Budget and financial publications.
www.media.tas.gov.au	Contains the Government's Budget related media releases.
www.tas.gov.au	Provides links to the Web sites of a wide range of Tasmanian public and private sector organisations.
www.service.tas.gov.au	Provides a comprehensive entry point to Government services in Tasmania.
www.tasmaniatgether.tas.gov.au	Provides detailed information on Tasmania Together, including the current status of this important initiative.

CONTENTS

VOLUME 1

1 Introduction

PART 1: DEPARTMENTS

2 Department of Economic Development and Tourism

3 Department of Education

4 Department of Environment, Parks, Heritage and the Arts

5 Finance-General

6 Department of Health and Human Services

7 Department of Infrastructure, Energy and Resources

8 Department of Justice

VOLUME 2

PART 1: DEPARTMENTS (CONTINUED)

9 Ministerial and Parliamentary Support

10 Department of Police and Emergency Management

11 Department of Premier and Cabinet

12 Department of Primary Industries and Water

13 Department of Treasury and Finance

PART 2: AGENCIES

14 House of Assembly

15 Legislative Council

16 Legislature-General

17 Office of the Governor

18 Office of the Ombudsman

19 Tasmanian Audit Office

PART 3: STATUTORY AUTHORITIES

20 Inland Fisheries Service

21 Marine *and* Safety Tasmania

22 The Nominal Insurer

23 Royal Tasmanian Botanical Gardens

24 State Fire Commission

25 TAFE Tasmania

PART 4: APPENDIX

Appendix 1 Consolidated Fund Estimates

INDEX

VOLUME 1

1	Introduction	1.1
	Overview	1.2
	Structure of Budget Paper No 2 <i>Government Services</i>	1.3
	Changes to Budget Paper No 2 Structure	1.3
	Current Ministerial Portfolio and Departmental Structure	1.4
	Further Information on Budget Paper No 2	1.7
PART 1: DEPARTMENTS		
2	Department of Economic Development and Tourism	2.1
	Agency Outline	2.1
	Major Initiatives	2.2
	Output Information	2.5
	Output Group Restructure	2.5
	Output Group Expense Summary	2.5
	Output Group 1: Economic Development	2.8
	Output Group 2: Sport and Recreation	2.10
	Output Group 3: Tourism	2.12
	Special Capital Investment Funds	2.15
	Detailed Budget Statements	2.17
3	Department of Education	3.1
	Agency Outline	3.1
	Major Initiatives	3.2
	Output Information	3.7
	Output Group Restructure	3.7
	Output Group Expense Summary	3.8
	Output Group 1: Pre-Compulsory and Compulsory Education	3.10

Output Group 2: Skills Development	3.14
Output Group 3: Information Services and Community Learning	3.17
Capital Investment Program	3.19
Detailed Budget Statements	3.22
4 Department of Environment, Parks, Heritage and the Arts	4.1
Agency Outline	4.1
Major Initiatives	4.2
Output Information	4.4
Output Group Restructure	4.4
Output Group Expense Summary	4.4
Output Group 1: Environment Protection and Analytical Services	4.7
Output Group 2: Parks and Wildlife Management	4.9
Output Group 3: Heritage and the Arts	4.11
Special Capital Investment Funds	4.14
Capital Investment Program	4.15
Detailed Budget Statements	4.16
5 Finance-General	5.1
Agency Outline	5.1
Output Information	5.1
Output Group 1: Debt Servicing and Management	5.3
Output Group 2: Employee Related Costs	5.5
Output Group 3: Government Businesses	5.7
Output Group 4: Miscellaneous	5.8
Special Capital Investment Funds	5.13
Economic and Social Infrastructure Fund	5.13
Royal Hobart Hospital Redevelopment Fund	5.17
Better Roads Fund	5.18
Infrastructure Tasmania Fund	5.19
Hospitals Capital Fund	5.21

Housing Fund	5.22
Detailed Budget Statements	5.23
6 Department of Health And Human Services	6.1
Agency Outline	6.1
Major Initiatives	6.2
Output Information	6.8
Output Group 1: Acute Health Services	6.10
Output Group 2: Community Health Services	6.13
Output Group 3: Human Services	6.17
Output Group 4: Independent Children's Review Services	6.21
Special Capital Investment Funds	6.22
Capital Investment Program	6.25
Detailed Budget Statements	6.28
7 Department of Infrastructure, Energy and Resources	7.1
Agency Outline	7.1
Major Initiatives	7.2
Output Information	7.4
Output Group 1: Infrastructure	7.8
Output Group 2: Energy Advisory and Regulatory Services	7.13
Output Group 3: Mineral Resources Management and Administration	7.15
Output Group 4: Support for the Minister for Energy and Resources	7.17
Output Group 5: Racing Policy and Regulation	7.19
Output Group 6: Transport Subsidies and Concessions	7.21
Special Capital Investment Funds	7.23
Capital Investment Program	7.25
Detailed Budget Statements	7.29
8 Department of Justice	8.1
Agency Outline	8.1
Major Initiatives	8.2

Output Information	8.4
Output Group 1: Administration of Justice	8.7
Output Group 2: Legal Services	8.12
Output Group 3: Registration Services	8.13
Output Group 4: Review Services	8.15
Output Group 5: Electoral Services	8.16
Output Group 6: Corrective Services	8.18
Output Group 7: Other Services	8.20
Output Group 8: Consumer Services	8.21
Output Group 9: Industrial Relations Services	8.22
Output Group 10: Resource Planning	8.23
Output Group 11: Workplace Standards	8.25
Capital Investment Program	8.27
Detailed Budget Statements	8.28

CONVENTIONS

Figures in tables and in the text have been rounded. Discrepancies in tables between totals and sums of component items reflect rounding.

The notation used in the Budget Papers is as follows:

na not available, or not applicable

.... zero, or rounded to zero

\$'000 \$thousand

\$m \$million

1 INTRODUCTION

Features

- Budget Paper No 2 *Government Services* provides information about the Outputs (goods and services) the Government will deliver in 2008-09 and over the Forward Estimate period (2009-10 to 2011-12).
- Budget Paper No 2 provides detailed financial and non-financial information for Government departments, agencies and General Government Sector statutory authorities in support of the Consolidated Fund Appropriation Bills, and the Government's initiatives as outlined in the Treasurer's Budget Speech.
- Budget Paper No 2 now includes financial information for the Forward Estimate period.
- Further information on the revised structure and content of Budget Paper No 2, including example financial statements, is provided in the *Guide to the Budget* booklet that accompanies the Budget Papers.

OVERVIEW

Budget Paper No 2 *Government Services* provides information about the Outputs (goods and services) the Government will deliver in 2008-09 and over the Forward Estimate period (2009-10 to 2011-12). Budget Paper No 2 is a major source of financial and non-financial information on the operations of government departments, agencies and General Government Sector statutory authorities. The other major source of information on these entities is the annual financial report required to be published by every entity.

The following points should be noted when reading Budget Paper No 2:

- Information is provided in accordance with Australian Accounting Standards and includes details of the actions being taken by each entity to implement the Government's initiatives.
- Information provided reflects the impact of recent changes to the structure of, or Ministerial responsibility for, a number of departments, as detailed in the *Administrative Arrangements Order (No 2) 2008* and the *State Service (Restructuring) Order 2008*.
- Ministerial responsibility for departments is assigned under the provisions of the *Administrative Arrangements Order (No 2) 2008*, issued in accordance with section 4(1) of the *Administrative Arrangements Act 1990*. The Ministerial responsibilities detailed in the Order are illustrated in Chart 1.2.
- The *State Service (Restructuring) Order 2008* was issued on 12 February 2008 in accordance with section 11 of the *State Service Act 2000*. The restructure resulted in Tourism Tasmania and Events Tasmania, previously parts of the Department of Tourism, Arts and the Environment, being amalgamated with the Department of Economic Development. To reflect the amalgamation, the departments were renamed the Department of Environment, Parks, Heritage and the Arts, and the Department of Economic Development and Tourism.

STRUCTURE OF BUDGET PAPER NO 2

GOVERNMENT SERVICES

Budget Paper No 2 is structured to reflect the differing nature of the entities within the General Government Sector and consists of three parts:

- Part 1 includes Government departments, such as the Department of Education and the Department of Health and Human Services;
- Part 2 includes Parliamentary agencies, such as the House of Assembly and the Legislative Council, and other independent entities such as the Tasmanian Audit Office and the Office of the Ombudsman; and
- Part 3 includes the major Statutory Authorities within the General Government Sector, such as the Inland Fisheries Service, the State Fire Commission and TAFE Tasmania.

Changes to Budget Paper No 2 Structure

The structure and content of Budget Paper No 2 has been significantly revised since the 2007-08 Budget.

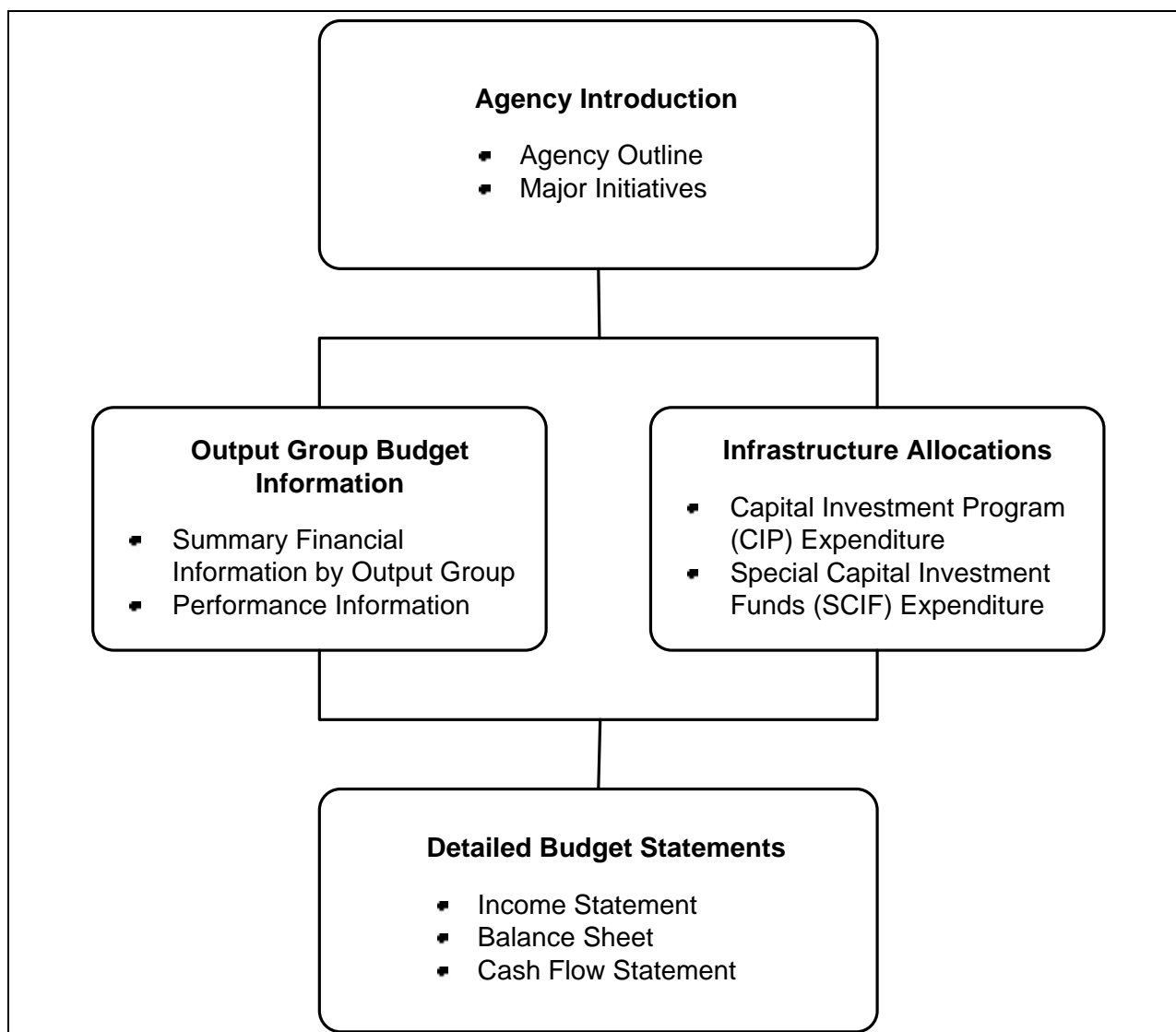
Key changes include:

- the inclusion of Forward Estimate (2009-10 to 2011-12) financial information for agencies;
- a focus on the total cost to the Government of providing an Output, rather than the individual expense items which contribute to the Output cost; and
- the provision of separate statements for administered and controlled transactions in the Detailed Budget Statements section.

The changes ensure a greater level of consistency between financial information in Budget Paper No 1 and Budget Paper No 2, and also reflect the general practice of other jurisdictions.

The revised structure of Budget Paper No 2 chapters is presented in Chart 1.1.

Chart 1.1: Budget Paper No 2 Chapter Structure



CURRENT MINISTERIAL PORTFOLIO AND DEPARTMENTAL STRUCTURE

The Ministerial portfolio and departmental structure of the Tasmanian Government, which reflects the departmental restructure implemented under the *Administrative Arrangements Order (No 2) 2008* and the *State Service (Restructuring) Order 2008*, is outlined in Chart 1.2.

Table 1.1 shows the Ministerial portfolio allocations and departmental responsibility for the General Government Sector Authorities.

Chart 1.2: Structure of the Tasmanian Government

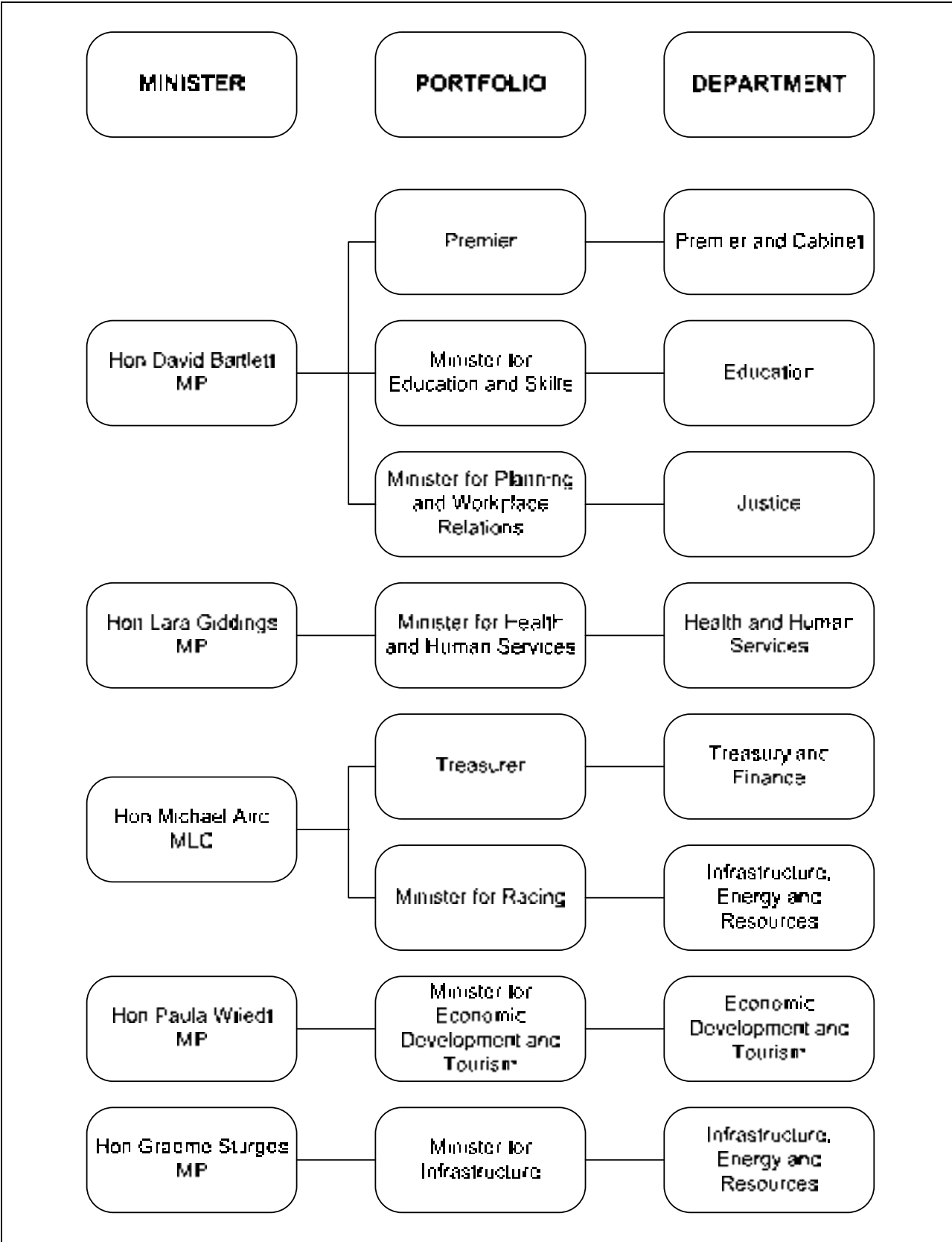


Chart 1.2: Structure of the Tasmanian Government (continued)

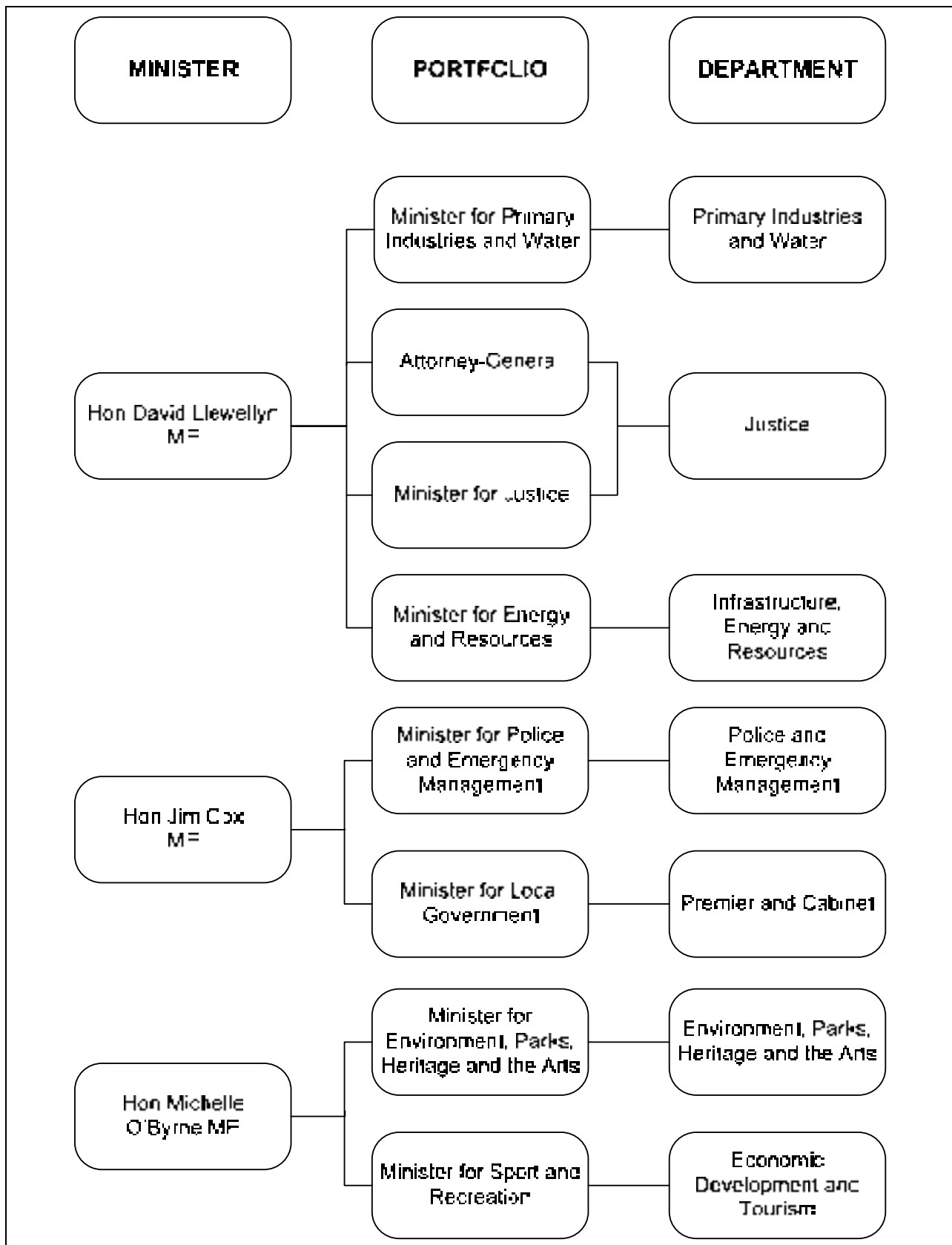


Table 1.1: General Government Sector Authorities

Statutory Authority	Portfolio Minister	Portfolio Department
Inland Fisheries Service	Hon David Llewellyn MP	Primary Industries and Water
Marine <i>and</i> Safety Tasmania	Hon Graeme Sturges MP	Infrastructure, Energy and Resources
The Nominal Insurer	Hon David Llewellyn MP	Justice
Royal Tasmanian Botanical Gardens	Hon Michelle O'Byrne MP	Environment, Parks, Heritage and the Arts
State Fire Commission	Hon Jim Cox MP	Police and Emergency Management
TAFE Tasmania	Hon David Bartlett MP	Education

FURTHER INFORMATION ON BUDGET PAPER No 2

Further information on the structure and content of Budget Paper No 2 is provided in the *Guide to the Budget* that accompanies the Budget Papers. The Guide is designed to assist readers by explaining the financial information presented in the Budget Papers, and by providing illustrative examples of the main financial statements detailed in the Budget Papers.

PART 1:

DEPARTMENTS

2 DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

AGENCY OUTLINE

The Department of Economic Development and Tourism facilitates economic and industry development, provides opportunities for Tasmanians to participate in sport, recreation and physical activity and promotes the Tasmanian tourism industry.

The Department of Economic Development and Tourism reports to the Minister for Economic Development and Tourism, Hon Paula Wriedt MP, and the Minister for Sport and Recreation, Hon Michelle O'Byrne MP.

The Tasmanian Development Board, the Tasmanian Innovations Advisory Board, the Screen Tasmania Advisory Board, and the Tourism Tasmania Board are responsible for administering specific functions of the Department.

The Department aims to show leadership for Tasmania and Tasmanians by:

- attracting and promoting investment;
- strengthening growth in exports and maximising import replacement opportunities;
- stimulating innovation and business development;
- increasing participation in sport, recreation and physical activity; and
- recognising and developing Tasmania's attractiveness to visitors.

The Department achieves these objectives through its focus on outstanding client and stakeholder relationships, advice and high quality information and its focus on leadership and employee engagement.

This chapter provides the Department's financial information for 2008-09 and the Forward Estimates period (2009-10 to 2011-12). Further information on the Department is provided at <http://www.development.tas.gov.au>.

MAJOR INITIATIVES

Table 2.1 provides a summary of the Budget and Forward Estimate allocations for the major initiatives.

Table 2.1: Major Initiatives Statement

	2008-09	2009-10	2010-11	2011-12
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Evandale Sports Centre	150	....	....	....
Expanding the Enterprise Growth Program	650	975	1 300	....
North West Tourist Road ¹	1 000	8 000	12 000	2 000
Spirit of the Sea	180	....	....	....
Tasmanian AFL Team	200	....	....	....
Tasmanian Brand Project	2 000	3 000	3 000	....
Tracks, Trails and City Bikeways	500	1 500	2 000	....
Ulverstone Showground Redevelopment	1 634	....	....	....
Workforce Participation Program	2 500	2 500	2 500	2 500
Wynyard Sport Precinct	50	....	....	....

Note:

1. Funding for this initiative is provided through the Department of Infrastructure, Energy and Resources.

Evandale Sports Centre

In 2008-09, funding of \$150 000 will be provided to the Northern Midlands Council to upgrade Evandale's Morven Park recreation ground, which is currently used by a number of different community groups including Auskick, Evandale Primary School, the Northern Tasmanian Football Association and Little Athletics.

Expand the Enterprise Growth Program

In 2007-08, \$4.0 million was provided over four years to expand the successful Enterprise Growth program that supports small and medium sized business enterprises. This expansion of the Enterprise Growth program has been primarily funded through reform of the payroll tax rebate arrangements. The expanded program will enhance business and employment growth through the provision of assistance to support improved competitiveness.

North West Tourist Road

In the 2008-09 Budget, the Government will provide \$23.0 million over four years for the establishment of a North West Tourist Road. With the route of the road subject to further consultation with key stakeholders, it will link a number of existing road sections in the North West Region to create a tourist road connecting to the Great Nature Trail.

The North West Tourist Road will provide greater opportunities for visitors to access a number of iconic attractions in the region. The redevelopment will include nature trails, visitor facilities and interpretive

services at key sites. It is anticipated that the development will deliver significant economic and community benefits to the region.

Spirit of the Sea

In 2008-09, funding of \$180 000 will be provided to the Devonport City Council to acquire a readily identifiable and distinctive landmark for the City of Devonport. The Spirit of the Sea, a five metre bronzed statue, will be located at a prominent position at the mouth of the Mersey River at Devonport, representing the City's link to the sea.

Tasmanian AFL Team

In 2008-09, funding of \$200 000 will be provided to develop a sound business case in support of the Government's submission to the Australian Football League (AFL) for a team to be based in Tasmania to participate in the AFL competition. This funding is also provided to promote the bid to all Tasmanians, urging them to register their support on the website www.tassiefootyteam.com.au.

Tasmanian Brand Project

Funding of \$8.0 million over three years will be provided for the Tasmanian Brand Project. The Tasmanian Government is committed to developing an integrated whole-of-state brand that encapsulates the quality and essence associated with Tasmania and takes this proposition to Australia and beyond.

The Tasmanian Brand Project is a far reaching initiative that will bring together a range of new and existing activities and deliver an overall proposition for the Tasmanian brand. A multifaceted public relations and advertising approach will be used to ensure that activities are maintained into the future to bring lasting benefits. The project will allow for the expansion of the brand effort across all sectors to promote Tasmania across the globe, as a great place to Live, Work, Play, Learn, Invest, and Trade.

The Tasmanian Brand Project has three key goals, which are to:

- broaden and enhance the national image of Tasmania;
- encourage migration, investment, trade and visitation; and
- engage the Tasmanian community.

Tracks, Trails and City Bikeways

Funding of \$4.0 million over three years will be provided to support the development of a well-planned and integrated network of community trails that provide alternative recreational and transport opportunities and increase the connection of our communities.

Walking, bike and recreational trail networks in urban and urban fringe areas will be the focus. New, better managed and upgraded trails across the State will attract more visitors, increase community activity and bring health and environmental benefits to our local communities.

Ulverstone Showground Redevelopment

Funding of \$2.2 million will be provided to the Central Coast Council for a major redevelopment of the Ulverstone Showgrounds site. This amount includes \$0.6 million in 2007-08, and \$1.6 million in 2008-09. The redevelopment of the site will significantly upgrade an established multi-use sports precinct and provide new and enhanced high-use facilities for the Ulverstone Soccer Club, junior soccer, softball, netball,

basketball, squash, scouts and the Ulverstone Show Society, as well as catering for Slipstream Circus, judo, naval cadets, and the Volunteer Coastal Patrol. The redeveloped site provides for shared paths within an open space corridor, a dog activity zone and a motor home rest area. The improved facilities and services are also designed to increase participation in the sports and activities available at the site.

Workforce Participation Program

Funding of \$2.5 million per annum has been provided to replace the former Tasmanian Trainee and Apprentice Incentive Scheme (TTAIS). With record low unemployment, there is unprecedented demand from business for skilled workers. Demographic change is going to make this demand even stronger. Tasmania has the oldest and fastest ageing population in Australia and this will lead to a shrinking of the working age population. This program provides a broader range of assistance than TTAIS and is accessible to small, medium and large business. It will focus on:

- encouraging greater workforce participation;
- providing incentives for businesses to take on new apprentices and trainees;
- providing opportunities for disadvantaged and long-term unemployed jobseekers; and
- assisting businesses with retention strategies for workers approaching retirement.

Wynyard Sport Precinct

Funding of \$50 000 will be provided to the Waratah-Wynyard Council to develop a master plan for the development of a sports precinct with multi-use facilities, including a basketball stadium, tennis courts, a squash centre, a football ground, a bowls club, and the relocation of cricket club facilities and junior soccer to the site. The facilities will complement existing sporting facilities at Wynyard High School, including the gymnasium and sports fields.

Climate Change

The Department is actively involved in all climate change whole-of-government working groups and is also involved in developing and implementing a number of key initiatives. These include:

- offsetting carbon emissions for air travel;
- acquiring motor vehicles that have a minimum 5.5 green star rating;
- undertaking strategies to reduce the Department's electricity use; and
- developing a tourism climate change strategy.

OUTPUT INFORMATION

Output Group Restructure

In accordance with the *State Service (Restructuring) Order 2008*, under section 11 of the *State Services Act 2000*, Tourism Tasmania and Events Tasmania, were transferred from the former Department of Tourism, Arts and the Environment, to the former Department of Economic Development, effective 12 February 2008.

As a result of the restructure, the name of the Department was changed to the Department of Economic Development and Tourism. The 2007-08 Budget information has been amended to reflect the transfer of Tourism Tasmania and Events Tasmania.

Outputs of the Department of Economic Development and Tourism are provided under the following Output Groups:

- Output Group 1 - Economic Development;
- Output Group 2 - Sport and Recreation; and
- Output Group 3 - Tourism.

Output Group Expense Summary

Table 2.2 provides an Output Group Expense Summary for the Department of Economic Development and Tourism.

Table 2.2: Output Group Expense Summary

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Economic Development and Tourism					
Output Group 1 - Economic Development					
1.1 Export and Trade Facilitation	4 091	4 140	3 904	3 984	4 035
1.2 Investment Attraction and Industry Development ¹	15 302	17 942	19 255	19 389	16 334
1.3 Innovation Support ²	17 775	16 689	13 734	8 601	6 890
1.4 Labour and Employment ³	2 308	4 278	3 976	4 014	4 040
1.5 Antarctic Industry Development	1 163	1 189	1 210	1 240	1 262
1.6 Film, TV and Multimedia Industry Development	1 207	1 214	1 221	1 234	1 243
1.7 Industry Research and Strategy	1 752	1 802	1 850	1 920	1 966
1.8 Small Business Development ⁴	4 906	5 500	5 928	6 403	5 208
	48 504	52 754	51 078	46 785	40 978
Output Group 3 - Tourism					
3.1 Tourism Marketing ⁵	18 574	15 219	15 370	12 666	12 826
3.2 Tourism Destination Development	5 569	5 626	5 756	5 895	6 013
3.3 Tourism Distribution Services ⁶	10 098	11 928	12 096	12 298	12 447
3.4 Major Events Support ⁷	4 373	3 393	3 105	2 874	2 630
	38 614	36 166	36 327	33 733	33 916
Grants and Subsidies	1 000	1 000	1 000	1 000	1 000
Special Capital Investment Funds⁸	6 267	9 205	5 009	3 625	990
Minister for Sport and Recreation					
Output Group 2 - Sport and Recreation					
2.1 Sport and Recreation ⁹	9 497	11 927	11 085	11 731	10 026
Special Capital Investment Funds¹⁰	4 550	1 780	....	....	....
TOTAL	108 432	112 832	104 499	96 874	86 910

Notes:

1. The movement in the Investment Attraction and Industry Development Output in 2008-09 and over the Forward Estimates is primarily due to additional funding received for the Tasmanian Brand Project, offset by the completion of a number of Budget initiatives from prior years.
2. The decrease in the Innovation Support Output in 2008-09 and over the Forward Estimates reflects a decrease in Intelligent Island Program disbursements.
3. The movement in the Labour and Employment Output in 2008-09 and over the Forward Estimates is primarily due to funding provided for the Workforce Participation Program, partly offset by the cessation of funding for the Workforce Development Fund, Better Workplaces and Prison Pathways.

4. The movement in the Small Business Development Output in 2008-09 and over the Forward Estimates is primarily due to the additional funding received for the expansion of the Enterprise Growth Program.
5. The decrease in the Tourism Marketing Output in 2008-09 reflects a reassessment of overhead costs associated with the delivery of the Output following the transfer of Tourism from the former Department of Tourism, Arts and the Environment, to this Department. The decrease in 2010-11 reflects the fixed term nature of additional funding provided for the Tourism Marketing Campaign.
6. The increase in the Tourism Distribution Services Output in 2008-09 and over the Forward Estimates reflects a more accurate estimate of the cost of the Output based on 2006-07 actual results.
7. The decrease in the Major Events Support Output in 2008-09 reflects the funding arrangement for the Hawthorn Football Club Agreement. The 2007-08 Budget included a Consolidated Fund allocation of \$800 000. This allocation was part of the original AFL Agreement. The cost of the current AFL Arrangement – Hawthorn Football Club Agreement is now fully funded from the Economic and Social Infrastructure Fund.
8. The movements in Special Capital Investment Funds are detailed in Table 2.9
9. The movements in the Sport and Recreation Output in 2008-09 and over the Forward Estimates reflects the timing of funding provided for the Tracks, Trails and City Bikeways Project, Ulverstone Showground Redevelopment, Evandale Sports Centre and the Wynyard Sport Precinct.
10. The movement in Special Capital Investment Funds in Sport and Recreation reflects funding for the Launceston Aquatic Centre and the Northern Tennis Centre.

Output Group 1: Economic Development

Table 2.3 provides financial information for each Output under Output Group 1. A description of the Outputs follows the table.

Table 2.3: Summary Financial Information - Output Group 1

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Economic Development					
Expenses by Output					
1.1 Export and Trade Facilitation	4 091	4 140	3 904	3 984	4 035
1.2 Investment Attraction and Industry Development ¹	15 302	17 942	19 255	19 389	16 334
1.3 Innovation Support ²	17 775	16 689	13 734	8 601	6 890
1.4 Labour and Employment ³	2 308	4 278	3 976	4 014	4 040
1.5 Antarctic Industry Development	1 163	1 189	1 210	1 240	1 262
1.6 Film, TV and Multimedia Industry Development	1 207	1 214	1 221	1 234	1 243
1.7 Industry Research and Strategy	1 752	1 802	1 850	1 920	1 966
1.8 Small Business Development ⁴	4 906	5 500	5 928	6 403	5 208
	48 504	52 754	51 078	46 785	40 978
Retained Revenue⁵	2 927	1 697	2 124	1 867	1 475
Net Cost of Output Group	45 577	51 057	48 954	44 918	39 503
Appropriation	36 449	40 949	41 904	43 025	39 279

Notes:

1. The movement in the Investment Attraction and Industry Development Output in 2008-09 and over the Forward Estimates is primarily due to additional funding received for the Tasmanian Brand Project, offset by the completion of a number of Budget initiatives from prior years.
2. The decrease in the Innovation Support Output in 2008-09 and over the Forward Estimates reflects Intelligent Island Program disbursements.
3. The movement in the Labour and Employment Output in 2008-09 and over the Forward Estimates is primarily due to funding provided for the Workforce Participation Program, partly offset by the cessation of funding for the Workforce Development Fund, Better Workplaces and Prison Pathways.
4. The movement in the Small Business Development Output in 2008-09 and over the Forward Estimates is primarily due to the additional funding received for the expansion of the Enterprise Growth program.
5. The movement in Retained Revenue in 2008-09 and over the Forward Estimates reflects variations in projected interest revenue from financial assets.

1.1 Export and Trade Facilitation

This Output provides services to assist Tasmanian businesses with the identification and development of new domestic and overseas markets and export opportunities. Assistance is provided through training and

management support to targeted businesses, industry bodies and government departments, as well as targeted trade missions and trade fairs.

1.2 Investment Attraction and Industry Development

This Output assists projects of strategic importance to the state with the provision of financial advice and project support services. It delivers finance facilitation services to help local businesses to expand or to fund new ventures. This Output also assists with the provision of project support services to potential investors considering major strategic economic development opportunities. In addition, this Output includes the Tasmanian Brand Project that will focus on encouraging and promoting Tasmania as a great place to Live, Work, Play, Learn, Invest, and Trade.

1.3 Innovation Support

This Output delivers the Tasmanian Innovations Program Support services for the development of innovative ideas, and assists organisations involved in science and technology-based activities. This Output also facilitates the grant disbursement arrangements associated with the Intelligent Island Program.

1.4 Labour and Employment

This Output provides assistance to businesses, industry sectors and regional communities to respond appropriately to labour and skills shortages, as well as providing assistance for long-term and disadvantaged unemployed people to enter the labour force.

1.5 Antarctic Industry Development

This Output promotes Tasmania's international profile as a centre for Antarctic and Sub-Antarctic activity, with the intention of increasing the amount of expenditure in Tasmania from Antarctic-related enterprises.

1.6 Film, TV and Multimedia Industry Development

This Output fosters, develops and supports Tasmania's film, television and multimedia industries in creating world-class work.

1.7 Industry Research and Strategy

This Output provides support for research-based projects linked to generating increased investment in Tasmania. The research-based projects focus on three themes:

- creating an increasingly competitive business environment;
- maximising opportunities arising from Tasmania's infrastructure projects; and
- identifying investment and reinvestment opportunities for the state, particularly those that will support Tasmania's key future industries.

This Output also provides executive support to industry councils.

1.8 Small Business Development

This Output provides state-wide support for the expansion of existing small businesses, as well as promoting the establishment of new businesses that are forward-looking, internationally competitive, and capable of long term growth. Services are provided through Regional Offices and Enterprise Centres located throughout the State.

Table 2.4: Performance Information - Output Group 1

Performance Measure¹	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Jobs created and retained	Number	2 819	3 080	3 000	3 000
Investment facilitated ²	\$ million	250.3	522.3	300.0	300.0
Exports facilitated ³	\$ million	91.0	190.3	70.0	70.0
Import replacements facilitated	\$ million	65.6	46.5	40.0	40.0
Increased revenue arising from innovation ⁴	\$ million	30.7	14.8	20.0	20.0
Investment facilitated in R&D and innovation	\$ million	7.9	19.1	15.0	15.0

Notes:

1. During 2006-07, the Department reviewed its methodology for the setting of performance targets to better align outcomes with its overall funding allocation.
2. The increase in the 2006-07 Actual is primarily due to increased activity in the resources and property sectors.
3. The increase in the 2006-07 Actual is primarily due to increased activity in the resources and marine manufacturing sectors.
4. Funding rounds for the Intelligent Island Market Access and Partnerships Program commenced during 2006-07. As a result, the Department is forecasting an improvement in the performance of this measure in 2007-08 and 2008-09.

Output Group 2: Sport and Recreation

Table 2.5 provides financial information for the single Output under Output Group 2. A description of the Output follows the table.

Table 2.5: Summary Financial Information - Output Group 2

	2007-08 Budget	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Sport and Recreation					
Expenses by Output					
2.1 Sport and Recreation ¹	9 497	11 927	11 085	11 731	10 026
	9 497	11 927	11 085	11 731	10 026
Retained Revenue	1 827	1 897	1 964	1 971	2 149
Net Cost of Output Group	7 670	10 030	9 121	9 760	7 877
Appropriation	7 290	9 518	8 719	9 388	7 502

Note:

1. The movements in the Sport and Recreation Output in 2008-09 and over the Forward Estimates reflects the timing of funding received for the Tracks, Trails and City Bikeways Project, and one-off funding for the Ulverstone Showground Redevelopment, Evandale Sports Centre and the Wynyard Sport Precinct.

2.1 Sport and Recreation

This Output Group contributes to a range of State Government economic and social policies through the development of opportunities for all Tasmanians to participate in sport and recreation activities. This includes a focus on both social and economic outcomes by optimising the State's sport and recreation assets and developing the sport and recreation sector.

Table 2.6: Performance Information – Output Group 2

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Number of participation opportunities facilitated through Sport and Recreation Tasmania grants and programs ¹	Number	na	140 146	112 500	112 500
Total investment in sport and recreation infrastructure and programs ²	\$ million	9.9	14.6	9.1	9.1

Notes:

1. The 2006-07 Actual of 140 146 for this performance measure was higher than the 2006-07 target of 85 000, primarily due to an improved measurement approach being implemented during that year.
2. The 2006-07 Actual for this performance measure was higher than the 2006-07 Target of \$9.9 million, primarily due to additional funding being provided to contribute towards the development of major sporting infrastructure.

Output Group 3: Tourism

Table 2.7 provides financial information for each Output under Output Group 3. A description of the Outputs follows the table.

Table 2.7: Summary Financial Information - Output Group 3

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Tourism					
Expenses by Output					
3.1 Tourism Marketing ¹	18 574	15 219	15 370	12 666	12 826
3.2 Tourism Destination Development	5 569	5 626	5 756	5 895	6 013
3.3 Tourism Distribution Services ²	10 098	11 928	12 096	12 298	12 447
3.4 Major Events Support ³	4 373	3 393	3 105	2 874	2 630
	38 614	36 166	36 327	33 733	33 916
Retained Revenue	5 689	7 009	7 009	7 009	7 009
Net Cost of Output Group	32 925	29 157	29 318	26 724	26 907
Appropriation	32 932	28 881	29 042	26 448	26 722

Notes:

1. The decrease in the Tourism Marketing Output in 2008-09 reflects a reassessment of overhead costs associated with the delivery of the Output following the transfer of Tourism from the former Department of Tourism, Arts and the Environment, to this Department. The decrease in 2010-11 reflects the fixed term nature of additional funding provided for the Tourism Marketing Campaign.
2. The increase in the Tourism Distribution Services Output in 2008-09 and over the Forward Estimates reflects a more accurate estimate of the cost of the Output based on 2006-07 actual results.
3. The decrease in the Major Events Support Output in 2008-09 reflects the funding arrangement for the Hawthorn Football Club Agreement. The 2007-08 Budget included a Consolidated Fund allocation of \$800 000. This allocation was part of the original AFL Agreement. The cost of the current AFL Arrangement – Hawthorn Football Club Agreement is now fully funded from the Economic and Social Infrastructure Fund.

3.1 Tourism Marketing

This Output uses a variety of marketing techniques to stimulate awareness and demand for travel to Tasmania by building a strong and distinctive brand, delivering highly differentiated marketing programs, and developing significant cooperative partnerships. The focus is on the intrastate, interstate and international markets, and through this Output, a global digital platform to position Tasmania as a preferred destination, including for Tasmanians to spend their travel dollar within the State, has been developed. Significant national and international partnerships increase the value of the marketing investment and the return from Tasmania's signature events. This Output facilitates public relations activities that continue to attract intrastate, interstate and international editorial coverage.

3.2 Tourism Destination Development

This Output strategically supports the development of experiential tourism products and services that help to build competitive advantage, attract visitors to the State and exceed visitor expectations. The Output targets industry development, business and product development, and destination development. The Output also provides advice and information on tourism investment opportunities, assists and encourages the development of new tourism infrastructure, and works with industry and government partners to ensure that Tasmania continues to develop new and engaging experiences that connect visitors with the destination.

3.3 Tourism Distribution Services

This Output provides conversion opportunities for Tasmanian tourism operators both through the retail travel trade and direct to consumers. The Launceston-based Tasmanian Travel Service Centre provides the travel trade and consumers with comprehensive, easy to access booking and information services.

3.4 Major Events Support

This Output plays a leadership role in stimulating events growth in Tasmania. This is achieved through the attraction and retention of a diverse range of events, and through building on the development opportunities of the existing 'event' portfolio. Events Tasmania works with key events that deliver on a range of social, cultural, economic and environmental benefits to the Tasmanian community.

Table 2.8: Performance Information - Output Group 3

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Total visitors	'000	866	881	949	1 057
Total visitor spend ¹	\$ million	1 791	2 009	2 166	2 410
Market share					
International ²	%	3.0	3.0	3.4	3.7
Interstate ³	%	4.1	4.2	4.5	4.8
Events visitor spend	\$ million	33	54	55	61
Prompted advertising awareness ⁴	%	28.4	28.7	35.0	37.0
Prompted advertising tag-line awareness ⁴	%	3.4	12.0	15.0	17.0
Search engine referrals ⁵	'000	1 000	1 518	1 636	1 821

Notes:

1. Includes international, interstate and intrastate spend.
2. Source: Tourism Research Australia – International Visitor Survey.
3. Source: Tourism Research Australia – National Visitor Survey.
4. Source: Roy Morgan Research – Holiday Tracking Survey.
5. Source: HBX SiteCatalyst (Omniture).

Performance Information Comments

The performance information detailed in Table 2.8 reflects Tasmania's solid performance in a relatively soft Australian tourism market. Despite substantial competition from the other states and the strengthening appeal of outbound travel for Australians, Tasmania has continued to increase its total visitation, and also its market share, of both international and interstate trips within Australia.

However, of concern is the declining consumer confidence domestically as interest rate rises hit home in terms of disposable income, and therefore the propensity for discretionary expenditure declines. The impact of these changes is uncertain at this time and all primary indicators are now back to 2006 levels. Similarly, the sustained strength of the Australian dollar is putting pressure on international leisure arrivals into Australia.

In spite of the poor domestic outlook and the consistent pressure on inbound travel to Australia from exchange rates, the outlook for visitation to Tasmania still appears strong with growth expected throughout 2008-09.

SPECIAL CAPITAL INVESTMENT FUNDS

Table 2.9 identifies expenditure by the Department from the Government's Special Capital Infrastructure Funds.

Table 2.9: Special Capital Investment Fund (SCIF) Allocations

	Estimated Total Cost	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Economic and Social Infrastructure Fund					
AFL Arrangement - Hawthorn Football Club	16 446	3 475	3 590	3 625	990
Industry Assistance Program	4 000	1 730	1 419	....	....
Launceston Aquatic Centre	5 300	1 300	....	....	....
Northern Tennis Centre	500	480	....	....	....
University Redevelopment (Menzies Centre)	10 000	4 000	....	....	....
		10 985	5 009	3 625	990
Total SCIF Allocations		10 985	5 009	3 625	990

AFL Arrangement – Hawthorn Football Club

In 2007, the Government entered into a new five-year agreement with the Hawthorn Football Club to play AFL football in Tasmania and to promote the State. The agreement includes the Hawthorn Football Club playing four home games and one pre-season game at Aurora Stadium each year, and promoting the State more broadly, including having Tasmania as the Club's Naming Rights Sponsor.

Industry Assistance Program

The Industry Assistance program provides grants, subsidies, and development support projects to assist those businesses that can demonstrate a net economic benefit to the State.

Launceston Aquatic Centre

Total funding of \$5.3 million has been allocated to the Launceston City Council for the purpose of redeveloping the Launceston Aquatic Centre. Of the total allocation, \$4.0 million has already been provided to the Council, with a further \$1.3 million payable in 2008-09. This additional \$1.3 million will be used to construct a new hydrotherapy pool at the Centre.

Northern Tennis Centre

In 2008-09, funding of \$480 000 will be provided towards the cost of building a new regional tennis centre in Launceston. The funding will provide 12 new tennis courts, resurfacing of two existing courts, car parking, landscaping, paths, and external lighting.

University Redevelopment (Menzies Research Institute)

In 2008-09, funding of \$4.0 million will be provided for the development of the Menzies Research Institute. Funding of \$6.0 million was provided for the Institute in 2007-08, for a total funding allocation of \$10.0 million. The completed project will see the University's medical training centre and the Menzies Centre relocated to the vacant site next to Hobart's Theatre Royal.

DETAILED BUDGET STATEMENTS

Table 2.10: Income Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	77 414	79 348	79 665	78 861	73 503
Interest Revenue ²	1 421	924	1 348	1 084	712
Grants ³	12 644	12 882	6 973	5 596	3 139
Sales of Goods and Services ⁴	6 452	7 782	7 785	7 792	7 772
	97 931	100 936	95 771	93 333	85 126
Less Expenses					
Employee Entitlements	26 506	26 306	27 152	28 262	28 545
Superannuation	2 648	2 728	2 807	2 889	2 972
Depreciation and Amortisation	1 280	1 192	1 172	1 062	941
Borrowing Costs	1 428	1 473	1 523	1 503	1 473
Grants and Transfer Payments ⁵	40 829	45 601	35 456	29 632	22 257
Supplies and Consumables	33 141	32 790	33 602	30 707	28 169
Other Expenses	1 600	1 742	1 787	1 819	1 553
	107 432	111 832	103 499	95 874	85 910
Plus Gains/(Losses)					
Other Gains/(Losses) ⁶	....	(200)	(100)	(50)	(50)
	....	(200)	(100)	(50)	(50)
Equals NET OPERATING RESULT	(9 501)	(11 096)	(7 828)	(2 591)	(834)

Notes:

1. The movement in Revenue from Appropriation in 2008-09 and over the Forward Estimates is primarily due to additional funding received for the 2008-09 Budget initiatives, offset by the completion of a number of Budget initiatives from prior years.
2. The movement in Interest Revenue is a result of variations in interest revenues due to changes in financial asset levels.
3. The decrease in Grants over the Forward Estimates is primarily due to the decrease in Special Capital Investment Fund allocations.
4. The increase in Sales of Goods and Services in 2008-09 reflects growth in Tasmania Temptations Holidays and Retail Travel Centres business activities in relation to tourism accommodation and advertising campaigns.
5. The increase in Grants and Transfer Payments in 2008-09 reflects the timing of funding for the Tracks, Trails and City Bikeways Project, and one-off grant payments for the Evandale Sports Centre, Spirit of the Sea, the Ulverstone Showground Redevelopment, and the Wynyard Sport Precinct initiatives. The decrease over the Forward Estimates primarily reflects the decrease in the Special Capital Investment Fund allocations.
6. The movement in Gains/(Losses) reflects the estimated decrease in the value of investments held by the Department.

Table 2.11: Revenue from Appropriation

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent ¹	76 671	79 348	79 665	78 861	73 503
Appropriation Carried Forward²	743	....	....	....	....
Total Revenue from Appropriation	77 414	79 348	79 665	78 861	73 503

Notes:

1. The movement in Recurrent Appropriation in 2008-09 and over the Forward Estimates is primarily due to additional funding received for the 2008-09 Budget initiatives, offset by the completion of a number of Budget initiatives from prior years.
2. The Appropriation Carried Forward reflects funds carried forward under section 8A(2) of the *Public Account Act 1986* for the 2006 Election commitments for Incubator Services at the Technopark and Helping Our Young Farmers.

Table 2.12: Income Statement - Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	1 000	1 000	1 000	1 000	1 000
	1 000	1 000	1 000	1 000	1 000
Less Expenses					
Grants and Transfer Payments ¹	1 000	1 000	1 000	1 000	1 000
	1 000	1 000	1 000	1 000	1 000
Equals NET OPERATING RESULT	....	....	....	....	....

Note:

1. This item reflects funding for the Tasmanian Icon Program.

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.

Table 2.13: Balance Sheet as at 30 June

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	38 177	29 799	24 525	24 316	26 345
Investments ¹	9 805	21 485	19 250	15 004	10 060
Equity Investments ²	6 136	4 096	4 527	5 061	5 654
Receivables ³	421	1 169	1 172	1 182	1 172
Other Financial Assets ⁴	1 967	2 497	2 597	2 697	2 797
	56 506	59 046	52 071	48 260	46 028
Non-Financial Assets					
Land and Buildings ⁵	10 733	29 231	28 034	26 857	25 695
Plant and Equipment ⁶	1 446	922	680	488	346
Investment Property ⁷	12 331	9 650	9 650	9 650	9 650
Intangibles ⁶	196	122	46	....	....
Other Non-Financial Assets	531	765	731	707	693
	25 237	40 690	39 141	37 702	36 384
Total Assets	81 743	99 736	91 212	85 962	82 412
Liabilities					
Borrowings ¹	16 027	20 027	19 027	16 027	13 027
Employee Entitlements	5 038	5 231	5 217	5 207	5 111
Payables ⁸	1 708	2 500	2 475	2 440	2 445
Other Liabilities ⁸	4 702	4 366	4 456	4 536	4 546
Total Liabilities	27 475	32 124	31 175	28 210	25 129
NET ASSETS	54 268	67 612	60 037	57 752	57 283
Equity					
Accumulated Funds	53 621	66 485	58 379	55 510	54 398
Asset Revaluation Reserve	647	1 127	1 658	2 242	2 885
Total Equity	54 268	67 612	60 037	57 752	57 283

Notes:

1. In 2009, the increase in Investments reflects the increase of loans advanced by the Department under the Tasmania Development and Resources loans, equities and property portfolio. This has been financed by a decrease in Cash and an increase in Borrowings. Over the Forward Estimates the decrease in Investments and Borrowings reflects the repayment of the loans advanced.
2. The decrease in Equity Investments in 2008-09 reflects a decrease in the value of returns from some investments held in First Tasmania Investments Ltd.

3. The increase in Receivables reflects the difference between the timing of services delivered, and payments received, primarily in relation to the activities of Tasmania Temptations.
4. The increase in Other Financial Assets reflects the timing of GST receivables in relation to the activities of Tasmania Temptations.
5. The increase in Land and Buildings in 2008-09 primarily reflects the transfer of the Launceston Silverdome Crown Land from the Department of Primary Industries and Water, and a more accurate estimate of the cost of the Output.
6. The decrease in Plant and Equipment and Intangibles in 2008-09 and over the Forward Estimates reflects the charging of depreciation.
7. The decrease in Investment Property in 2009 primarily reflects the sale of the Maypole building in Glenorchy during 2007-08, which had previously been included in the 2008 Budget.
8. The movement in Payables and Other Liabilities reflects the difference between the timing of services delivered by accommodation providers, and the change in debt structure that increases accrued interest at the end of the financial year.

Table 2.14: Cash Flow Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	76 671	79 348	79 665	78 861	73 503
Interest Received ²	1 421	924	1 348	1 084	712
Grants ³	12 644	12 882	6 973	5 596	3 139
Sales of Goods and Services ⁴	6 457	7 782	7 782	7 782	7 782
GST Receipts	6 500	6 500	6 500	6 500	6 500
	103 693	107 436	102 268	99 823	91 636
Cash Paid					
Employee Entitlements	(26 473)	(26 128)	(26 970)	(28 076)	(28 445)
Superannuation	(2 651)	(2 728)	(2 807)	(2 889)	(2 972)
Borrowing Costs	(1 478)	(1 473)	(1 473)	(1 473)	(1 473)
Grants and Transfer Payments ⁵	(40 729)	(45 501)	(35 356)	(29 532)	(22 157)
Supplies and Consumables	(33 896)	(32 822)	(33 634)	(30 739)	(28 201)
GST Payments	(6 500)	(6 500)	(6 500)	(6 500)	(6 500)
Other Payments	(1 600)	(1 742)	(1 787)	(1 819)	(1 553)
	(113 327)	(116 894)	(108 527)	(101 028)	(91 301)
Net Cash Flows from Operating Activities	(9 634)	(9 458)	(6 259)	(1 205)	335
Cash Flows from Investing Activities					
Purchase of Fixed Assets	(150)	(150)	(150)	(150)	(150)
Net Purchase of Investments ⁶	(50)	2 700	....	....	....
Net Customer Loans (Granted)/Repaid ⁷	450	450	2 135	4 146	4 844
Net Cash Flows from Investing Activities	250	3 000	1 985	3 996	4 694
Cash Flows from Financing Activities					
Net Borrowings ⁷	(1 000)	(1 000)	(1 000)	(3 000)	(3 000)
Net Cash Flows from Financing Activities	(1 000)	(1 000)	(1 000)	(3 000)	(3 000)
Net Increase/(Decrease) in Cash Held	(10 384)	(7 458)	(5 274)	(209)	2 029
Cash at the Beginning of the Year	48 561	37 257	29 799	24 525	24 316
Cash at the End of the Year	38 177	29 799	24 525	24 316	26 345

Notes:

1. The movement in Appropriation in 2008-09 and over the Forward Estimates is primarily due to additional funding received for the 2008-09 Budget initiatives, offset by the completion of a number of Budget initiatives from prior years.

2. The movement in Interest Received is a result of variations in interest revenues due to changes in financial asset levels.
3. The decrease in Grants over the Forward Estimates is primarily due to the decrease in Special Capital Investment Fund allocations.
4. The increase in Sales of Goods and Services in 2008-09 reflects growth in Tasmania Temptations Holidays and Retail Travel Centres business activities in relation to tourism accommodation and advertising campaigns.
5. The increase in Grants and Transfer Payments in 2008-09 reflects the timing of funding for the Tracks, Trails and City Bikeways Project, and one-off grant payments for the Evandale Sports Centre, Spirit of the Sea, the Ulverstone Showground Redevelopment, and the Wynyard Sport Precinct initiatives. The decrease over the Forward Estimates primarily reflects the decrease in the Special Capital Investment Fund allocations.
6. The increase in Net Purchase of Investments in 2008-09 reflects the return on investments held in First Tasmania Investments Ltd.
7. The increase in Net Customer Loans (Granted)/Repaid and Net Borrowings in 2008-09 and over the Forward Estimates reflects the ongoing disbursement of loan advances and the receipt of repayments of such loan advances with associated movements in borrowings.

Table 2.15: Cash Flow Statement - Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation	1 000	1 000	1 000	1 000	1 000
	1 000	1 000	1 000	1 000	1 000
Cash Paid					
Grants and Transfer Payments	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)
	(1 000)	(1 000)	(1 000)	(1 000)	(1 000)
Net Increase/(Decrease) In Cash Held	....	....	....	....	....
Cash at the Beginning of the Year	....	....	....	....	....
Cash at the End of the Year	....	....	....	....	....

3 DEPARTMENT OF EDUCATION

AGENCY OUTLINE

The Department of Education provides services through four major organisational units: Early Years; Learning Services and Schools; Skills Tasmania; and Information Services and Community Learning.

These services are delivered to more than 65 500 students attending 214 schools and colleges or utilising distance education programs. In addition, the Department operates 51 Public Libraries, 67 Online Access Centres, nine Adult and Community Education Centres and the Archives Office of Tasmania. The Department also licences and regulates child care and administers post-compulsory qualifications through the Tasmanian Qualifications Authority.

The service delivery areas are supported by central business units responsible for corporate support, policy development, regulation, and assessment and review. Each of the service delivery areas is being guided by major strategic initiatives:

- The Student at the Centre;
- Qualifications and Skills for Tasmania *Tomorrow*; and
- Community Knowledge Network.

Implementation of the Student at the Centre plan will continue across the compulsory education sector supported by the four Learning Services and School Improvement Boards, with major focus on literacy, numeracy, socio-economic disadvantage, special education and early learning.

The Qualifications and Skills for Tasmania *Tomorrow* strategy will be implemented in 2009. During 2008, three new boards are being established to direct the Tasmanian Polytechnic, the Tasmanian Academy and Training Tasmania which will provide the foundation of the Tasmania *Tomorrow* strategy. The training directions to be pursued through the strategy will be guided by Skills Tasmania. Skills Tasmania and the Skills Tasmania Board continue to work on the development of strategies to improve training in areas important to Tasmanian business and industry.

Implementation of the Community Knowledge Network strategy will continue in 2008-09. This information and community learning framework is delivering new ways to enhance learning opportunities for all Tasmanians. It is bringing together a range of different services into a coordinated framework of information and community learning, embracing libraries, online access centres, adult education and using concepts such as Learning and Information Network Centres (LINC)s as a single point of access.

The responsible Minister is the Minister for Education and Skills, Hon David Bartlett MP. This chapter provides the Department's financial information for 2008-09 and the Forward Estimates period (2009-10 to 2011-12). Further information on the Department is provided at <http://www.education.tas.gov.au>.

MAJOR INITIATIVES

Table 3.1 provides a summary of the Budget and Forward Estimate allocations for the major initiatives.

Table 3.1: Major Initiatives Statement

	2008-09	2009-10	2010-11	2011-12
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Bridgewater and Southern Midlands Education Renewal Project	636	9 345	8 192	11 800
Climate Change	750	....	....	....
Community Knowledge Network – Learning and Information Network Centres (LINC)s	200	2 258	4 970	7 455
Early Years Recognition of Child Care Qualifications	250	250	250	250
Improved Resources for Students with High and Additional Needs including:				
Improved Staffing	2 445	2 445	2 445	2 445
Improved Support	1 000	2 000	2 000	2 000
Kingston High School	2 500	12 000	13 750	....
Launching into Learning	4 026	4 250	4 250	4 250
Literacy and Numeracy Strategies including:				
Raising the Bar and Closing the Gap	8 000	8 000	8 000	8 000
Learning Services Literacy Strategy	3 000	3 000	3 000	3 000
Community Adult Literacy Coordinators	700	700	700	700
Early Years Literacy	220	220	220	220
Reading Together	100	100	100	100
Musical Instruments Initiative	200	....	....	....
Reducing Class Sizes from Years 2 to 7	3 984	6 094	7 387	7 387
Senior Secondary School Renewal	....	2 000	2 000	2 000
Skilling Tasmania	1 800	1 800	1 800	1 800
Tasmanian Education Foundation	500	500	....	....
Tasmania <i>Tomorrow</i> including:				
Capital Investment Program	2 770	2 500	2 500	....
Tasmania: A State of Learning	9 500	9 500	9 500	9 500
Skills for Growth	2 300	2 300	2 300	2 300
Teacher Aides	3 650	3 650	3 650	3 650

Bridgewater and Southern Midlands Education Renewal Project

An investment of \$30.0 million will be provided to establish contemporary education facilities as part of the Bridgewater and the Southern Midlands Renewal project.

Climate Change

In 2008-09, a \$750 000 Climate Change Minor Works program will provide advice and funding for small capital projects that address climate change issues. Schools will be able to apply for funding assistance to undertake capital projects to improve water management, waste management, deliver energy efficiency, or address other climate change concerns.

The Department is also responding to climate change challenges through a number of emission reduction initiatives designed to meet carbon reduction requirements as outlined in the Government's Framework for Action on Climate Change.

Community Knowledge Network

The implementation of the Community Knowledge Network strategy will continue in 2008-09 by bringing together a range of different services into a coordinated framework of information and community learning, embracing libraries, online access centres, adult education and heritage services. In 2008-09, five key strategies will contribute significant progress in the implementation of the Community Knowledge Network:

- Additional capital funding of \$10.5 million for a total commitment of \$14.9 million to establish four Learning and Information Network Centres (LINC)s in regional centres to improve access to skills and training opportunities and to engage community members in life long learning.
- The establishment of Urban Learning and Information Network Centres on Hobart's Eastern Shore and Devonport.
- The integration of the Archives Office of Tasmania and the State Library Heritage Services into a new entity known as 'Heritage and Tasmanian Information Service' will enhance the accessibility, preservation and management of the cultural memory and documentary record of Tasmania, including the legal framework for government recordkeeping.
- Digitisation of Tasmania's documentary heritage to provide greater access to these unique resources for all Tasmanians and the global audience.

Early Years Recognition of Child Care Qualifications

Commencing in 2008-09, a new four-year \$1.0 million strategy will target recognition of existing child care skills as formal qualifications within the Tasmanian child care sector. This initiative will provide a qualification pathway for child carers and significantly increase the number of qualified carers in the sector.

Improved Resources for Students with High and Additional Needs

- Improved Staffing - An additional \$2.4 million per annum to increase the staffing provision for students with high and additional needs. This initiative will allow for an additional two hours of targeted support per week for each student on the Register of Disabilities.
- Improved Support – In 2009, an additional \$1.0 million will be allocated for improved support to complement the existing funding of \$1.0 million per annum. The total funding allocation of \$2.0 million per annum will enable the eligibility threshold for the Register of Students with Disabilities to be broadened to support students with additional needs.

Kingston High School

Provision of \$30.0 million was made in 2007-08 to construct a new Kingston High School in the Kingborough Sports Centre precinct. The new school, which will cater for approximately 700 secondary students from Years 7 to 10, will be equipped with modern information and technology systems and multi-purpose learning areas. It will also provide state-of-the-art specialist facilities to accommodate innovative programs in key areas such as science and technology, music, languages, the arts, design and sport.

Launching into Learning

This initiative will continue in 2008-09 with \$4.0 million allocated to support young children before they formally commence school. Funding for this initiative will increase to \$4.3 million in 2009-10.

Literacy and Numeracy Strategies

The emphasis on improving literacy will further increase in 2008-09 through the continuation of several existing strategies and the implementation of two new initiatives:

- *Raising the Bar and Closing the Gap* - \$8.0 million per annum has been allocated to enable targeted support to significantly increase the number of children finishing primary school with functional literacy and numeracy skills;
- *Learning Services Literacy Strategy* - \$3.0 million per annum will continue this initiative;
- *Community Adult Literacy Coordinators* - \$700 000 will provide increased literacy support for adults and families with very low literacy levels;
- *Premier's Reading Challenge* - this initiative will continue on an annual basis;
- *Early Years Literacy* - this program will continue with \$220 000 provided in 2008-09 to enhance learning opportunities for young people through the provision of books for parents to read to their children; and
- *Reading Together* - \$100 000 per annum to continue this initiative of working with families to explore ways of developing the literacy skills of children.

Musical Instruments Initiative

In 2008-09, \$200 000 will be provided to support the purchase of musical instruments to enhance school music programs.

Reducing Class Sizes from Years 2 to 7

In 2008-09, \$4.0 million will be provided to continue the program to reduce class sizes to 25 students in all government primary schools, whilst also reducing the pupil teacher ratio in year 7 to below the national average. Further funding of \$450 000 will be provided in 2009-10 and 2010-11 to enable classroom capacity to grow at schools experiencing accommodation pressure as a result of more smaller classes.

Senior Secondary School Renewal Program

This \$6.0 million program will feature significant works at a number of secondary and district high schools to modernise and improve the standard of existing secondary school facilities.

Skills Tasmania

- *Skilling Tasmania* - an allocation of \$1.8 million per annum to increase workforce participation, lift the skills base of the Tasmanian economy, increase productivity and address social and economic disadvantage.
- *Skills Strategy* – developing a comprehensive Skills Strategy for Tasmania, that will provide the Skills Tasmania Board with a framework to guide the Government's future purchasing of training, including innovative approaches to skill development.
- *Workforce Development Plan* – collaborating with the Department of Economic Development and Tourism to establish a workforce development strategy that aims to increase the capacity of employers to attract, retain and develop the workforce and to increase the capacity of individuals to participate and be productive in the workforce.
- *Existing Worker Apprenticeships* – providing opportunities for existing workers in construction and metal trades industries to gain higher-level trade qualifications through tailored assessment of existing competencies and gap training programs.
- *Cadetship Program* – delivering Diploma and Advanced Diploma qualifications through work-based training and assessment to address skill shortages.
- *Productivity through Partnerships Program* – providing funding for a pilot program with the Tourism Industry Council Tasmania to form a partnership with one or more Registered Training Organisations to increase the information and communication technology skills of tourism operators so that they can use a new digital platform to promote their business and take bookings online.

Tasmanian Education Foundation

Commencing in 2008-09 funding of \$1.0 million will be provided over two years to support the proposed Tasmanian Education Foundation (TEF). The TEF is a not-for-profit foundation that will be based in Tasmania. Its prime purpose will be to promote the value of education and learning in the Tasmanian community and achieve a significant increase in the Tasmanian community's appreciation of the benefits of education to the individual and the community. The contribution from the Tasmanian Government will be matched by private sector contributions. The Tasmanian Government funding is designed to ensure that the activities of the TEF address issues associated with improving adult literacy.

Tasmania Tomorrow

Tasmania Tomorrow will extend the range of available post compulsory pathways and, in particular, bring TAFE Tasmania and the senior secondary colleges together. From the training perspective, the strategy is supported by Skills Tasmania and the work being done on the development of skills and training strategies. *Tasmania Tomorrow* will be built around existing resources from both the Department and TAFE Tasmania. Additional financial support will be provided in 2008-09 through:

- an initial investment of \$7.8 million in infrastructure to enable the establishment of the Tasmanian Academy, Tasmanian Polytechnic, and Training Tasmania within the *Tasmania Tomorrow* framework;
- the allocation of \$2.3 million per annum for the continuation of the Skills for Growth initiative, which aims to directly address skill shortages identified by industry and the Government which are currently constraining business and industry growth; and

- the allocation of \$9.5 million for the continuation of the post Year 10 education and training strategy, *Tasmania: A State of Learning*.

Teacher Aides

The Government's commitment to support an additional two weeks employment and salary increases for teacher aides will continue at an annual cost of \$3.7 million.

OUTPUT INFORMATION

Outputs of the Department of Education are provided under the following Output Groups:

- Output Group 1 – Pre-Compulsory and Compulsory Education;
- Output Group 2 – Skills Development; and
- Output Group 3 – Information Services and Community Learning.

Output Group Restructure

During 2009, the Department will be undertaking a restructure of its Outputs. The restructure is associated with the implementation of the Tasmania *Tomorrow* initiative which commences from January 2009. Under this initiative three new statutory organisations will be created initially from four of the Department's existing colleges and TAFE Tasmania. Over the following years, the remaining four senior secondary colleges will also transition into these new organisations. Each of the new organisations will focus on a specific role:

- the Tasmanian Academy will focus on academic learning, with a curriculum and academic pathway for Year 11 and 12 students seeking university entrance;
- the Tasmanian Polytechnic will focus on practical learning, with a vocational pathway, supported by academic courses as well, for both Years 11 and 12 and mature-age students seeking employment outcomes or university articulation; and
- Training Tasmania will focus on skills development for employees in enterprises, in line with their enterprise's skills needs.

The operational details of these new organisations and the impact on the Department's Outputs are yet to be finalised. Accordingly, the 2008-09 Budget reflects the Department's current organisational structure. An administrative order will be issued once the details of the restructure are finalised.

Output Group Expense Summary

Table 3.2 provides an Output Group Expense Summary for the Department of Education.

Table 3.2: Output Group Expense Summary

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - Pre-Compulsory and Compulsory Education					
1.1 In School Education ¹	584 062	623 586	637 964	662 416	676 764
1.2 Learning Services ²	20 824	18 644	20 585	21 946	21 739
1.3 Education Performance Services ³	878	1 734	1 819	1 912	1 932
1.4 Early Years ⁴	1 217	1 660	1 707	1 768	1 797
1.5 Grants and Financial Assistance ⁵	7 366	8 925	8 925	8 925	8 925
	614 347	654 549	671 000	696 967	711 157
Output Group 2 - Skills Development					
2.1 Skills Development TAFE Tasmania	66 131	67 349	68 769	70 474	72 268
2.2 Skills Development Contestable Funding ⁶	25 080	24 727	25 196	25 680	26 314
2.3 Post-Compulsory In School Education ⁶	83 255	80 531	86 979	87 669	87 773
2.4 Skills Tasmania ⁷	8 195	10 023	10 314	10 581	10 809
2.5 Tasmanian Qualifications Authority	3 545	3 725	3 840	3 925	3 988
2.6 Grants and Financial Assistance	2 290	2 290	2 290	2 290	2 290
	188 496	188 645	197 388	200 619	203 442
Output Group 3 - Information Services & Community Learning					
3.1 Public Library and Information Services	23 370	24 108	24 501	25 273	26 039
3.2 Archival and Records Management Services	2 732	2 782	2 867	2 955	3 045
3.3 Adult and Community Learning Services ⁸	9 834	11 436	11 681	11 434	11 695
	35 936	38 326	39 049	39 662	40 779
Grants and Subsidies⁵	176 359	173 958	174 867	177 029	178 428
Capital Investment Program⁹	4 420	4 520	850	850	850
TOTAL	1 019 558	1 059 998	1 083 154	1 115 127	1 134 656

Notes:

1. The increase in the In School Education Output primarily reflects additional funding for the Raising the Bar and Closing the Gap Initiative and the Improved Resources for Students with High and Additional Needs initiative.
2. The decrease in the Learning Services Output in 2008-09 reflects the reclassification of expenses from the Learning Services Output to the In School Education Output, the Education Performance Services Output and the Early Years Output as part of the Student at the Centre plan.

3. The increase in the Education Performance Services Output in 2008-09 reflects the reclassification of expenses from the Learning Services Output as part of the Student at the Centre plan.
4. The increase in the Early Years Output in 2008-09 is primarily due to additional funding for the Early Years Recognition of Child Care Qualifications initiative.
5. The increase in the Grants and Financial Assistance Output and the decrease in Grants and Subsidies in 2008-09 reflect the reclassification of Accommodation Allowances for Tertiary Students from administered to controlled.
6. The decrease in the Skills Development Contestable Funding Output and Post-Compulsory In School Education Output in 2008-09 reflects the reclassification of expenses contained in Output Group 2 as part of the Student at the Centre plan.
7. The increase in the Skills Tasmania Output in 2008-09 and the Forward Estimates is primarily due to additional funding for the Skilling Tasmania initiative.
8. The increase in the Adult and Community Learning Services Output reflects additional funding for the Community Adult Literacy Coordinators and the Tasmanian Education Foundation initiatives.
9. It is anticipated that under the Capital Investment Funding Agreement with the Australian Government, TAFE Tasmania will receive \$4.4 million per annum over the Forward Estimates. However, the expenditure allocations for these future programs will not be determined until the Tasmania *Tomorrow* strategy's operational plans have been finalised.

Output Group 1: Pre-Compulsory and Compulsory Education

Table 3.3 provides financial information for each Output under Output Group 1. A description of the Outputs follows the table.

Table 3.3: Summary Financial Information - Output Group 1

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Pre-Compulsory and Compulsory Education</i>					
Expenses by Output					
1.1 In School Education ¹	584 062	623 586	637 964	662 416	676 764
1.2 Learning Services ²	20 824	18 644	20 585	21 946	21 739
1.3 Education Performance Services ³	878	1 734	1 819	1 912	1 932
1.4 Early Years ⁴	1 217	1 660	1 707	1 768	1 797
1.5 Grants and Financial Assistance ⁵	7 366	8 925	8 925	8 925	8 925
	614 347	654 549	671 000	696 967	711 157
Retained Revenue	35 315	36 678	37 763	39 559	41 276
Net Cost of Output Group	579 032	617 871	633 237	657 408	669 881
Appropriation	542 449	580 890	595 474	619 388	635 008

Notes:

1. The increase in the In School Education Output primarily reflects additional funding for the Raising the Bar and Closing the Gap Initiative and the Improved Resources for Students with High and Additional Needs initiative.
2. The decrease in the Learning Services Output in 2008-09 reflects the reclassification of expenses from the Learning Services Output to the In School Education Output, the Education Performance Services Output and the Early Years Output as part of the Student at the Centre plan.
3. The increase in the Education Performance Services Output in 2008-09 reflects the reclassification of expenses from the Learning Services Output as part of the Student at the Centre plan.
4. The increase in the Early Years Output in 2008-09 is primarily due to additional funding for the Early Years Recognition of Child Care Qualifications initiative.
5. The increase in the Grants and Financial Assistance Output in 2008-09 reflects the reclassification of Accommodation Allowances for Tertiary Students from administered to controlled.

1.1 In School Education

The services provided under this Output focus on the delivery of education to students in schools enrolled in classes up to Year 10. The purpose of the Output is to provide a range of educational services that will help students develop intellectually, socially, morally, emotionally and physically in a stimulating, inclusive and supportive environment. An essential factor to the success in delivering this Output is that these services be provided within the Department's strategic framework of the Student at the Centre plan.

1.2 Learning Services

A Learning Service supports schools in each of the North-West, North, South and South-East areas of the State. In providing support, Learning Services work collaboratively with schools and through a School Improvement Board appointed by the Minister for Education and Skills. Support includes professional learning across teaching, curriculum and assessment, and operational human resource, finance, and facilities support. Learning Services have a key role in facilitating the sharing of resources, knowledge, innovation and learning between schools and across the State and respond to schools on the basis of their improvement needs.

1.3 Education Performance Services

This Output provides state-wide programs for monitoring and measuring student performance and achievement in literacy, numeracy, assessment and certification for students in the compulsory years of schooling. It is directed towards Tasmanian compliance with national assessment program requirements, and monitoring and reporting educational accountability information for specific purpose programs.

Educational Performance Services is responsible for measuring and reporting on student performance and achievement across all learning areas and assessment and certification for students in the compulsory years of schooling. It is also responsible for corporate reporting and evaluating and reviewing of educational programs as well as facilitating the collection, storage and utilisation of student and school data.

1.4 Early Years

This Output provides assistance and advice to develop child care services and funds are provided to non-government organisations as a contribution towards operating expenses and capital upgrades through the Child Care Grants Program. Licensing and monitoring all child care services under the *Child Care Act 2001* is managed through the Child Care Unit.

1.5 Grants and Financial Assistance

This Output is responsible for Child Care Grants, Sundry Grants, Fees and Scholarships and Student Assistance, Bursaries and Allowances.

Table 3.4: Performance Information - Output Group 1

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Reading¹					
Reading rates against national benchmarks Year 3 (TT)	% of students achieving benchmark	94.9	94.1	98.0	98.0
Reading rates against national benchmarks Year 5 (TT)	% of students achieving benchmark	92.8	94.1	95.5	95.0
Reading rates against national benchmarks Year 7 (TT)	% of students achieving benchmark	na	na	na	90.5
Numeracy¹					
Numeracy rates against national benchmarks Year 3 (TT)	% of students achieving benchmark	91.2	88.5	98.0	98.0
Numeracy rates against national benchmarks Year 5 (TT)	% of students achieving benchmark	89.1	88.7	98.0	98.0
Numeracy rates against national benchmarks Year 7 (TT)	% of students achieving benchmark	na	na	na	90.5
Indigenous Students²					
Year 3 reading for indigenous students	educational outcome gap %	....	5.6	....	5.3
Year 5 reading for indigenous students	educational outcome gap %	....	3.8	....	3.6
Year 7 reading for indigenous students	educational outcome gap %	....	14.3	....	13.6
Year 3 numeracy for indigenous students	educational outcome gap %	....	7.2	....	6.8
Year 5 numeracy for indigenous students	educational outcome gap %	....	6.8	....	6.5

Table 3.4 Performance Information - Output Group 1 (continued)

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Indigenous Students² (continued)					
Year 7 numeracy for indigenous students	educational outcomes gap %	....	13.5	....	12.8
Other					
Percentage of children meeting the Kindergarten Development Check	%	74	74	75	76
Percentage of teaching staff who have received professional development specifically related to their role as teachers of indigenous studies (TT) ³	%	19	55	33	100
Licensed child care services	Number	247	272	285	305

Sources: ABS, *Schools Australia*, 4221.0. The Department of Education's Corporate Report Data Collection 2005.

Notes:

1. The targets for Reading and Numeracy Rates against the National Benchmarks for Years 3, 5 and 7 reflect progress required to meet Tasmania *Together* targets by 2010. This measure will need to be reviewed with the introduction of the National 3, 5, 7 and 9 Literacy and Numeracy test. Results from this test will be available from late 2008.
2. These performance measures have been established to meet the Council of Australian Governments goal of halving the educational outcomes gap between indigenous and non-indigenous students within ten years. This measure represents the difference between the benchmark for all Tasmanian students, as noted in the preceding performance measures, and achievement of indigenous students.
3. Tasmania *Together* has approved a change in this measure. It is now the percentage over the last three years of teaching staff who have received professional development specifically related to their role as teachers of indigenous students.

Output Group 2: Skills Development

Table 3.5 provides financial information for each Output under Output Group 2. A description of the Outputs follows the table.

Table 3.5: Summary Financial Information - Output Group 2

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Skills Development					
Expenses by Output					
2.1 Skills Development TAFE Tasmania	66 131	67 349	68 769	70 474	72 268
2.2 Skills Development Contestable Funding ¹	25 080	24 727	25 196	25 680	26 314
2.3 Post-Compulsory In School Education ¹	83 255	80 531	86 979	87 669	87 773
2.4 Skills Tasmania ²	8 195	10 023	10 314	10 581	10 809
2.5 Tasmanian Qualifications Authority	3 545	3 725	3 840	3 925	3 988
2.6 Grants and Financial Assistance	2 290	2 290	2 290	2 290	2 290
	188 496	188 645	197 388	200 619	203 442
Retained Revenue	5 638	5 759	5 759	5 759	5 759
Net Cost of Output Group	182 858	182 886	191 629	194 860	197 683
Appropriation	180 294	180 226	188 945	192 150	195 625

Notes:

1. The decrease in the Skills Development Contestable Funding Output and Post-Compulsory In School Education Output in 2008-09 reflects the reclassification of expenses contained in Output Group 2 as part of the Student at the Centre plan.
2. The increase in the Skills Tasmania Output in 2008-09 is primarily due to the implementation of the Skilling Tasmania initiative.

2.1 Skills Development TAFE Tasmania

This Output focuses on delivering training to develop knowledge and experience across a wide range of careers and vocational skills for a wide range of Tasmanian and national enterprises, against a profile consistent with the Tasmanian Vocational Education and Training (VET) Priorities, the Development Plan and as agreed through annual TAFE Purchase Agreements.

2.2 Skills Development Contestable Funding

This Output includes provision of VET, other than that provided by TAFE Tasmania under agreement, and includes VET provided through competitive bidding and user choice. Training under the competitive bidding program is open to competition between providers, as is training under user choice where choice of provider is available.

2.3 Post-Compulsory In School Education

This Output focuses on the delivery of education to students in schools and colleges. It provides a range of educational services that will help post-Year 10 students develop intellectually, socially, morally, emotionally and physically in a stimulating, inclusive and supportive environment.

2.4 Skills Tasmania

Skills Tasmania is responsible for providing policy and resourcing for elements of service delivery underpinning post-compulsory education and training, including vocational education and training. It is also responsible for developing policy advice and for the growth, development, regulation and administration of the training system in Tasmania. Additionally, Skills Tasmania supports the Tasmanian Training Agreements Committee and committees associated with the legislative role of Skills Tasmania. It is responsible for the funding and provision of vocational education and training services through TAFE Tasmania and other training providers, including the administration of apprenticeships and traineeships.

2.5 Tasmanian Qualifications Authority

The Tasmanian Qualifications Authority is responsible for consolidated statements of qualifications and accreditation and registration in the senior secondary, vocational education and training, and higher education sectors.

2.6 Grants and Financial Assistance

This Output manages the following grants and financial assistance: Senior Secondary Students: Living Away From Home Allowance; Student Assistance; Bursaries and Allowances; Sundry Grants; Fees and Scholarships; Subsidies: Apprentices and Trainees; Group Schemes for Apprentices and Trainees; and Industry Training Advice.

Table 3.6: Performance Information - Output Group 2

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Apparent retention rate Years 7-12	%	67.1	64.8	74.7	75.0
Apparent retention rate Years 10-12 (TT)	%	67.8	65.0	76.1	75.5
Proportion of people in full or part-time education or training	%	18.6	18.0	18.5	19.0
Proportion of people aged 20 to 24 in full or part-time education or training	%	28.2	29.1	35.0	38.5
Percentage of 15 to 19 year-olds not employed, not at school and not in full-time tertiary education (TT)	%	9.5	6.7	8.2	7.0
	% VET activity in Training				
Training Package Implementation	Packages	84.0	84.8	89.0	87.0
Hours of VET activity ¹	Hours ('000)	6 243	6 604	4 865	4 866
Number of apprentices and trainees in training ²	Number	12 700	12 700	13 500	13 500

Sources: ABS, Transition from Education to Work Survey, Department of Education data, Commonwealth State Agreement for Skilling Australia's workforce, National Centre for Vocational Education Research (NCVER), Tasmania *Together*.

Notes:

1. The targets for Hours of Vocational Education and Training activity are agreed with the Australian Government and are currently being exceeded.
2. The 2005-06 and 2006-07 actual figure for Numbers of apprentices and trainees in training is the annual average of quarterly estimates published by (NCVER) in March 2008.

Output Group 3: Information Services and Community Learning

Table 3.7 provides financial information for each Output under Output Group 3. A description of the Outputs follows the table.

Table 3.7: Summary Financial Information - Output Group 3

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Information Services and Community Learning					
Expenses by Output					
3.1 Public Library and Information Services	23 370	24 108	24 501	25 273	26 039
3.2 Archival and Records Management Services	2 732	2 782	2 867	2 955	3 045
3.3 Adult and Community Learning Services ¹	9 834	11 436	11 681	11 434	11 695
	35 936	38 326	39 049	39 662	40 779
Retained Revenue	4 856	4 979	4 979	4 979	4 979
Net Cost of Output Group	31 080	33 347	34 070	34 683	35 800
Appropriation	28 061	30 578	31 296	31 904	33 185

Note:

1. The increase in the Adult and Community Learning Services Output reflects additional funding for the Community Adult Literacy Coordinators and the Tasmanian Education Foundation initiatives.

3.1 Public Library and Information Services

This Output includes the operation of the seven city libraries, 39 branch libraries and the State Reference Service.

3.2 Archival and Records Management Services

This Output includes the services of the Heritage and Tasmanian Information Services in managing Tasmania's archival and heritage collection.

3.3 Adult and Community Learning Services

This Output focuses on the operation of online access centres and the provision of the adult and community education programs including literacy and adult pathway planning.

Table 3.8: Performance Information - Output Group 3

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Information enquiries ¹	Number	721 666	679 713	680 000	605 000
Library items borrowed	Number	4 565 061	4 666 366	4 600 000	4 800 000
Usage of key State Library of Tasmania web resources ²	Number	1 568 792	1 554 000	1 550 000	1 800 000
Number of Tasmanian publications added to the State record ³	Number	112 600	64 548	15 000	15 000
Percentage of significant items conserved ⁴ (TT)	%	67.5	70.0	71.0	70.0
Number of heritage documents and artefacts publicly available in digital format ⁴ (TT)	Number	17 482	22 515	21 000	170 000
Adult Education courses undertaken ⁵	Number	na	na	32 700	28 800

Notes:

1. The 2008-09 target incorporates Heritage and Tasmanian Information Services enquiries and State Reference Service enquiries as a result of the opening of the combined service point in August 2008. It is anticipated that the number of information enquiries will continue to decrease as increased use is made by clients of online services.
2. It is anticipated that following the launch of the Virtual Library on 14 April 2008 usage will increase. The 2008-09 target reflects the anticipated increase.
3. The 2007-08 and 2008-09 targets have decreased reflecting the plateau of registration of Tasmanian publications.
4. The targets for each of the performance measures reflect progress required to meet Tasmania *Together* targets. The information reported is sourced from Department of Education data only. Progress towards the achievement of the target for the percentage of significant items conserved is to be reviewed in 2008-09. As a result this figure may be revised downwards. The 2008-09 target for the number of heritage documents and artefacts publicly available in digital format has increased because digitization is a priority activity and resources have been allocated to expand the program during this reporting period.
5. This was a new performance measure in 2007-08. The target for 2008-09 has been reduced due to external factors such as affordability, changing demographics, and peoples' work/life balance, that impact negatively on course enrolments.

CAPITAL INVESTMENT PROGRAM

Table 3.9 provides financial information for the Department's Capital Investment Program. For more information on the Capital Investment Program, see Chapter 7 in Budget Paper No 1 *The Budget*.

Table 3.9: Capital Investment Program

	Estimated Total Cost	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
New Projects					
Albuera Primary School	2 032	....	....	2 032	....
Blackmans Bay Primary School ¹	1 800	900	900	....	....
Bridgewater and Southern Midlands Educational Renewal Project ²	30 000	636	9 345	8 192	11 800
Deloraine High School ¹	1 500	850	650	....	....
Elizabeth College	2 158	....	....	2 158	....
Four Learning and Information Network Centres ³	14 068	....	2 258	4 810	7 000
Geilston Bay High School ¹	1 320	....	....	1 320	....
Howrah Primary School ¹	1 750	810	940	....	....
Invermay Primary School	1 906	1 906	....	....	....
King Island District High School ¹	800	....	....	800	....
Kings Meadows High School ¹	1 050	800	250	....	....
Kingston Primary School ¹	1 350	850	500	....	....
Lauderdale Primary School ¹	2 500	900	1 600	....	....
Margate Primary School ¹	1 200	900	300	....	....
Parklands High School ¹	1 500	600	900	....	....
Port Dalrymple School ¹	1 845	850	995	....	....
Reducing Class Sizes from Years 2 to 7	2 250	....	450	450	....
Renewing Structures and Locations of Schools	5 672	532	5 140	....	....
Rosebery District High School ¹	2 025	800	1 225	....	....
Senior Secondary School Renewal Program	6 000	....	2 000	2 000	2 000
Secondary Schools Science Laboratories Upgrade	1 800	....	1 000	800	....
St Leonards Primary School	750	....	....	750	....
Supporting School Farms	300	100	....	....	....
TAFE - Alanvale Campus Upgrade ¹	405	405	....	....	....
TAFE - IT Infrastructure Development ¹	550	550	....	....	....
Taroona High School ¹	1 750	....	....	1 750	....
Tasmania <i>Tomorrow</i> ⁴	7 770	2 770	2 500	2 500	....
		15 159	30 953	27 562	20 800

Table 3.9: Capital Investment Program (continued)

	Estimated Total Cost	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Continuing Projects					
City Libraries	1 500	1 197	....	....	....
Disabled Access Initiative	1 982	1 882	....	....	....
Huonville High School	2 338	2 292	....	....	....
Kingston High School	30 000	2 500	12 000	13 750	....
Launceston Northern Suburbs Primary Schools ⁴	6 344	2 592	....	....	....
New Norfolk Primary School	2 591	2 279	....	....	....
Ogilvie High School	4 140	2 440	1 500	....	....
Rose Bay High School	3 380	2 128	1 052	....	....
Snug Primary School ⁴	1 826	1 482	....	....	....
Southern Support School and Inclusive Education Training Facility ⁴	3 108	2 689	....	....	....
Spreyton Primary School	1 225	286	....	....	....
St Helens District High School	1 474	163	....	....	....
TAFE - Burnie Campus	1 520	565	....	....	....
TAFE - Infrastructure Support	ongoing	850	850	850	850
TAFE – State-wide - Multi Sites	1 830	1 280	....	....	....
Taroona Primary ¹	1 711	1 631	....	....	....
Wynyard High School	1 851	390	....	....	....
		26 646	15 402	14 600	850
Total CIP Allocations		41 805	46 355	42 162	21 650

Notes:

1. These projects are funded by the Australian Government and are subject to confirmation of Australian Government funding.
2. This CIP allocation includes funding from the Tasmanian Risk Management Fund of \$636 000 in 2008-09, \$9.3 million in 2009-10, and \$8.2 million in 2010-11.
3. In addition to this CIP allocation, one-off funding of \$200 000 will be provided for project planning in 2008-09 with recurrent funding of \$160 000 provided in 2010-11, increasing to \$455 000 per annum in 2011-12 and thereafter.
4. These projects are jointly funded by the Australian Government and State Government and are subject to confirmation of Australian Government funding.

The Department's Capital Investment Program (CIP) will increase from \$26.9 million in 2007-08 to \$41.8 million in 2008-09. The completion of the CIP projects will improve the state of the Department's buildings and improve the per-capita levels of capital investment in schools and colleges relative to national levels of investment.

Major projects include:

- *Bridgewater and Southern Midlands Education Renewal* – \$30.0 million will be invested to undertake the exciting redevelopment of education infrastructure in the Bridgewater and Southern Midlands area.

- *Community Knowledge Network Infrastructure* – \$14.1 million will be invested to establish new Learning and Information Network Centres (LINC's) in regional centres to improve access to skills and training opportunities and to engage community members in life long learning. This includes new CIP funding of \$10.5 million for the establishment of three new LINC's to complement a fourth LINC that was announced in the 2007-08 budget. Establishment of the first LINC will commence in 2009-10 and it is anticipated that it will be delivered in conjunction with the Bridgewater and Southern Midlands Education Renewal project. One off funding of \$200 000 for project planning will be provided in 2008-09 with recurrent funding of \$160 000 provided in 2010-11, increasing to \$455 000 per annum in 2011-12 and thereafter to support the ongoing operation of the new LINC's.
- *Senior Secondary School Renewal* – This \$6.0 million program will feature significant works at a number of secondary and district high schools to modernise and improve the standard of existing secondary school facilities.
- *Renewing Structures and Locations of Schools* – This \$5.7 million program will be used to support groups of schools seeking to renew their structures within school sites to improve educational opportunities for local students.
- *Other New Capital Investment Projects in Schools* – In 2008-09, a further \$9.3 million will be invested in redeveloping existing learning areas in ten schools across the State.
- *Tasmania Tomorrow* - \$7.8 million has been allocated over three years to enable work to commence on the transformation of existing senior secondary college and TAFE facilities for the Tasmanian Polytechnic, the Tasmanian Academy and Training Tasmania.

DETAILED BUDGET STATEMENTS

Table 3.10: Income Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	778 408	832 863	852 725	877 412	885 468
Interest Revenue	1 590	1 719	1 664	1 873	1 902
Grants ²	1 459	2 268	10 977	9 824	1 632
Sales of Goods and Services	41 740	43 745	44 885	46 472	48 160
	823 197	880 595	910 251	935 581	937 162
Less Expenses					
Employee Entitlements ³	555 021	512 069	529 914	551 749	558 501
Superannuation	49 988	53 461	55 751	57 641	59 599
Depreciation and Amortisation ⁴	26 566	33 132	35 093	36 903	39 423
Grants and Transfer Payments ³	13 824	105 055	104 899	106 588	111 284
Supplies and Consumables ³	158 516	142 177	141 551	142 970	143 955
Other Expenses	38 964	40 146	41 079	42 247	43 466
	842 879	886 040	908 287	938 098	956 228
Plus Gains/(Losses)					
Other Gains/(Losses) ⁵	....	....	(407)	(2 409)	(400)
	....	....	(407)	(2 409)	(400)
Equals NET OPERATING RESULT	(19 682)	(5 445)	1 557	(4 926)	(19 466)

Notes:

1. The increase in Revenue from Appropriation primarily reflects additional funding for 2008-09 Budget initiatives.
2. The movements in Grants reflect the allocation of funding from the Tasmanian Risk Management Fund for the Southern Midlands Education Renewal project of \$636 000 in 2008-09, \$9.3 million in 2009-10, and \$8.2 million in 2010-11.
3. The decrease in Employee Entitlements, increase in Grants and Transfer Payments and decrease in Supplies and Consumables in 2008-09 primarily reflects the reclassification of payments to TAFE Tasmania to Grants and Transfer Payments.
4. The increase in Depreciation and Amortisation in 2008-09 reflects alignment of this expenditure to a level consistent with the 2006-07 actual expenditure. Increased expenditure for the Forward Estimates reflects the effect of increased capital investment expenditure.
5. Other Losses reflects the written down value of land and buildings sold. Sale proceeds are not recognised by the Department as these proceeds are transferred to the Crown Lands Administration Fund.

Table 3.11: Revenue from Appropriation

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent	750 804	791 694	815 715	843 442	863 818
Works and Services	24 704	33 636	37 010	33 970	21 650
	775 508	825 330	852 725	877 412	885 468
Appropriation Carried Forward¹	2 900	7 533	....	....	....
Total Revenue from Appropriation	778 408	832 863	852 725	877 412	885 468

Note:

1. The increase in Appropriation Carried Forward in 2008-09 reflects the carry forward of funds under section 8A(2) of the *Public Account Act 1986* from 2007-08 to 2008-09. The carry forward primarily reflects a number of capital projects which were delayed during 2007-08 due to the fire at the Bridgewater High School.

Table 3.12: Income Statement - Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation	41 935	42 958	44 867	47 029	48 428
Grants	230 852	236 381	236 439	236 358	236 358
Sales of Goods and Services ¹	490	419	433	443	453
Other Revenue ²	5 900	....	....	....	....
	279 177	279 758	281 739	283 830	285 239
Less Expenses					
Grants and Transfer Payments	170 164	172 958	174 867	177 029	178 428
Transfer to the Consolidated Fund	103 113	106 480	106 552	106 481	106 491
Other Expenses ²	6 515	1 000	....	....	....
	279 792	280 438	281 419	283 510	284 919
Equals NET OPERATING RESULT	(615)	(680)	320	320	320

Notes:

1. The movement in Sales of Goods and Services reflects the review of anticipated income from educational support programs.
2. The decrease in both Other Revenue and Other Expenses in 2008-09 is due to the completion of the Australian Government's Investing in Our Schools program. Expenditure relating to this program will be completed in 2008-09.

Table 3.13: Administered Revenue

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue Collected on Behalf of the Consolidated Fund					
Commonwealth Recurrent Grants	102 623	106 061	106 119	106 038	106 038
Other Sales of Services	490	419	433	443	453
	103 113	106 480	106 552	106 481	106 491
Revenue from Appropriation					
Annual Appropriation	41 935	42 958	44 867	47 029	48 428
Other Revenue					
Commonwealth Recurrent Grants	128 229	130 320	130 320	130 320	130 320
Other Revenue ¹	5 900	....	....	....	....
	134 129	130 320	130 320	130 320	130 320
Total Administered Revenue	279 177	279 758	281 739	283 830	285 239

Note:

1. The decrease in Other Revenue in 2008-09 is due to the cessation of the Australian Government's Investing in Our Schools program.

Table 3.14: Administered Expenses

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Accommodation Allowances for Tertiary Students ¹	1 445	....	....	....	....
Australian Government Investing in Our Schools ²	6 515	1 000	....	....	....
Commonwealth Grants to Non-Government Schools	127 909	130 000	130 000	130 000	130 000
Non-Government Schools: Capital Assistance ³	1 000	1 000	1 000	1 000	1 000
Non-Government Schools: Grants	39 104	41 572	43 481	45 643	47 042
Non-Government Schools: Student Assistance	386	386	386	386	386
	176 359	173 958	174 867	177 029	178 428
Transfer to the Consolidated Fund	103 113	106 480	106 552	106 481	106 491
Other Administered Expenses⁴	320	....	....	....	....
Total Administered Expenses	279 792	280 438	281 419	283 510	284 919

Notes:

1. The decrease in Accommodation Allowances for Tertiary Students reflects the reclassification of this item to controlled in the Grants and Financial Assistance Output.
2. The decrease in Australian Government Investing in Our Schools is due to the completion of the project.
3. Additional funding of \$50 000 per annum will be reflected during 2008-09 together with annual indexation from 2009-10 onwards.
4. The decrease in Other Administered Expenses reflects the transfer of this grant expense from an administered item to a controlled item.

Australian Government Investing in Our Schools

The Australian Government Investing in Our Schools program provides funding for schools and school associations to purchase equipment or undertake projects to improve and enhance the educational amenity of schools. Funding for both government and non-government schools and the program will be completed in 2008-09.

Commonwealth Grants to Non-Government Schools

This item has increased by \$2.1 million in 2008-09 and reflects increased Australian Government funding to non-government schools.

Non-Government Schools: Capital Assistance

These grants provide funding to non-government schools and non-government school authorities for assistance with eligible capital projects in accordance with sections 64-70 of the *Education Act 1994*. An additional \$50 000 has been allocated to this program in 2008-09 with indexation based on the Building Price Index to apply from 2009-10 onwards.

Non-Government Schools: Grants

The 2008-09 allocation is based on projections for both the 2008 Average Government School Recurrent Cost and 2008 enrolments that are made well in advance of the availability of actual figures. Accordingly there is a potential for variations to occur in the actual allocation.

Non-Government Schools: Student Assistance

These grants enable schools to support students in need to meet the costs of educational supplies, spectacles, and special bursaries.

Table 3.15: Balance Sheet as at 30 June

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	42 352	51 693	51 281	52 624	55 675
Receivables	6 804	7 008	7 212	7 457	7 711
Other Financial Assets ²	4 403	3 612	3 527	3 582	3 604
	53 559	62 313	62 020	63 663	66 990
Non-Financial Assets					
Land and Buildings ³	830 687	869 473	906 229	943 822	957 618
Plant and Equipment ⁴	32 119	19 468	19 451	18 647	15 639
Heritage and Cultural Assets ⁵	....	42 458	42 458	42 458	42 458
Assets Held for Sale ⁵	8 139	407	2 409	400	400
	870 945	931 806	970 547	1 005 327	1 016 115
Total Assets	924 504	994 119	1 032 567	1 068 990	1 083 105
Liabilities					
Employee Entitlements	106 144	113 313	121 417	129 693	133 469
Payables ⁶	4 347	3 890	3 690	3 712	3 828
Other Liabilities	12 243	12 453	12 809	13 185	13 168
Total Liabilities	122 734	129 656	137 916	146 590	150 465
NET ASSETS	801 770	864 463	894 651	922 400	932 640
Equity					
Accumulated Funds	702 482	751 068	760 911	767 911	757 092
Asset Revaluation Reserve ⁷	99 288	113 395	133 740	154 489	175 548
Total Equity	801 770	864 463	894 651	922 400	932 640

Notes:

1. The increase in Cash and Deposits in 2009 is due to a higher than anticipated actual balance as at 30 June 2007.
2. The decrease in Other Financial Assets in 2009 is due to a lower than anticipated actual balance as at 30 June 2007.
3. The increase in Land and Buildings reflects a revaluation of these assets to fair value based on an independent valuation.
4. The decrease in Plant and Equipment and increase in Heritage and Cultural Assets in 2009 reflects the reclassification of assets to Heritage and Cultural Assets and also the recognition of the Allport Library and Museum of Fine Arts assets for the first time under Heritage and Cultural Assets.
5. The movements in Assets Held for Sale reflect a review of asset sale projections for the 2008-09 Budget and Forward Estimates.
6. The decrease in Payables in 2009 is due to a lower than anticipated actual balance as at 30 June 2007.
7. The increase in the Asset Revaluation Reserve in 2009 reflects the revaluation of the Department's land and buildings to fair value as advised by an independent valuation.

Table 3.16: Balance Sheet as at 30 June - Administered

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	4 699	3 355	3 675	3 995	4 315
	4 699	3 355	3 675	3 995	4 315
Total Assets	4 699	3 355	3 675	3 995	4 315
NET ASSETS	4 699	3 355	3 675	3 995	4 315
Equity					
Accumulated Funds	4 699	3 355	3 675	3 995	4 315
Total Equity	4 699	3 355	3 675	3 995	4 315

Note:

1. The decrease in Cash and Deposits in 2009 is due to a lower than anticipated actual balance as at 30 June 2007.

Table 3.17: Cash Flow Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	775 508	825 330	852 725	877 412	885 468
Interest Received	1 590	1 719	1 664	1 873	1 902
Grants ²	1 459	2 268	10 977	9 824	1 632
Sales of Goods and Services	40 502	43 267	44 681	46 227	47 906
GST Receipts ³	29 000	25 000	25 000	25 000	25 000
	848 059	897 584	935 047	960 336	961 908
Cash Paid					
Employee Entitlements ⁴	(543 133)	(504 128)	(521 810)	(543 473)	(554 725)
Superannuation	(49 208)	(53 461)	(55 751)	(57 641)	(59 599)
Grants and Transfer Payments ⁴	(13 824)	(105 055)	(104 899)	(106 588)	(111 284)
Supplies and Consumables ⁴	(158 663)	(142 133)	(141 495)	(142 899)	(144 250)
GST Payments ⁵	(29 000)	(25 000)	(25 000)	(25 000)	(25 000)
Other Payments	(38 489)	(39 721)	(40 894)	(41 975)	(43 094)
	(832 317)	(869 498)	(889 849)	(917 576)	(937 952)
Net Cash Flows from Operating Activities	15 742	28 086	45 198	42 760	23 956
Cash Flows from Investing Activities					
Purchase of Fixed Assets ⁶	(22 591)	(37 390)	(45 610)	(41 417)	(20 905)
Net Cash Flows from Investing Activities	(22 591)	(37 390)	(45 610)	(41 417)	(20 905)
Net Increase/(Decrease) in Cash Held	(6 849)	(9 304)	(412)	1 343	3 051
Cash at the Beginning of the Year	49 201	60 997	51 693	51 281	52 624
Cash at the End of the Year	42 352	51 693	51 281	52 624	55 675

Notes:

1. The increase in Appropriation primarily reflects additional funding for 2008-09 Budget initiatives.
2. The movements in Grants reflect the allocation of funding from the Tasmanian Risk Management Fund for the Southern Midlands Education Renewal Project of \$636 000 in 2008-09, \$9.3 million in 2009-10, and \$8.2 million in 2010-11.
3. The decrease in GST Receipts in 2008-09 more accurately reflects the estimated receipts for the Goods and Services Tax.
4. The decrease in Employee Entitlements, increase in Grants and Transfer Payments and decrease in Supplies and Consumables primarily in 2008-09 reflects the reclassification of payments to TAFE Tasmania to Grants and Transfer Payments.
5. The decrease in GST Payments in 2008-09 more accurately reflects the estimated payments for the Goods and Services Tax.
6. The increase in the Purchase of Fixed Assets reflects an increase in the value of projects in the Capital Investment Program.

Table 3.18: Cash Flow Statement - Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation	41 935	42 958	44 867	47 029	48 428
Grants	230 852	236 381	236 439	236 358	236 358
Sales of Goods and Services ¹	490	419	433	443	453
Other Receipts ²	5 900	....	....	....	....
	279 177	279 758	281 739	283 830	285 239
Cash Paid					
Grants and Transfer Payments	(170 164)	(172 958)	(174 867)	(177 029)	(178 428)
Transfers to the Consolidated Fund	(103 113)	(106 480)	(106 552)	(106 481)	(106 491)
Other Payments ²	(6 515)	(1 000)	....	....	....
	(279 792)	(280 438)	(281 419)	(283 510)	(284 919)
Net Cash Flows From Operating Activities	(615)	(680)	320	320	320
Net Increase/(Decrease) In Cash Held	(615)	(680)	320	320	320
Cash at the Beginning of the Year	5 314	4 035	3 355	3 675	3 995
Cash at the End of the Year	4 699	3 355	3 675	3 995	4 315

Notes:

1. The movement in Sales of Goods and Services reflects the anticipated income from educational support programs.
2. The decrease in Other Receipts and Other Payments in 2008-09 is due to the cessation of the Australian Government's Investing in Our Schools program.

4 DEPARTMENT OF ENVIRONMENT, PARKS, HERITAGE AND THE ARTS

AGENCY OUTLINE

The Department of Environment, Parks, Heritage and the Arts is responsible for the sustainable management, protection and promotion of the State's natural and cultural assets, including Tasmania's national parks, arts, culture, pristine environment and its unique Aboriginal and historic heritage.

The Department reports to the Minister for Environment, Parks, Heritage and the Arts, Hon Michelle O'Byrne MP.

The Department provides its services through seven operational divisions: 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 is assisted in the management of its portfolios by the Port Arthur Historic Site Management Authority, the Tasmanian Heritage Council, the Environmental Management and Pollution Control Board, the Tasmanian Arts Advisory Board, the Botanical Gardens Board and the Trustees of the Museum.

The Department also has strong links with the Boards of the National Trust, the Theatre Royal, and the Wellington Park Management Trust.

The Department aims to enhance Tasmania's economic, environmental and social wellbeing, both now and in the future, through the best possible use of the State's natural and cultural assets. Its primary goal 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; and
- iconic botanical, heritage and cultural sites.

This chapter provides the Department's financial information for 2008-09 and the Forward Estimates period (2009-10 to 2011-12). Further information on the Department is provided at <http://www.depha.tas.gov.au>.

MAJOR INITIATIVES

Table 4.1 provides a summary of the Budget and Forward Estimate allocations for the major initiatives.

Table 4.1: Major Initiatives Statement

	2008-09	2009-10	2010-11	2011-12
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Environment Protection Authority	2 500	2 500	2 500	2 500
Home Hill Upgrade	425	....	....	....
Port Arthur Historic Site Conservation Funding	....	....	2 500	2 588
Tamar River Siltation	250	....	....	....
Ten Days on the Island	....	1 000	1 000	1 000
Three Capes Walk - Investigation and Tender Process	200	....	....	....
Water and Sewerage Regulation	1 282	782	782	400

Environment Protection Authority

Legislation was passed through Parliament in the Spring session of 2007 to establish an Environment Protection Authority (EPA) for Tasmania. The Authority will commence on 1 July 2008.

While the Authority will be supported by the resources of the Environment Division, this initiative provides an additional \$2.5 million per annum to:

- maintain the State's air quality monitoring network;
- improve regulatory and enforcement capacity;
- allow the EPA to communicate and engage with stakeholders and the community;
- provide enhanced capacity to deal with waste management and sustainability issues; and
- increase efficiency and effectiveness through upgrading data management and reporting systems.

Home Hill Upgrade

The Government has provided one-off funding from the Urban Renewal and Heritage Fund of \$425 000 in 2008-09 for the upgrade of the historic heritage listed Home Hill in Devonport, the former home of the only Tasmanian Prime Minister, Joseph Lyons and his wife, Dame Enid Lyons.

Port Arthur Historic Site Conservation Funding

This initiative will maintain the current conservation effort and services at the Port Arthur Historic Site, including the Coal Mines Historic Site. Funding is provided to extend the Government's 2005-06 five-year funding agreement to support the ongoing conservation of the Port Arthur Historic Site and to ensure that Port Arthur's visitors receive both maximum enjoyment and value for money. Indexation will apply to future funding arrangements.

Tamar River Siltation

The Tamar Estuary and Esk Rivers Program (TEER) is a partnership between the State Government and the Tamar Estuary Councils. The initiative will provide a contribution of \$250 000 in 2008-09 towards the dredging and assessment project, co-funded by the Launceston City Council and the Australian Government, and a contribution to the TEER program.

Ten Days on the Island

The Government is providing permanent funding of \$1.0 million per annum for the Ten Days on the Island festival from 2009-10. Ten Days on the Island is Australia's largest state-wide biennial international arts festival and presents on average 200 ticketed and free performances in a multi artform program including dance, theatre, music, opera, film, literature, exhibitions and installations. Ten Days on the Island 2007 experienced a growth in financial support from other partners and delivered events in every municipality across Tasmania.

Three Capes Walk – Investigation and Tender Process

The Government is providing \$200 000 in 2008-09 to carry out preliminary investigations into partnering with business to plan, build and operate a new multi day walk on the Tasman Peninsula. This follows a feasibility study in 2007, which endorsed the concept of a Three Capes Track linking Cape Hauy, Cape Pillar and Cape Raoul in a combined walking and water experience. The Three Capes Walk will use existing and new tracks infrastructure.

Water and Sewerage Regulation

The Ministerial Taskforce on Water and Sewerage, working in close collaboration with local government, is implementing structural and regulatory reform to Tasmania's water and sewerage sector. The Department is actively supporting the regulatory aspect of this reform by strengthening its environmental management capabilities in this area. In particular, the Department will work to ensure improvements in the levels of compliance of Tasmania's wastewater treatment plants are achieved, and update current permits and policy documents to facilitate a smooth transition to the new business entities.

Climate Change

The Department is committed to reducing its contributions to climate change and has prioritised working towards achieving environmentally sustainable operations. The Department aims to lead by example within both Government and the broader community. A whole-of-agency project, *Reducing Our Carbon Footprint*, has been established and involves two key stages:

- Stage 1: to guide the Department's approach to reducing greenhouse gas emissions in accordance with the Government Framework; and
- Stage 2: to enable the Department to work towards sustainable Agency operations with a focus on engaging all Departmental employees through collaboration and participation.

The Department currently drives a number of programs that directly contribute to reducing the effects of Climate Change, including the Living Environment Program and CleanBiz. The Department is also researching the likely effects of climate change, particularly on coastal environments and communities.

OUTPUT INFORMATION

Output Group Restructure

In accordance with the *State Service (Restructuring) Order 2008*, under section 11 of the *State Services Act 2000*, Tourism Tasmania and Events Tasmania were transferred from the former Department of Tourism, Arts and the Environment to the former Department of Economic Development, effective 12 February 2008.

As a result of the restructure, the name of the Department was changed to the Department of Environment, Parks, Heritage and the Arts.

The 2007-08 Budget information has been amended to reflect the transfer of Tourism Tasmania and Events Tasmania.

Outputs of the Department of Environment, Parks, Heritage and the Arts are provided under the following Output Groups:

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

Output Group Expense Summary

Table 4.2 provides an Output Group Expense Summary for the Department of Environment, Parks, Heritage and the Arts.

Table 4.2: Output Group Expense Summary

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 – Environment Protection and Analytical Services					
1.1 Environmental and Pollution Control ¹	9 820	15 844	15 816	24 996	15 323
1.2 Analytical Services ²	2 539	3 086	3 118	3 156	3 185
	12 359	18 930	18 934	28 152	18 508
Output Group 2 - Parks and Wildlife Management					
2.1 Parks and Wildlife Management ³	37 869	46 084	51 372	45 843	43 748
Output Group 3 – Heritage and the Arts					
3.1 Historic Heritage Services ⁴	2 920	3 866	3 518	3 312	3 327
3.2 Tasmanian Museum and Art Gallery	7 049	7 537	7 748	7 993	8 192
3.3 Art Industry Development ⁵	7 304	8 870	8 775	8 871	8 954
3.4 Aboriginal Heritage ⁶	752	1 194	1 104	1 048	981
3.5 Royal Tasmanian Botanical Gardens ⁷	2 310	2 385	2 460	2 537	2 616
	20 335	23 852	23 605	23 761	24 070
Grants and Subsidies⁸	4 146	4 986	4 598	5 104	5 198
Capital Investment Program⁹	265	....	....	....	....
Special Capital Investment Funds¹⁰	3 694	350	....	....	....
TOTAL	78 668	94 202	98 509	102 860	91 524

Notes:

1. The increase in the Environmental and Pollution Control Output in 2008-09 primarily reflects additional funding for: the establishment of the Environment Protection Authority; Water and Sewerage Regulation; and Tamar River Siltation action. The increase also reflects additional estimated expenditure from remediation funds held for Savage River and Mt Lyell. The increase in 2010-11 reflects the proposed construction of the Mt Lyell treatment plant and the decrease in 2011-12 reflects the completion of this project.
2. The increase in the Analytical Services Output in 2008-09 primarily reflects higher estimated operating costs supported by external fee recoveries.
3. The increase in the Parks and Wildlife Management Output in 2008-09 reflects additional funding for: the Three Capes Walk; increased Australian Government funding for the eradication of rabbits and rodents on Macquarie Island; increased expenditure supported by park entry fee revenue and park enterprises retained sales revenue; the Carry Forward of priority asset maintenance funds from 2007-08; and revised corporate support allocations following the transfer of the Tourism Output to the Department of Economic Development and Tourism. The movement over the Forward Estimates reflects increased expenditure of State Government and Australian Government funding for Macquarie Island in 2009-10 and corresponding decreases in 2010-11 and 2011-12. The decrease in 2011-12 also reflects the cessation of a four-year funding program for priority asset maintenance in parks.
4. The increase in the Historic Heritage Services Output in 2008-09 reflects an increase in conservation grants and an upgrade of Home Hill. The decrease in 2009-10 primarily reflects the cessation of one-off funding for the Home Hill Upgrade.

5. The increase in the Art Industry Development Output in 2008-09 reflects revised corporate support allocations as a result of the transfer of the Tourism Output to the Department of Economic Development and Tourism due to the *State Service (Restructuring) Order 2008*, and increased expenditure under the Arts for Public Buildings Scheme.
6. The increase in the Aboriginal Heritage Output in 2008-09 reflects the anticipated timing of major project developments and expenditure of retained funds to continue development of new Aboriginal Heritage legislation. The decrease over the Forward Estimates reflects the cessation of legislation development.
7. The Royal Tasmanian Botanical Gardens has been reclassified from an Administered Item to a Controlled Item from 2008-09 and now appears as a new Output in Output Group 3. The 2007-08 comparative has been adjusted to reflect this change.
8. The increase in Grants and Subsidies in 2008-09 reflects festival year funding for Ten Days on the Island.
9. The decrease in the Capital Investment Program in 2008-09 to nil reflects the completion of the Royal Tasmanian Botanical Gardens Backflow Prevention Project.
10. The decrease in Special Capital Investment Funds primarily reflects the cessation of the Tourism Infrastructure Project, and the Living Environment Program nearing completion.

Output Group 1: Environment Protection and Analytical Services

Table 4.3 provides financial information for each Output under Output Group 1. A description of the Outputs follows the table.

Table 4.3: Summary Financial Information - Output Group 1

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Environment Protection and Analytical Services</i>					
Expenses by Output					
1.1 Environmental and Pollution Control ¹	9 820	15 844	15 816	24 996	15 323
1.2 Analytical Services ²	2 539	3 086	3 118	3 156	3 185
	12 359	18 930	18 934	28 152	18 508
Retained Revenue³	3 070	3 975	3 975	3 042	3 042
Net Cost of Output Group	9 289	14 955	14 959	25 110	15 466
Appropriation¹	9 177	15 030	14 659	14 931	14 757

Notes:

1. The increase in the Environmental and Pollution Control Output and Appropriation in 2008-09 primarily reflects additional funding for: the establishment of the Environment Protection Authority; Water and Sewerage Regulation; and Tamar River Siltation action. The increase also reflects additional estimated expenditure from remediation funds held for Savage River and Mt Lyell. The increase in 2010-11 reflects the proposed construction of the Mt Lyell treatment plant and the decrease in 2011-12 reflects the completion of this project.
2. The increase in the Analytical Services Output in 2008-09 primarily reflects higher estimated operating costs supported by external fee recoveries.
3. The increase in Retained Revenue in 2008-09 reflects increased interest on retained funds for remediation works at Savage River and Mt Lyell, and increased fees generated by Analytical Services Tasmania. The decrease in 2010-11 reflects reduced interest resulting from the use of the funds to construct the Mt Lyell treatment plant.

1.1 Environmental and Pollution Control

This Output undertakes activities to: develop high quality, contemporary policies and strategies for the protection of the environment; ensure development proposals meet appropriate guidelines and standards; regulate environmental impacts of large industrial and municipal activities; monitor environmental performance; and facilitate sustainable business practices and lifestyles.

1.2 Analytical Services

This Output focuses on providing a range of scientific and analytical services in order to deliver best practice environmental management to promote a clean, healthy and sustainable environment that supports Tasmania's economic and social wellbeing.

Table 4.4: Performance Information - Output Group 1

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Air quality					
Hobart	Exceeds PM ₁₀ Standards ¹	...	...	2	2
Launceston	Exceeds PM ₁₀ Standards ¹	5	7	5	5
Review of Environmental Management Plans (existing and new) ²	Number	47	68	60	45
Permits reviewed (existing and new)	Number	38	37	45	45
Median time to complete assessment of Level 2 activities ³	Days	108	134	...	...
Percentage of assessments undertaken within statutory timeframes ⁴	%	...	...	100	100
Analytical Services					
Number of analyses performed	'000	164.0	186.3	189.0	190.0
Turnaround time	Days	8.8	8.2	8.0	8.0

Notes:

1. The National Environment Protection Measure (NEPM) PM₁₀ measure 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. This performance measure is replaced by the new measure 'Percentage of assessments undertaken within statutory timeframes'. Previously the Environment Division reported its assessments performance as the median time taken to complete level 2 assessments, with a target of 90 days. During the 2007-08 year, new legislation was passed which prescribes clear statutory timeframes for those components of the environmental impact assessment process controlled by the Environment Division. The performance indicator has therefore been altered to measure the percentage of assessments meeting the statutory timeframes.
4. This is a new performance measure which replaces the measure 'Median time to complete assessment of Level 2 activities'. The new measure is a requirement of the 2007 amendment to the *Environment Management and Pollution Control Act 1994*.

Output Group 2: Parks and Wildlife Management

Table 4.5 provides financial information for the single Output under Output Group 2. A description of the Output follows the table.

Table 4.5: Summary Financial Information - Output Group 2

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Parks and Wildlife Management</i>					
Expenses by Output					
2.1 Parks and Wildlife Management ¹	37 869	46 084	51 372	45 843	43 748
	37 869	46 084	51 372	45 843	43 748
Retained Revenue²	7 724	13 270	14 923	10 093	11 369
Net Cost of Output Group	30 145	32 814	36 449	35 750	32 379
Appropriation³	24 632	26 186	29 711	29 325	25 954

Notes:

1. The increase in the Parks and Wildlife Management Output in 2008-09 reflects additional funding for: the Three Capes Walk; increased Australian Government funding for the eradication of rabbits and rodents on Macquarie Island; increased expenditure supported by park entry fee revenue and parks enterprises retained sales revenue; and revised corporate support allocations as a result of the transfer of the Tourism Output to the Department of Economic Development and Tourism. The increase in 2009-10 reflects increased Australian Government funding for Macquarie Island and the decreases in 2010-11 and 2011-12 reflect a decrease in Australian Government funding for Macquarie Island. The decrease in 2011-12 also reflects the cessation of a four-year funding program for priority asset maintenance in parks.
2. The increase in Retained Revenue in 2008-09 reflects higher estimates due to increased park enterprises sales, increased park entry fee revenue and Australian Government funding for Macquarie Island. The movements over the Forward Estimates reflect the annual changes in Australian Government funding levels for Macquarie Island.
3. The increase in Appropriation in 2008-09 reflects a Carry Forward of 2007-08 funding for priority asset maintenance and revised corporate support allocations as a result of the transfer of the Tourism Output to the Department of Economic Development and Tourism. The movements over the Forward Estimates reflect the changes in Government funding for Macquarie Island.

2.1 Parks and Wildlife Management

This Output aims to develop and maintain a representative and world-renowned reserve and park system that conserves the State's natural and cultural heritage, provides for its sustainable use and facilitates economic opportunities. This Output includes undertaking the planning and development of economic opportunities within parks and reserves, whilst protecting natural and cultural heritage. This Output also provides maintenance, improved infrastructure, high quality services and education to ensure visitor safety and enhance visitor experiences.

Table 4.6: Performance Information - Output Group 2

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Park satisfaction figures¹					
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
Number of reserves covered by Management Plans	Number	55	58	77	78
Percentage of protected land covered by approved management plans	%	70	70	70	70
Visitor numbers					
Mt Field	'000	117	109	130	120
Freycinet	'000	203	208	210	210
Cradle Mountain	'000	171	176	190	190
Lake St Clair	'000	93	93	100	100
Gordon River	'000	88	88	90	90
Mole Creek Caves	'000	47	46	50	50

Note:

1. Satisfaction ratings and attendance numbers are collated for major sites around the State through a rolling program. Four sites have been surveyed in 2007-08 and further surveys for three sites are planned for 2008-09. Outcomes of the 2007-08 surveys will be available in the 2009-10 Budget.

Output Group 3: Heritage and the Arts

Table 4.7 provides financial information for each Output under Output Group 3. A description of the Outputs follows the table.

Table 4.7: Summary Financial Information - Output Group 3

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Heritage and the Arts					
Expenses by Output					
3.1 Historic Heritage Services ¹	2 920	3 866	3 518	3 312	3 327
3.2 Tasmanian Museum and Art Gallery	7 049	7 537	7 748	7 993	8 192
3.3 Art Industry Development ²	7 304	8 870	8 775	8 871	8 954
3.4 Aboriginal Heritage ³	752	1 194	1 104	1 048	981
3.5 Royal Tasmanian Botanical Gardens	2 310	2 385	2 460	2 537	2 616
	20 335	23 852	23 605	23 761	24 070
Retained Revenue⁴	413	1 317	780	690	675
Net Cost of Output Group	19 922	22 535	22 825	23 071	23 395
Appropriation⁵	19 277	21 534	21 984	22 431	22 794

Notes:

1. The increase in the Historic Heritage Services Output in 2008-09 primarily reflects an increase in conservation grants and funding for the Home Hill Upgrade. The decrease in 2009-10 primarily reflects the cessation of one-off funding for the Home Hill Upgrade.
2. The increase in the Art Industry Development Output in 2008-09 reflects revised corporate support allocations as a result of the transfer of the Tourism Output to the Department of Economic Development and Tourism and increased expenditure under the Arts for Public Buildings Scheme.
3. The increase in the Aboriginal Heritage Output in 2008-09 reflects the anticipated timing of major project developments and expenditure of retained funds to continue the development of new Aboriginal Heritage legislation. The decrease over the Forward Estimates reflects the cessation of legislation development.
4. The increase in Retained Revenue in 2008-09 reflects additional funding for the Home Hill Upgrade from the Urban Renewal and Heritage Fund and increased revenue estimates from the Arts for Public Buildings Scheme. The decrease in 2009-10 reflects the cessation of one-off funding for the Home Hill Upgrade.
5. The increase in Appropriation in 2008-09 reflects an increase in conservation grants and revised corporate support allocations as a result of the transfer of the Tourism Output to the Department of Economic Development and Tourism.

3.1 Historic Heritage Services

This Output aims to protect, conserve and promote Tasmania's historic heritage, by developing increased knowledge and understanding of the importance of heritage and working collaboratively with heritage owners, managers and developers, planning authorities and the wider community. It provides free expert advice on heritage conservation and conservation grants, supports community education and development activities that promote good heritage outcomes and is working to develop a more integrated approach to historic heritage management. It also supports the statutory role of the Tasmanian Heritage Council.

3.2 Tasmanian Museum and Art Gallery

This Output aims to increase community understanding of the cultural and natural world by collecting, conserving, interpreting and researching material evidence within the areas of humanities, including visual arts, history and anthropology, and the biological and physical sciences. It provides the community with opportunities to experience the past and the present. It invites participation in the State's collection and offers a stimulating museum and art environment.

3.3 Art Industry Development

This Output focuses on providing support to local artists and art organisations. It aims to broaden the engagement of Tasmanians in the arts, highlight the State's diverse arts and cultural sector and deepen Tasmanian cultural experiences. It provides funding to major Tasmanian cultural institutions in order to assist their planning and realisation of projects, as well as to attract and encourage new work.

3.4 Aboriginal Heritage

This Output is responsible for providing regulatory advice, promoting and protecting Aboriginal heritage and supporting organisations and individuals fulfilling their responsibilities, both culturally and environmentally. By working closely with Aboriginal community groups, it aims to attain empowerment of the Aboriginal people in regards to the management of Aboriginal heritage.

3.5 Royal Tasmanian Botanical Gardens – Government Contribution

This payment represents the Government's contribution towards the operation of the Gardens and supports the management, conservation and enhancement of the Gardens in accordance with the *Royal Tasmanian Botanical Gardens Act 2002*. The Gardens aims to increase community understanding of the importance of plants, and to enrich Tasmania's social and cultural environment by providing relevant programs in plant collections and displays, tourism and recreation, cultural heritage, research and learning for Tasmania and the broader community. Further information on the Royal Tasmanian Botanical Gardens is provided in Chapter 23 of Budget Paper No 2.

Table 4.8: Performance Information - Output Group 3

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Historic Heritage Services					
Number of places on the Tasmanian Heritage Register					
Register	Number	5 336	5 374	5 500	5 600
Recorded historic heritage sites actively managed ¹	%	11.0	10.4	10.0	10.0
Tasmanian Museum and Art Gallery					
TMAG Total Visitors	Number	883/day	992/day	880/day	880/day
Art Industry Development					
Attendance at selected cultural venues	'000	760	774	770	790
Contribution to GSP of selected cultural industries	\$ million	105	130	128	135
Employment in selected cultural and leisure activities ²	Number	19 800	20 100	20 200	20 300
Aboriginal Heritage					
AHO activities involving decision-making by Tasmanian Aboriginal Land and Sea Council ³	%	na	na	tbd	30
AHO regulatory activities (compliance and non-compliance) ⁴	%	na	na	tbd	60
Royal Tasmanian Botanical Gardens (RTBG)					
RTBG Total Visitors	Number	338 730	408 316	450 000	490 000
Tasmanian Seed Conservation Centre					
Number of collections held in seed store	Number	159	349	529	699

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 2005-06 figure is an estimate with the statistic only published every three years by the Australian Bureau of Statistics.
3. This measure represents the percentage of activities focusing on formal assessment and decision-making by the Aboriginal community. The 2007-08 target is to be determined (tbd).
4. This measure represents the percentage of activities dealing with regulatory services under the *Aboriginal Relics Act 1975*. The 2007-08 target is to be determined (tbd).

SPECIAL CAPITAL INVESTMENT FUNDS

Table 4.9 identifies expenditure by the Department from the Government's Special Capital Infrastructure Funds.

Table 4.9: Special Capital Investment Fund (SCIF) Allocations

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Economic and Social Infrastructure Fund					
Living Environment Program	4 560	350	....	....	....
Tasmanian Museum and Art Gallery	30 000	5 859	11 337	10 000	....
Tourism Infrastructure	6 000	266	....	....	....
		6 475	11 337	10 000	....
Total SCIF Allocations		6 475	11 337	10 000	....

Living Environment Initiative

Funding of \$4.6 million over three years was provided from the Economic and Social Infrastructure Fund (ESIF) to support a suite of initiatives to improve urban environmental quality. Funding of approximately \$350 000 will be carried forward from 2007-08 into 2008-09 to complete the program.

Tasmanian Museum and Art Gallery

In 2008-09, it is estimated that approximately \$6.0 million will be provided from the ESIF to continue the major \$30.0 million redevelopment of the Museum. An extensive range of site investigation works has now been completed, including a comprehensive site survey and archaeological investigations. This work will inform the development of a Masterplan that will guide the further stages of the Museum redevelopment.

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 2008-09 with expenditure of approximately \$266 000.

CAPITAL INVESTMENT PROGRAM

Table 4.10 provides financial information for the Department's Capital Investment Program. For more information on the Capital Investment Program, see Chapter 7 in Budget Paper No 1 *The Budget*.

Table 4.10: Capital Investment Program

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Continuing Projects					
Cradle Mt Central Sewage Treatment	13 175	5 922	3 000	....	....
Total CIP Allocations		5 922	3 000	....	....

Cradle Mt Central Sewage Treatment

Funding is provided to complete the construction of new central sewage treatment infrastructure to support both current and future tourism infrastructure development at the site. This project is expected to be completed in 2009.

DETAILED BUDGET STATEMENTS

Table 4.11: Income Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	63 758	69 172	69 354	66 687	63 505
Interest Revenue ²	850	1 383	1 383	450	450
Grants ³	14 295	9 855	16 345	10 078	1 254
Sales of Goods and Services ⁴	10 097	13 077	13 065	13 075	13 160
Other Revenue	30	222	222	222	222
	89 030	93 709	100 369	90 512	78 591
Less Expenses					
Employee Entitlements ⁵	28 312	34 120	34 869	35 129	35 544
Superannuation	2 801	3 477	3 502	3 547	3 565
Depreciation and Amortisation	6 306	6 971	6 971	6 971	6 971
Grants and Transfer Payments ⁶	8 580	9 541	8 909	8 986	9 065
Supplies and Consumables ⁷	25 846	32 212	37 078	40 514	28 567
Other Expenses	2 677	2 895	2 582	2 609	2 614
	74 522	89 216	93 911	97 756	86 326
Equals NET OPERATING RESULT	14 508	4 493	6 458	(7 244)	(7 735)

Notes:

1. The increase in Revenue from Appropriation in 2008-09 reflects additional funding for the Environment Protection Authority, Tamar River Siltation, Three Capes Walk and Water and Sewerage Regulation. The decrease in 2010-11 reflects the cessation of Capital Investment Program funding for the construction of the Cradle Mountain Central Sewage Treatment Plant. The decrease in 2011-12 primarily reflects the cessation of a four-year program to address priority infrastructure asset maintenance in parks.
2. The increase in Interest Revenue in 2008-09 reflects interest on Australian Government and industry retained funds. The decrease in 2010-11 reflects the expenditure of the Australian Government funds for the proposed construction of the Mt Lyell treatment plant.
3. The movement in Grants revenue reflects changes in Australian Government funding for Macquarie Island and movements in Government funding for Special Capital Investment Fund projects, principally the Tasmanian Museum and Art Gallery redevelopment project.
4. The increase in Sales of Goods and Services in 2008-09 reflects increased estimates of revenue through park enterprise sales, park entry fees and Analytical Services Tasmania fees.
5. The increase in Employee Entitlements in 2008-09 reflects increased funding for the Environment Protection Authority and Water and Sewerage Regulation. The increase also reflects employee entitlements from external sources including funding for Macquarie Island, Mt Lyell remediation, and parks enterprises and park entry fees.
6. The increase in Grants and Transfer Payments in 2008-09 reflects an increase in conservation grants and one-off funding for the Tamar River Siltation and the Home Hill Upgrade. The decrease in 2009-10 reflects the cessation of those one-off grants.
7. The increase in Supplies and Consumables in 2008-09 reflects funding for the Environment Protection Authority, Tamar River Siltation, Three Capes Walk and Water and Sewerage Regulation. The increase also reflects Macquarie Island expenses and Park Enterprises and park entry fee expenses. The movement over the Forward Estimates primarily relates to Macquarie Island and the proposed construction of the Mt Lyell treatment plant in 2010-11. The decrease in 2011-12 reflects the completion of construction of the Mt Lyell treatment plant.

Table 4.12: Revenue from Appropriation

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent ¹	53 086	62 750	66 354	66 687	63 505
Works and Services ²	9 842	5 922	3 000	....	....
Appropriation Carried Forward³	830	500	....	....	....
Total Revenue from Appropriation	63 758	69 172	69 354	66 687	63 505

Notes:

1. The increase in Annual Recurrent Appropriation in 2008-09 reflects additional funding for the Environment Protection Authority, Water and Sewerage Regulation, Tamar River Siltation and the Three Capes Walk. The increase in 2009-10 reflects Government funding for Macquarie Island. The decrease in 2011-12 reflects the cessation of a four-year funding program for priority asset maintenance in parks.
2. The decrease in Works and Services Appropriation in 2008-09 and 2009-10 reflects the timing of capital expenditure on the Cradle Mountain Central Sewage Treatment Plant.
3. The Appropriation Carried Forward figure for 2008-09 relates to the four-year priority asset maintenance program under the Parks and Wildlife Management Output.

Table 4.13: Income Statement – Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	4 146	4 986	4 598	5 104	5 198
Fines and Regulatory Fees	1 981	1 976	2 014	2 013	2 012
Grants	3 400	3 400	3 400	3 400	3 400
	9 527	10 362	10 012	10 517	10 610
Less Expenses					
Grants and Transfer Payments ²	4 146	4 986	4 598	5 104	5 198
Transfer to the Consolidated Fund	5 381	5 376	5 414	5 413	5 412
	9 527	10 362	10 012	10 517	10 610
Equals NET OPERATING RESULT	....	....	....	....	....

Notes:

1. The increase in Revenue from Appropriation in 2008-09 reflects festival year funding for Ten Days on the Island. The increase in 2010-11 reflects additional funding for the Port Arthur Historic Site Management Authority.
2. The increase in Grants and Transfer Payments in 2008-09 reflects festival year expenses for Ten Days on the Island.

Table 4.14: Administered Revenue

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue Collected on Behalf of the Consolidated Fund					
Commonwealth Recurrent Grants	3 400	3 400	3 400	3 400	3 400
Regulatory Environment Fees	1 981	1 976	2 014	2 013	2 012
	5 381	5 376	5 414	5 413	5 412
Revenue from Appropriation					
Annual Appropriation ¹	4 146	4 986	4 598	5 104	5 198
Total Administered Revenue	9 527	10 362	10 012	10 517	10 610

Note:

1. The increase in Annual Appropriation in 2008-09 reflects festival year funding for Ten Days on the Island. The increase in 2010-11 reflects additional funding for the Port Arthur Historic Site Management Authority.

Table 4.15: Administered Expenses

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Ten Days on the Island	600	1 400	1 000	1 000	1 000
Government Contribution to TSO	1 286	1 318	1 322	1 322	1 322
Port Arthur Historic Site Management Authority	2 000	2 000	2 000	2 500	2 588
Theatre Royal	150	158	166	172	178
Wellington Park Contribution	110	110	110	110	110
	4 146	4 986	4 598	5 104	5 198
Transfer to the Consolidated Fund	5 381	5 376	5 414	5 413	5 412
Total Administered Expenses	9 527	10 362	10 012	10 517	10 610

Ten Days on the Island

The Government will continue its support for Ten Days on the Island by committing permanent funding from 2009-10. 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 were developed in Tasmania with Tasdance

premiering a new work in collaboration with a New Zealand choreographer and performances of Dream Masons drawing large crowds to a free family event in Salamanca Place.

Government Contribution to Tasmanian Symphony Orchestra

The Government increased its contribution to the Tasmanian Symphony Orchestra in 2007-08 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 2008-09 base funding contribution to the Orchestra of \$1.3 million is supplemented with Tasmanian Icon Program funding of \$500 000 through the Department of Economic Development and Tourism. The Orchestra will use the icon funding to tour nationally and internationally in 2008-09.

Port Arthur Historic Site Management Authority

The \$2.0 million annual payment to the Authority represents funding provided under the Government's 2005-06 five-year funding agreement to support the agreed conservation plan for the Port Arthur Historic Site. The Government has also committed additional funding to continue conservation work commencing in 2010-11. Indexation will apply to future funding arrangements. Additional one-off funding of \$1.0 million will be provided to the Authority in 2007-08.

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. The Government has committed to continue this funding from 2010-11, on an ongoing basis.

Wellington Park Contribution

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

Table 4.16: Balance Sheet as at 30 June

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	33 687	39 653	38 466	27 914	26 871
Investments ²	14 158	8 867	8 517	8 167	7 817
Receivables ³	1 686	1 217	1 237	1 257	1 277
Other Financial Assets	756	839	839	839	839
	50 287	50 576	49 059	38 177	36 804
Non-Financial Assets					
Land and Buildings ⁴	490 354	557 571	573 921	591 043	608 899
Infrastructure ⁵	69 580	67 646	79 976	87 906	85 836
Plant and Equipment ⁶	1 503	3 975	3 475	2 975	2 475
Heritage and Cultural Assets ⁷	344 704	364 047	372 868	381 898	391 142
Other Non-Financial Assets ⁸	1 508	1 146	1 041	936	831
	907 649	994 385	1 031 281	1 064 758	1 089 183
Total Assets	957 936	1 044 961	1 080 340	1 102 935	1 125 987
Liabilities					
Employee Entitlements	7 533	7 548	7 548	7 548	7 548
Payables ⁹	1 653	990	1 030	1 070	1 110
Other Liabilities ¹⁰	16 413	12 695	12 345	11 995	11 645
Total Liabilities	25 599	21 233	20 923	20 613	20 303
NET ASSETS	932 337	1 023 728	1 059 417	1 082 322	1 105 684
Equity					
Accumulated Funds	362 529	362 652	368 084	359 814	351 053
Asset Revaluation Reserve	235 568	310 586	339 539	369 410	400 229
Other Equity	334 240	350 490	351 794	353 098	354 402
Total Equity	932 337	1 023 728	1 059 417	1 082 322	1 105 684

Notes:

1. The increase in Cash and Deposits in 2009 reflects adjustments to the balance of cash held by the Department within the 2007-08 financial year. The decrease in Cash and Deposits in 2011 reflects expenditure from balances held for remediation works at Mt Lyell on a proposed treatment plant.
2. The decrease in Investments in 2009 reflects remediation works completed at Savage River in accordance with a debt agreement. There is a corresponding reduction in the provision for remediation works against Other Liabilities.
3. The decrease in Receivables in 2009 primarily reflects the reclassification of a component of debtors from a Controlled Item to an Administered Item.
4. The increase in Land and Buildings in 2009 and over the Forward Estimates reflects the Department's annual revaluation of Land and Building assets.

5. The increase in Infrastructure in 2010 and over the Forward Estimates represents the net effect of capital purchases, annual asset revaluations and depreciation.
6. The increase in Plant and Equipment in 2009 primarily reflects the capitalisation of purchases that were not included in the 2008 estimate. The decrease in 2010 and over the Forward Estimates reflects depreciation.
7. The increase in Heritage and Cultural Assets in 2009 and over the Forward Estimates reflects the annual revaluation of the Tasmanian Museum and Art Gallery Collection.
8. The decrease in Other Non-Financial Assets in 2009 and over the Forward Estimates primarily reflects a reduction in the estimated tax asset under the new departmental structure.
9. The decrease in Payables in 2009 reflects a revised estimate of this liability based on current data.
10. The decrease in Other Liabilities in 2009 primarily reflects a reduction in the provision for remediation works due to works completed at Savage River in accordance with a debt agreement. There is a corresponding reduction in Investments (refer to note 2).

Table 4.17: Balance Sheet as at 30 June - Administered

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Receivables ¹	291	291	291	291
	291	291	291	291
Total Assets	291	291	291	291
Liabilities					
Payables ²	291	291	291	291
Total Liabilities	291	291	291	291
NET ASSETS
Equity					
Accumulated Funds
Other Equity
Total Equity

Notes:

1. The increase in Receivables in 2009 reflects the re-classification of Environment Debtors from a Controlled Item to an Administered Item.
2. The increase in Payables in 2009 reflects the amount of administered fees payable to the Consolidated Fund.

Table 4.18: Cash Flow Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	62 928	68 672	69 354	66 687	63 505
Interest Received ²	850	1 383	1 383	450	450
Grants ³	14 295	9 855	16 345	10 078	1 254
Sales of Goods and Services ⁴	10 097	13 057	13 045	13 055	13 140
GST Receipts ⁵	8 300	3 800	3 800	3 800	3 800
Other Receipts	30	222	222	222	222
	96 500	96 989	104 149	94 292	82 371
Cash Paid					
Employee Entitlements ⁶	(28 508)	(34 316)	(35 065)	(35 325)	(35 740)
Superannuation	(2 801)	(3 477)	(3 502)	(3 547)	(3 565)
Grants and Transfer Payments ⁷	(8 580)	(9 541)	(8 909)	(8 986)	(9 065)
Supplies and Consumables ⁸	(25 899)	(32 260)	(37 126)	(40 562)	(28 615)
GST Payments ⁵	(7 800)	(3 800)	(3 800)	(3 800)	(3 800)
Other Payments	(2 677)	(2 895)	(2 582)	(2 609)	(2 614)
	(76 265)	(86 289)	(90 984)	(94 829)	(83 399)
Net Cash Flows from Operating Activities	20 235	10 700	13 165	(537)	(1 028)
Cash Flows from Investing Activities					
Purchase of Fixed Assets	(20 793)	(12 562)	(14 352)	(10 015)	(15)
Net Cash Flows from Investing Activities	(20 793)	(12 562)	(14 352)	(10 015)	(15)
Net Increase/(Decrease) in Cash Held	(558)	(1 862)	(1 187)	(10 552)	(1 043)
Cash at the Beginning of the Year	34 245	41 515	39 653	38 466	27 914
Cash at the End of the Year	33 687	39 653	38 466	27 914	26 871

Notes:

1. The increase in Appropriation in 2008-09 reflects additional funding for: the Environment Protection Authority; Tamar River Siltation; Three Capes Walk; and Water and Sewerage Regulation. The decrease in 2010-11 reflects the cessation of Capital Investment Program funding for the construction of the Cradle Mountain Sewage Treatment Plant. The decrease in 2011-12 primarily reflects the cessation of a four-year funding program to address priority infrastructure asset maintenance in parks.
2. The increase in Interest Received in 2008-09 reflects interest on Australian Government and industry retained funds. The decrease in 2010-11 reflects the expenditure of Australian Government funds for the proposed construction of the Mt Lyell treatment plant.
3. The movement in Grants revenue reflects changes in Australian Government funding for Macquarie Island and movements in Government funding for Special Capital Investment Fund projects, principally the Tasmanian Museum and Art Gallery Redevelopment project.

4. The increase in Sales of Goods and Services in 2008-09 reflects increased estimates of revenue through park enterprise sales, park entry fees and Analytical Services Tasmania fees.
5. The decrease in GST Receipts and Payments in 2008-09 reflects revised estimates following the transfer of the Tourism Output to the Department of Economic Development and Tourism.
6. The increase in Employee Entitlements in 2008-09 reflects increased funding for the Environment Protection Authority and Water and Sewerage Regulation. The increase also reflects employee entitlements supported through external sources including funding for Macquarie Island, Mt Lyell remediation, and parks enterprises and park entry fees.
7. The increase in Grants and Transfer Payments in 2008-09 reflects an increase in conservation grants and one-off funding for the Tamar River Siltation and the Home Hill Upgrade. The decrease in 2009-10 reflects the cessation of these one-off grants.
8. The increase in Supplies and Consumables in 2008-09 reflects funding for: the Environment Protection Authority; Tamar River Siltation; Three Capes Walk; and Water and Sewerage Regulation. The increase also reflects funding for the eradication of rabbits and rodents on Macquarie Island and park enterprises and park entry fee expenses. The movement over the Forward Estimates primarily relates to the Macquarie Island Project and the proposed construction of the Mt Lyell treatment plant in 2010-11.

Table 4.19: Cash Flow Statement – Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	4 146	4 986	4 598	5 104	5 198
Fines and Regulatory Fees	1 981	1 976	2 014	2 013	2 012
Grants	3 400	3 400	3 400	3 400	3 400
	9 527	10 362	10 012	10 517	10 610
Cash Paid					
Grants and Transfer Payments ¹	(4 146)	(4 986)	(4 598)	(5 104)	(5 198)
Transfers to the Consolidated Fund	(5 381)	(5 376)	(5 414)	(5 413)	(5 412)
	(9 527)	(10 362)	(10 012)	(10 517)	(10 610)
Net Increase/(Decrease) In Cash Held	....	....	....	....	....
Cash at the Beginning of the Year	....	....	....	....	....
Cash at the End of the Year	....	....	....	....	....

Note:

1. The increase in Annual Appropriation and Grants and Transfer Payments reflects festival year funding for Ten Days on the Island.

5 FINANCE-GENERAL

AGENCY OUTLINE

The Finance-General Division is administered by the Department of Treasury and Finance. Expenditure through Finance-General generally reflects whole-of-government activities.

The major activities transacted through Finance-General include the management of the Government's financial assets and liabilities, meeting the Government's pension and other superannuation commitments, the administration of the Tasmanian Risk Management Fund, the management of the Government's light vehicle fleet and property portfolio and payments to Government businesses. Information on the Government's superannuation liabilities and administration of the Tasmanian Risk Management Fund is provided in Chapter 6 of Budget Paper No 1 *The Budget*.

Certain provisions have been made in the Special Deposits and Trust Fund to meet future liabilities of the Government. These include a superannuation provision and a provision within the Tasmanian Risk Management Fund for workers' compensation and other insurable risks in respect of inner-Budget agencies.

As a result of presenting information on a gross basis, some of the expenditure shown in Finance-General Outputs, such as expenditure from the Superannuation Provision Account and Special Capital Investment Funds, is also reflected in the Outputs of government departments. Inter-departmental transactions make up part of the revenue and expenditure of a number of Finance-General Output Groups. These transactions are eliminated in consolidating department level information to form sector and other aggregates.

OUTPUT INFORMATION

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

- Output Group 1 - Debt Servicing and Management;
- Output Group 2 - Employee Related Costs;
- Output Group 3 - Government Businesses; and
- Output Group 4 - Miscellaneous.

Table 5.1: Output Group Expense Summary

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - Debt Servicing and Management					
1.1 Debt Servicing	6 804	4 052	4 245	4 451	4 634
1.2 Interest on Sundry Deposits	9 706	12 015	9 080	8 459	8 341
1.3 Debt Management	10 728	10 469	10 197	9 913	9 624
	27 238	26 536	23 522	22 823	22 599
Output Group 2 - Employee Related Costs					
2.1 Superannuation and Pensions ¹	263 625	251 250	250 864	255 073	267 898
2.4 Other	70	70	70	70	70
	263 695	251 320	250 934	255 143	267 968
Output Group 3 - Government Businesses					
3.1 Forestry Tasmania	3 500	3 500	3 500	2 263	2 000
3.2 State Fire Commission	3 050	3 550	3 050	3 050	3 050
	6 550	7 050	6 550	5 313	5 050
Output Group 4 - Miscellaneous					
4.1 Structural and Performance Initiatives Program	6 260	1 620	....	....	....
4.2 Treasurer's Reserve	20 000	20 000	20 000	20 000	20 000
4.3 Miscellaneous	16 728	11 573	14 249	15 795	15 599
4.4 Payment to Australian Tax Office: GST Administration	14 900	15 000	14 700	14 700	14 600
4.5 Tasmanian Risk Management Fund ¹	30 621	34 809	45 399	44 981	38 794
4.6 Fleet Management Services	16 330	21 325	20 886	20 763	20 954
4.7 Property Management Services	16 944	17 272	17 384	17 134	17 134
	121 783	121 599	132 618	133 373	127 081
Grants and Subsidies	110 082	113 375	115 338	118 564	122 035
Special Capital Investment Funds	71 112	71 319	122 090	161 775	136 260
TOTAL	600 460	591 199	651 052	696 991	680 993

Note:

1. In the 2008-09 Income Statement, certain revenue and expense items have been reclassified to align with Budget Paper No 1 *The Budget*, presented in accordance with AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. As a result, gains and losses are presented as a separate category in the Income Statement. The change has resulted in a restatement of the 2007-08 Budget Output expenses for Output 2.1 and Output 4.5.

Output Group 1: Debt Servicing and Management

Table 5.2 presents financial information for each Output under Output Group 1. A description of the Outputs follows the table.

Table 5.2: Summary Financial Information - Output Group 1

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Debt Servicing and Management</i>					
Expenses by Output					
1.1 Debt Servicing ¹	6 804	4 052	4 245	4 451	4 634
1.2 Interest on Sundry Deposits ²	9 706	12 015	9 080	8 459	8 341
1.3 Debt Management	10 728	10 469	10 197	9 913	9 624
	27 238	26 536	23 522	22 823	22 599
Retained Revenue³	10 811	10 552	10 289	10 012	9 723
Net Cost of Output Group	16 427	15 984	13 233	12 811	12 876
Appropriation⁴	151 250	167 312	168 586	178 411	190 138

Notes:

1. The decrease in the Debt Servicing Output in 2008-09 is due to the repayment of maturing debt during 2007-08. The increase in Debt Servicing over the Forward Estimates reflects the amortisation of discounts on debt instruments issued between 1990 and 1994.
2. The increase in the Interest on Sundry Deposits Output in 2008-09 primarily reflects an increase in the estimated interest rate. The decrease throughout the Forward Estimates is due to declining balances of some interest bearing accounts in the Special Deposits and Trust Fund.
3. Retained Revenue for this Output Group represents interest on housing related debt under various Commonwealth-State Housing Agreements, which is recouped from Housing Tasmania and subsequently remitted to the Australian Government.
4. The 2008-09 Appropriation of \$167.3 million for this Output Group represents external debt servicing costs of \$4 million and interest payments on accounts in the Special Deposits and Trust Fund of \$163.3 million. In 2008-09, Interest payments include \$151.2 million (\$131.3 million in 2007-08) for the payment of interest on balances held by Finance-General in the Special Deposits and Trust Fund and \$12 million (\$9.7 million in 2007-08) for the payment of interest on balances held by other agencies and true trust funds, including \$704 000 (\$515 000 in 2007-08) for interest on the Tasmanian Community Fund Account. Interest on Finance-General accounts is comprised of interest on the Superannuation Provision Account of \$103.7 million (\$74.2 million in 2007-08), the Temporary Debt Repayment Account of \$37.3 million, the Tasmanian Risk Management Fund Account of \$10 million (\$8.4 million in 2007-08) and the Helsham Agreement Grants Account of \$197 000 (\$97 000 in 2007-08). In accordance with Australian Accounting Standards, in the process of reporting on the Finance-General Division as a single entity, all intra-entity transactions have been eliminated. Interest paid and payable on balances held by Finance-General in the Special Deposits and Trust Fund is not reflected in the expenses of Output 1.2 or in the expenditure or receipts reported in the Income Statement and the Cash Flow Statement.

1.1 Debt Servicing

This Output meets the costs of servicing and managing the State Government's gross debt portfolio. The Output provides for the interest cost and principal repayments of borrowings.

The State Debt held by the Government consists of Australian Government borrowings incurred under various Commonwealth-State Housing Agreements (CSHAs) and borrowings through the Tasmanian Public Finance Corporation. It is estimated that, as at 30 June 2009, State Debt managed within Finance-General will be \$46.5 million in borrowings through Tascorp and \$229.8 million in borrowings from the Australian Government under the CSHAs. This debt is included under borrowings in the Balance Sheet for Finance-General.

1.2 Interest on Sundry Deposits

This Output provides for the payment of interest on balances held in certain accounts in the Special Deposits and Trust Fund.

The expense of \$12 million in 2008-09 for this Output (\$9.7 million in 2007-08) is the estimated interest payable on certain accounts held by other agencies and true trust funds held within the Special Deposits and Trust Fund.

1.3 Debt Management

This Output reflects transactions associated with the repayment of Australian Government debt relating to housing activities.

The expense of \$10.5 million in 2008-09 in this Output (\$10.7 million in 2007-08) represents interest payments to the Australian Government on debt incurred under various CSHAs. It is estimated that Commonwealth-State Housing Agreement Debt will total \$229.8 million at 30 June 2009. This debt is included under Borrowings in the Balance Sheet for Finance-General.

Principal repayments by Housing Tasmania of \$6.3 million in 2008-09 (\$6 million in 2007-08) are capital transactions and are therefore not included in the expenses of Output 1.3 or in the expenses reported in the Income Statement, but are reflected within Borrowings in the Balance Sheet and included under Cash Flows from Investing Activities in the Cash Flow Statement.

Output Group 2: Employee Related Costs

Description

Table 5.3 presents financial information for each Output under Output Group 2. A description of the Outputs follows the table.

Table 5.3: Summary Financial Information - Output Group 2

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Employee Related Costs					
Expenses by Output					
2.1 Superannuation and Pensions	263 625	251 250	250 864	255 073	267 898
2.4 Other	70	70	70	70	70
	263 695	251 320	250 934	255 143	267 968
Retained Revenue¹	76 036	80 361	80 314	80 109	79 774
Net Cost of Output Group	187 659	170 959	170 620	175 034	188 194
Appropriation²	92 469	100 463	109 593	119 029	129 145

Notes:

1. The 2008-09 Retained Revenue estimate reflects agency contributions to the Superannuation Provision Account in the Special Deposits and Trust Fund of \$80.3 million (\$75.9 million in 2007-08) and employer contributions from the Department of Justice in relation to the *Judges' Contributory Pensions Act 1968* of \$68 000 (\$73 000 in 2007-08).
2. The 2008-09 Appropriation for this Output Group of \$100.5 million includes \$93.7 million Reserved by Law appropriation relating to the Government's obligations for superannuation payments. In accordance with the requirements of the *Retirement Benefits (Parliamentary Superannuation) Regulations 2002*, \$2.1 million is included in the 2008-09 Reserved by Law Appropriation to meet the emerging cost of the Parliamentary Superannuation Fund and the Parliamentary Retiring Benefits Fund (\$2 million in 2007-08). The Reserved by Law Appropriation also includes pensions payable under the *Solicitor-General Act 1983* of \$195 000 (\$105 000 in 2007-08), pensions payable under the *Judges' Contributory Pensions Act 1968* of \$1.4 million (\$2 million in 2007-08) and pensions payable under the *Governor of Tasmania Act 1982* of \$67 000 (\$63 000 in 2007-08). In addition, this Appropriation includes a contribution of \$89.9 million (\$81.5 million in 2007-08) to the Superannuation Provision Account held by Finance-General in the Special Deposits and Trust Fund. Payments are made to the Superannuation Provision Account in respect of the superannuation liability reported in Chapter 6 of Budget Paper No 1 *The Budget*. The \$6.8 million remaining appropriation represents a contribution to the Payroll Provision Account in the Special Deposits and Trust Fund of \$6.5 million (\$6.5 million in 2007-08), a payment in respect of the State's share of higher education superannuation costs of \$200 000 (\$200 000 in 2007-08) and a provision for payments in respect of long service leave for minor State Authorities of \$70 000 (\$70 000 in 2007-08). The \$6.5 million contribution to the Payroll Provision Account within the Special Deposits and Trust Fund is to meet the cost of the 27th public service pay, which occurs once every 11 years. The \$200 000 appropriation for the State's share of higher education superannuation expenses represents the Tasmanian Government's share of the superannuation liability relating to former Tasmanian College of Advanced Education and University employees who were employed by the State Government before responsibility for these institutions was transferred to the Australian Government. In accordance with Australian Accounting Standards, all intra-entity transactions have been eliminated. The contributions to the Superannuation Provision Account and the Payroll Provision Account held by Finance-General in the Special Deposits and Trust Fund are therefore not reflected in this Output Group, or in the expenditure reported in the Income Statement and the Cash Flow Statement.

2.1 Superannuation and Pensions

This Output meets the Government's share of pension and superannuation costs, including a provision for the Government's superannuation liability.

In 2008-09, superannuation and pension expenses are estimated to total \$251.3 million, an anticipated decrease of \$12.4 million in comparison with the budgeted cost in 2007-08. The 2008-09 estimate includes cash pension and lump sum payments of \$149.2 million (\$136.7 million in 2007-08). The estimated superannuation liability as at 30 June 2009 is \$3 868.7 million (excluding the Housing Tasmania pre-July 1994 superannuation liability, which is reflected in the estimates of the Department of Health and Human Services and which it is estimated will be \$17.2 million at 30 June 2009). This is an increase of \$214 million (\$41.6 million in 2007-08) from the 2007-08 estimate of the liability as at 30 June 2008. The projected value of the liability reflects the most recent actuarial assessment of the liability, which has been prepared on the basis of Australian Accounting Standards.

Agencies will contribute \$80.3 million to the Superannuation Provision Account (SPA) in the Special Deposits and Trust Fund in 2008-09, which is included in the Output expenditure of the individual agencies. Agencies and authorities are required to pay into the SPA at a rate determined by the Treasurer, on the advice of the State Actuary. This rate is currently 11 per cent of salary. In addition, inner-Budget agencies are also required to pay into the SPA a 'gap' payment of two per cent of salary in respect of each permanent employee appointed after 15 May 1999, notwithstanding that these employees are not members of the Retirement Benefits Fund defined benefit scheme. The employer share of pensions and lump sum benefits payable to retiring Retirement Benefits Fund defined benefit scheme members in these agencies and authorities is reimbursed to the Retirement Benefits Fund Board from the SPA. These payments are made notwithstanding that they may relate to periods of employment prior to the establishment of the SPA (1 July 1994).

Further information in relation to the State's superannuation liability can be found in Chapter 6 of Budget Paper No 1 *The Budget*.

2.4 Other

This Output provides for the payment of allowances under the *Long Service Leave (State Employees) Act 1994* of \$70 000 in 2008-09 (\$70 000 in 2007-08) for certain minor authorities, which have accrued employee entitlements for which no provision has been made. Generally, this item provides for a portion of accrued Long Service Leave carried over by employees when working for a government department that has subsequently become a State authority.

Output Group 3: Government Businesses

Table 5.4 presents financial information for each Output under Output Group 3. A description of the Outputs follows the table.

Table 5.4: Summary Financial Information - Output Group 3

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Government Businesses					
Expenses by Output					
3.1 Forestry Tasmania ¹	3 500	3 500	3 500	2 263	2 000
3.2 State Fire Commission ²	3 050	3 550	3 050	3 050	3 050
	6 550	7 050	6 550	5 313	5 050
Net Cost of Output Group	6 550	7 050	6 550	5 313	5 050
Appropriation	5 050	5 550	5 050	5 050	5 050

Notes:

1. The decrease in the Forward Estimates reflects an anticipated decrease in the funds drawn down by Forestry Tasmania under the Helsham Agreement.
2. The increase in the expenses for the State Fire Commission in 2008-09 is due to one-off funding for the purchase of two special operations appliances.

3.1 Forestry Tasmania

Government Contribution

A provision of \$2 million has been made in 2008-09 for fire fighting costs (\$2 million in 2007-08). This funding will be used in the event of a high fire fighting season, if the cost to Forestry Tasmania exceeds the 10-year moving average of variable costs, plus any financial reserves set aside from previous years.

In November 1988, the Australian Government agreed to provide \$50 million for Intensive Forest Management, Education and Training, and Forestry Tasmania and Industry sunk costs under the Lemonthyme and Southern Forests Agreement (known as the Helsham Agreement). No further funding from the Australian Government is anticipated. In 2008-09, a provision has been made for expenditure of \$1.5 million (\$1.5 million in 2007-08) from this Account by Forestry Tasmania. Details concerning expenditure of Helsham funds are reported in the Annual Report of Forestry Tasmania.

3.2 State Fire Commission

A provision has been made for funding of \$3.6 million for the State Fire Commission in 2008-09 (\$3.1 million in 2007-08). Of this amount, \$240 000 has been appropriated as a contingent provision for funding excess fire fighting costs and \$500 000 represents one-off funding to assist with the purchase of two special operations appliances.

Output Group 4: Miscellaneous

Table 5.5 presents financial information for each Output under Output Group 4. A description of the Outputs follows the table.

Table 5.5: Summary Financial Information - Output Group 4

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Miscellaneous					
Expenses by Output					
4.1 Structural and Performance Initiatives Program ¹	6 260	1 620	....	....	....
4.2 Treasurer's Reserve	20 000	20 000	20 000	20 000	20 000
4.3 Miscellaneous ²	16 728	11 573	14 249	15 795	15 599
4.4 Payment to Australian Tax Office: GST Administration	14 900	15 000	14 700	14 700	14 600
4.5 Tasmanian Risk Management Fund ³	30 621	34 809	45 399	44 981	38 794
4.6 Fleet Management Services ⁴	16 330	21 325	20 886	20 763	20 954
4.7 Property Management Services	16 944	17 272	17 384	17 134	17 134
	121 783	121 599	132 618	133 373	127 081
Retained Revenue⁵	67 285	71 101	73 066	75 182	77 328
Net Cost of Output Group	54 498	50 498	59 552	58 191	49 753
Appropriation⁶	62 076	56 635	59 011	60 557	60 261

Notes:

1. The decrease in the Output is due to a decrease in grants under the Structural and Performance Initiatives Program in 2008-09. Details of grants made are provided within the Output description.
2. The decrease in the Miscellaneous Output in 2008-09 of \$5.2 million primarily reflects the transfer, to the Department of Police and Emergency Management, of the \$8 million budget for phase one of the Mobile Radio Network implementation in that year; the transfer to the Tasmanian Audit Office of the \$1.6 million budget allocation for performance and compliance audits; and the transfer to the Department of Premier and Cabinet of the \$1.1 million budget for the printing of the Tasmanian Government Gazette and Acts of Parliament. These transfers are offset in 2008-09 by the inclusion of \$6 million for water and sewerage reform. The increase in the Forward Estimates reflects an increased provision for funding future phases of the Mobile Radio Network upgrade.
3. The increase in expenses is primarily due to the expected property claims for the Bridgewater High School replacement.
4. The increase in the Fleet Management Services Output in 2008-09 reflects increased depreciation expenses as a result of an increase in the estimated value of the motor vehicle fleet.
5. Retained Revenue of \$71.1 million in 2008-09 is comprised of agency contributions to the Tasmanian Risk Management Fund of \$32.9 million (\$30.1 million in 2007-08), property lease and rental receipts of \$12.6 million (\$13.1 million in 2007-08) and vehicle lease and management payments received from agencies of \$25.6 million (\$24 million in 2007-08).
6. The 2008-09 Appropriation of \$56.6 million for this Output Group includes an amount of \$10 million contingently appropriated to the Treasurer's Reserve under section 11(2)(b) of the *Public Account Act 1986* (\$10 million in 2007-08), a Reserved by Law statutory provision of \$10 million (\$10 million in 2007-08) for the Treasurer's Reserve as required by section 11(2) of the *Public Account Act 1986*, funds to meet Tasmania's share of the cost of

the Australian Taxation Office for GST collection and compliance activities of \$15 million (\$14.9 million in 2007-08), a \$6 million provision for funding water and sewerage reform transition costs to Local Government, a \$5 million contribution to the Tasmanian Risk Management Fund Account in the Special Deposits and Trust Fund (\$5 million in 2007-08), property management expenses of \$5.1 million (\$5.5 million in 2007-08), a provision of \$3.2 million for Telecommunications Infrastructure Project related costs (\$3 million in 2007-08) and other miscellaneous payments of \$2.3 million. Further information about other payments is contained within the Output Group descriptions.

4.1 Structural and Performance Initiatives Program

The Structural and Performance Initiatives Program Account within the Special Deposits and Trust Fund was established in the 1995-96 Budget to provide agencies with access to funds to undertake structural improvement, particularly those related to information technology developments, which have the potential to result in significant savings and/or provide for a more efficient allocation of resources.

Anticipated expenditure of \$1.6 million from this Account has been included in the 2008-09 Budget (\$6.3 million in 2007-08). The funds allocated are for a continuation of the redevelopment of the Motor Registry System (MRS). The Account will be closed in 2008-09.

4.2 Treasurer's Reserve

An amount of \$20 million has been provided in the Treasurer's Reserve in 2008-09 (\$20 million in 2007-08) to meet expenditure that could not reasonably be foreseen at the time of developing the 2008-09 Budget and which is essential for efficient financial management.

Amounts spent from the Treasurer's Reserve in 2008-09 will be included in Output expenditure across government departments, and subsequently offset by savings in this Output.

The Treasurer's Reserve comprises:

- a Statutory Provision of \$10 million, which is Reserved by Law and requires no further appropriation (section 11(2)(a), *Public Account Act 1986*); and
- an additional amount of \$10 million contingently appropriated in the annual Consolidated Fund Appropriation Act (section 11(2)(b), *Public Account Act*).

In addition, the Treasurer's Reserve can be supplemented by:

- any surplus or saving in a department's Recurrent Services appropriation which has not been utilised to fund a shortfall within that appropriation (section 11(2)(c), *Public Account Act*);
- additional Australian Government funds which become available after the Budget is finalised (section 11(2)(d), *Public Account Act*); and
- net additional recurrent revenue generated within the Consolidated Fund during a financial year that is in excess of the Budget estimate (section 11(2)(e), *Public Account Act*).

4.3 Miscellaneous

Items of expenditure under this Output relate to an appropriation for revenue equalisation payments and costs arising as a result of State and Local Government Financial Reform; Telecommunications Infrastructure Project related expenditure; implementation of Water and Sewerage Reform; the upgrade of the whole-of-government Mobile Radio Network; and a number of other miscellaneous payments.

Prior to 2008-09, this Output included funding for performance and compliance audits and the printing of Government Gazettes and Acts of Parliament, which have been transferred to the Tasmanian Audit Office and the Department of Premier and Cabinet respectively.

State and Local Government Financial Reform - Revenue Equalisation Payments

In 2001, the Premier's Local Government Council endorsed a project to reform State and Local Government financial relations to simplify and make more transparent the financial relationships between the two levels of government. The reforms encompassed reciprocal taxation, including the full application of State Government taxes to Local Government and council rates to State Government Crown properties. While the State and Local Government Financial Reform arrangements were pursued in a broadly revenue neutral manner, the anticipated costs associated with the reforms will result in higher costs for departments with significant holdings of Crown properties. Department budgets have been fully supplemented for the net additional costs of the reforms. The reforms will also result in higher costs for a small number of Local Government Authorities with a low level of Crown properties in their municipality. Payments will be made by the State Government to two Local Governments to ensure that no Local Government Authority is worse off as a result of the reforms. The Appropriation in 2008-09 for these costs is \$1.1 million (\$1.1 million in 2007-08).

Telecommunications Infrastructure Project Related Costs

In May 2003, the Government purchased the Optic Fibre Cable Backbone from Tas21 Pty Ltd. Under the terms of the acquisition of the cable, the Government was assigned a number of agreements, including an operations and maintenance agreement that had previously been negotiated between Downer Connect Pty Ltd (Downer) and Tas21 Pty Ltd (the former cable owner).

Under the operations and maintenance agreement as assigned to the Government, Downer is required to provide operations, repair and maintenance services to the Government as the owner of the Optic Fibre Cable Backbone. Funding of \$985 000 (\$985 000 in 2007-08) has been allocated for operations and maintenance expenditure on the Optic Fibre Cable in 2008-09. The operations and maintenance agreement will be assigned to Aurora as the Government's strategic alliance partner. The terms under which this assignment will occur are yet to be finalised and therefore the full anticipated cost of the agreement for the year has been shown as a cost to Government at this stage. How these costs will change as the network is used by Aurora for commercial purposes is still to be determined between Aurora and Downer Connect Pty Ltd.

The Government and the owner of the Basslink cable (previously National Grid Australia, now CitySpring) have in place an agreement that facilitated inclusion of the Optic Fibre Cable as part of the overall Basslink Project. This agreement provides for the Government to underwrite a proportion of the target revenue for the Optic Fibre business case. The previous owner (National Grid Australia) had agreed with the Government that its and the Government's optic fibre assets would be jointly commercialised through a Requests for Proposals process. However, CitySpring, as the new owner of the Basslink cable, has taken a commercial decision to 'light the fibre' and commercialise the asset. Until CitySpring begins to receive contract payments, the Government is required to pay approximately \$2 million per year (indexed by an escalator similar to CPI) towards the target revenue. Once revenue from the sale of contracts reaches a given level, any additional revenue to Basslink is shared with the Government in the same proportion as the Government's share of the revenue underwritings. The budget allocation for 2008-09 is \$2.2 million, allowing for indexation of the original \$2 million.

Public Bodies Assistance Act 1971: Subsidy on Debt Charges

This item provides for the payment of subsidies to public bodies to assist in meeting the debt charges on loans raised for the purposes of the *Public Bodies Assistance Act 1971*. In 2008-09, it is estimated that these subsidies will total \$41 000 (\$41 000 in 2007-08). The Act was repealed in April 2008, but subsidies will continue to be paid on outstanding loans.

Mobile Radio Network Implementation

This item provides for funding of future phases of the whole-of-government Mobile Radio Network upgrade. An amount of \$28 million has been included in the Forward Estimates, \$8 million in 2009-10 and \$10 million in both 2010-11 and 2011-12.

Drought Assistance and Natural Disaster Relief

A limited Tasmanian Natural Disaster Relief scheme is administered within Finance-General to provide for payments to local government authorities that face the costs of restoring or replacing essential public assets which have been damaged as a direct result of an eligible disaster to a pre-disaster standard. Eligible disasters are those defined under the Australian Government Natural Disaster Relief and Recovery Arrangements (NDRRA) framework, administered by Emergency Management Australia with the Australian Attorney-General's Department and include any one of, or a combination of, the following natural hazards: bushfire; earthquake; flood; storm; cyclone; storm surge; landslide; tsunami; meteorite strike or tornado.

A provision of \$532 000 (\$532 000 in 2007-08) has been included in the 2008-09 Budget allocation for Finance-General for payments that may be made to Local Governments under the Natural Disaster Relief scheme. Partial reimbursement for the State and Local Government outlays may be subsequently sought from the Australian Government under the NDRRA.

Water and Sewerage Reform – Local Government Transition

A provision of \$6 million has been included in 2008-09 to support implementing the reform of Tasmania's water and sewerage sector. This funding will cover implementation costs the Government has agreed to meet and provide transition funding to local government to assist with the transfer of responsibility for service delivery in this \$2 billion sector from local councils and bulk water authorities to three local government owned regional corporations and a fourth common services corporation. These structural changes are supported by legislatively-based regulatory reforms, which will see the introduction of a more efficient, robust, transparent and accountable regulatory framework within which the new corporations will operate.

4.4 Payment to Australian Taxation Office: GST Administration

Under the *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations*, the states and territories meet the costs of the Australian Taxation Office in administering the goods and services tax. The states and territories share the GST administration costs on a per capita basis.

Tasmania's contribution to collection and compliance costs for 2008-09 is estimated at \$15 million (\$14.9 million for 2007-08).

4.5 Tasmanian Risk Management Fund

The Tasmanian Government established the Tasmanian Risk Management Fund on 1 January 1999. On 1 July 2001, the Tasmanian State Service Workers' Compensation Scheme merged with the Fund, following which all outstanding liabilities of the Scheme are being met from the Fund. The Fund meets the costs associated with all categories of insurable risk, primarily through self-insurance.

The estimated expenses of \$34.8 million for 2008-09 (\$37.1 million in 2007-08) represent anticipated administration and claims costs. This amount includes expenditure of \$636 000 associated with the replacement of Bridgewater High School (\$9.3 million in 2009-10 and \$8.2 million in 2010-11). These amounts form part of a total estimated project cost of \$30.0 million.

4.6 Fleet Management Services

All direct transactions associated with whole-of-government light vehicle fleet management activities are recorded in the Government Car Fleet Account within the Special Deposits and Trust Fund. Revenue in the Government Car Fleet Account is derived from the sale of vehicles and receipts from SG Fleet Pty Limited of lease, registration and insurance payments by agencies, net of the SG Fleet management fee. Expenditure from the Government Car Fleet Account includes the purchase of motor vehicles and payment of registration and insurance costs for the vehicle fleet.

Estimated expenses for this Output in 2008-09 of \$21.3 million (\$16.3 million in 2007-08) include motor vehicle registration expenses of \$1.3 million (\$1.2 million in 2007-08) and estimated depreciation on motor vehicles of \$20 million (\$15.1 million in 2007-08).

4.7 Property Management Services

It is estimated that 2008-09 expenditure for Property Management Services will amount to \$17.3 million (\$16.9 million in 2007-08), including property lease and rental payments of \$11.2 million (\$10.8 million in 2007-08); power and fuel expenses of \$740 000 (\$884 000 in 2007-08); rates payments of \$380 000 (\$529 000 in 2007-08); rent and other expenses of \$88 000 (\$214 000 in 2007-08); estimated depreciation on government-owned office buildings of \$990 000 (\$746 000 in 2007-08) and property maintenance expenses totalling \$3.9 million (\$3.8 million in 2007-08).

Lease management expenses and revenues are transacted through the Agency Accommodation Charges Account in the Special Deposits and Trust Fund. Rent collections are receipted to the Account and subsequently paid to property owners (in the case of leased accommodation), or to the Crown Lands Administration Fund (in the case of government-owned accommodation) managed by the Department of Primary Industries and Water.

SPECIAL CAPITAL INVESTMENT FUNDS

Within Finance-General, funds are held for investment in economic and social infrastructure. Below are descriptions of the funds, the balance of each Fund and the projects to be funded in 2008-09 and over the Forward Estimates Period (2009-10 to 2011-12).

Further details on capital expenditure from the Special Capital Investment Funds are provided in Chapter 7 of Budget Paper No 1 *The Budget*.

Economic and Social Infrastructure Fund

The Economic and Social Infrastructure Fund (ESIF) was established in 2003-04. The ESIF funds projects assisting economic development and the provision of social infrastructure. Social infrastructure projects relate to education, tourism, parks, heritage, health and housing throughout the State. Economic development projects relate to a range of infrastructure and related developments, including the maintenance of the State's roads and bridges, and water infrastructure.

A summary of the projects to be funded from the ESIF is provided in Table 5.6.

Table 5.6: Economic and Social Infrastructure Fund

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Balance Brought Forward		31 010	14 775	15 385	1 760
Consolidated Fund:					
Appropriation		13 650	20 366	5 000	....
TOTAL SOURCE OF FUNDS		44 660	35 141	20 385	1 760
OUTFLOWS					
Department of Economic Development and Tourism					
Industry Assistance Program	4 000	1 730	1 419	....	....
AFL Arrangement – Hawthorn Football Club	16 446	3 475	3 590	3 625	990
Launceston Aquatic Centre	5 300	1 300	....	....	....
Northern Tennis Centre	500	480	....	....	....
University Redevelopment (Menziess Research Institute)	10 000	4 000	....	....	....
		10 985	5 009	3 625	990
Department of Environment, Parks, Heritage and the Arts					
Living Environment Initiative	4 560	350	....	....	....
Tasmanian Museum and Art Gallery	30 000	5 859	11 337	10 000	....
Tourism Infrastructure	6 000	266	....	....	....
		6 475	11 337	10 000	....
Finance-General					
Telecommunications Project	7 025	63	....	....	....
Tourism Promotion Plan	16 000	2 882	....	....	....
		2 945	....	....	....
Department of Health and Human Services					
Hospital Equipment Fund	25 000	5 202	3 000	5 000	770
		5 202	3 000	5 000	770
Department of Infrastructure, Energy and Resources					
Kingston Bypass – Property Acquisition	3 000	1 924	....	....	....
		1 924	....	....	....

Table 5.6: Economic and Social Infrastructure Fund (continued)

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Department of Premier and Cabinet					
Main Street Makeover	6 000	1 204	410	....	....
		1 204	410	....	....
Department of Primary Industries and Water					
Launceston Flood Protection	750	750	....	....	....
Water Infrastructure	1 800	400	....	....	....
		1 150	....	....	....
TOTAL OUTFLOWS		29 885	19 756	18 625	1 760
Closing Balance		14 775	15 385	1 760	....

Economic and Social Infrastructure Fund Projects

The projects to which funding from the ESIF has been allocated in 2008-09 are:

- Industry Assistance Program - \$1.7 million is to be provided for grants, subsidies and development support projects to assist those businesses that can demonstrate a net economic benefit to the State;
- Hawthorn Football Club Agreement - \$3.5 million for the Hawthorn Football Club to play AFL in Tasmania and to promote the State. A total of \$16.4 million will be provided from the ESIF under a five year sponsorship agreement;
- Launceston Aquatic Centre – a further \$1.3 million to finalise the construction of the Launceston Aquatic Centre. This is in addition to the \$4 million provided from the ESIF in 2005-06 to the Launceston City Council;
- Northern Tennis Centre - \$480 000 for the construction of a tennis centre in the North. The funding will provide 12 new tennis courts, resurfacing of two existing courts, car parking, landscaping, paths and external lighting;
- University Redevelopment (Menziess Research Institute) – a further \$4 million for the development of the Menziess Research Institute. Funding of \$6 million was provided from the ESIF in 2007-08 for this project;
- Living Environment Initiative - \$350 000 will be provided as a part of the \$4.6 million Living Environment initiative. This initiative will involve the community in creating a healthier and cleaner environment by addressing issues of waste, water quality, noise and sustainable industries;

- Tasmanian Museum and Art Gallery (TMAG) - \$5.9 million of the \$30 million allocation is being provided for the redevelopment of the TMAG. The initial focus of the redevelopment is on the preservation and conservation of the most significant and diverse collection of heritage buildings on any site in Australia, together with a range of investigatory projects, including an archaeology site survey and site investigation;
- Tourism Infrastructure – a further \$266 000 from the initial \$6 million allocation of funds for the development of tourism infrastructure throughout the State;
- Telecommunications Project – \$63 000 for final payments relating to the optic fibre infrastructure project;
- Tourism Promotion Plan – a further \$2.9 million of the \$16 million allocation for this initiative to assist Regional Tourism development throughout Tasmania;
- Hospital Equipment Fund – \$5.2 million to maintain quality equipment in hospitals. A total of \$25 million will be provided from the ESIF over five years to purchase new hospital equipment;
- Kingston Bypass – Property Acquisition – a further \$1.9 million of the initial \$3 million allocation to purchase land required for the construction of the Kingston Bypass;
- Main Street Makeover Initiative – \$1.2 million for a program aimed at improving main streets to further develop them into places that local community members and tourists find more inviting and attractive;
- Launceston Flood Protection – \$750 000 is provided to the Launceston City Council to identify a long-term solution for an effective flood risk mitigation framework for the Invermay area; and
- Water Infrastructure – a further \$400 000 will be allocated for implementation of the \$1.8 million Water Development Plan for Tasmania, to identify sustainable water development opportunities and emphasise the need to advance these developments to meet Tasmania's economic and social objectives.

For details on the capital expenditures from the ESIF, refer to Chapter 7 of Budget Paper No 1 *The Budget*.

Royal Hobart Hospital Redevelopment Fund

A Royal Hobart Hospital Redevelopment Fund was established in 2004-05 with the purpose of developing and enhancing the facilities at the Royal Hobart Hospital. An initial contribution of \$35 million was allocated to the Fund in 2004-05 to be expended over a four-year period from 2005-06.

In 2008-09, \$6.4 million will be expended from the Fund to advance planning for the New Royal Project, with a further \$600 000 being expended to enable completion of the Short Term Works Project.

The Hospitals Capital Fund will be used in future to fund the New Royal Project and other major hospital capital projects. It is anticipated that the Royal Hobart Hospital Redevelopment Fund will be fully expended by 30 June 2009.

Table 5.7: Royal Hobart Hospital Redevelopment Fund

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Balance Brought Forward		7 049	....	....	....
TOTAL SOURCE OF FUNDS		7 049	....	....	....
OUTFLOWS					
<i>Department of Health and Human Services</i>					
Royal Hobart Hospital Redevelopment	35 000	7 049	....	....	....
TOTAL OUTFLOWS		7 049	....	....	....
Closing Balance		....	....	....	....

Better Roads Fund

A \$25 million Better Roads Fund was established in 2004-05. The Better Roads Fund is used to provide for a number of projects, including specific maintenance initiatives and Australian Government projects involving a State co-payment.

In 2008-09, \$4.4 million will be allocated from the Better Roads Fund for:

- road realignment, shoulder widening and sealing, junction and access improvements, and extension and modification to overtaking lanes on the Bass Highway at Sisters Hills; and
- widening of curves on West Tamar Corridor to improve safety for freight and tourist traffic.

It is anticipated that the Better Roads Fund will be fully expended by 30 June 2010.

A summary of the projects to be funded from the Better Roads Fund is provided in Table 5.8.

Table 5.8: Better Roads Fund

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Balance Brought Forward		4 654	234	....	....
TOTAL SOURCE OF FUNDS		4 654	234	....	....
OUTFLOWS					
<i>Department of Infrastructure, Energy and Resources</i>					
Sisters Hills	15 000	4 070	234	....	....
West Tamar Corridor	5 150	350	....	....	....
TOTAL OUTFLOWS		4 420	234	....	....
Closing Balance		234	....	....	....

Infrastructure Tasmania Fund

In 2007-08, an Infrastructure Tasmania Fund (ITF) was established, with proceeds of \$312.9 million from the divestment of Government businesses, to fund major capital projects. During 2007-08, \$80 million was transferred from the ITF to a Water Infrastructure Fund administered by the Department of Primary Industries and Water, and \$25 million was transferred to the Urban Renewal and Heritage Fund administered by the Department of Infrastructure, Energy and Resources.

A summary of the projects to be funded from the ITF is provided in Table 5.9.

Table 5.9: Infrastructure Tasmania Fund

	Estimated Total Cost	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance Brought Forward		207 893	192 783	150 683	107 533
TOTAL SOURCE OF FUNDS		207 893	192 783	150 683	113 533
OUTFLOWS					
<i>Department of Health and Human Services</i>					
Health Infrastructure	50 360	3 210	19 150	17 000	11 000
Health Information Technology	18 500	5 400	5 450	6 150	1 500
		8 610	24 600	23 150	12 500
<i>Department of Infrastructure, Energy and Resources</i>					
Brighton Transport Hub	23 000	5 500	9 500	8 000	....
North West Tourist Road	23 000	1 000	8 000	12 000	2 000
		6 500	17 500	20 000	2 000
TOTAL OUTFLOWS		15 110	42 100	43 150	14 500
Closing Balance		192 783	150 683	107 533	93 033

Infrastructure Tasmania Fund Projects

The projects to which funding from the ITF has been allocated in 2008-09 are:

- Health Infrastructure - \$3.2 million for infrastructure upgrades including: Bruny Island Community Health Centre (\$500 000), Longford/Westbury Health Centre (\$800 000), Glenorchy – Tier Three Community Health Service Facility (\$500 000), Tasmanian Ambulance Stations (\$910 000) and minor works for the implementation of a Primary Health Plan (\$500 000);

- Health Information Technology - \$5.4 million for the implementation of information technology projects including: a patient administration system (\$500 000); messaging and identifier systems (\$500 000); Mental Health Services Electronic Client Management and Reporting System (\$400 000); LAN and Infrastructure Upgrade (\$1.5 million); Enterprise Storage Solution (\$2 million); and Child Protection Information Systems Phase Two (\$500 000);
- Brighton Transport Hub - \$5.5 million for the development of the Brighton Transport Hub that will improve rail operation efficiency, reduce travel times to the northern ports and open up the current Hobart rail yards site at Macquarie Point for the New Royal Project; and
- North West Tourist Road - \$23.0 million over four years for the establishment of a North West Tourist Road. With the route of the road subject to further consultation with key stakeholders, it will link a number of existing road sections in the North West Region to create a tourist road connecting to the Great Nature Trail. The North West Tourist Road will provide greater opportunities for visitors to access a number of iconic attractions in the region. The redevelopment will include nature trails, visitor facilities and interpretive services at key sites. It is anticipated that the development will deliver significant economic and community benefits to the region.

Hospitals Capital Fund

In 2007-08, a Hospitals Capital Fund was established to provide capital funding for hospitals around the State. The major project that will be funded from this Fund will be the planning and construction of the new Royal Hobart Hospital (RHH).

The New Royal Project is a key aspect of the Government's long-term strategy for the provision of acute services. Following on from its decision to investigate the construction of a new RHH, close to or within the central business district, the Government has announced the Hobart waterfront rail yards site at Macquarie Point as the preferred site for a new hospital.

In 2008-09, a total of \$5 million will be allocated from the Hospitals Capital Fund. Funding of \$3 million will be provided to the North West Regional Hospital for a capital and equipment upgrade and \$2 million will be allocated to advance the design and construction phase of the New Royal Project. Funding for this phase of the New Royal Project is also being made available from the Royal Hobart Hospital Redevelopment Fund.

A summary of the projects to be funded from the Hospitals Capital Fund is provided in Table 5.10.

Table 5.10: Hospitals Capital Fund

	Estimated Total Cost	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance Brought Forward		75 000	145 000	220 000	265 000
Consolidated Fund:					
Appropriation		75 000	125 000	125 000	200 000
TOTAL SOURCE OF FUNDS		150 000	270 000	345 000	465 000
OUTFLOWS					
Department of Health and Human Services					
Hospitals Capital Fund	900 000				
New Royal Project – Design and Construction	tbc	2 000	50 000	80 000	100 000
North West Regional Hospital Capital and Equipment Upgrade	3 000	3 000	....	....	....
TOTAL OUTFLOWS		5 000	50 000	80 000	100 000
Closing Balance		145 000	220 000	265 000	365 000

Housing Fund

An amount of \$60 million has been allocated in 2007-08 to establish the Housing Fund. This funding will be used to increase the supply of public housing. The Government has established an Affordable Housing Innovations Unit, which will report to the Secretary of the Department of Health and Human Services. This Unit will have primary responsibility for determining priorities for the allocation of the \$60 million investment to assist in the development of affordable housing and develop new strategies to address homelessness in Tasmania.

Table 5.11: Housing Fund

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Balance Brought Forward		60 000	50 000	40 000	20 000
TOTAL SOURCE OF FUNDS		60 000	50 000	40 000	20 000
OUTFLOWS					
<i>Department of Health and Human Services</i>					
Housing Fund	60 000	10 000	10 000	20 000	20 000
TOTAL OUTFLOWS		10 000	10 000	20 000	20 000
Closing Balance		50 000	40 000	20 000	....

DETAILED BUDGET STATEMENTS

Table 5.12: Income Statement – Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	449 424	531 985	602 944	611 611	706 629
Taxation ²	782 238	926 046	973 450	1 014 176	1 057 147
Interest Revenue ³	205 274	258 508	266 795	262 952	286 888
Grants	1 710 395	1 818 968	1 901 392	1 954 292	2 057 205
Sales of Goods and Services	67 343	71 171	73 136	75 252	77 398
Other Revenue	76 778	80 948	80 896	80 691	80 356
	3 291 452	3 687 626	3 898 613	3 998 974	4 265 623
Less Expenses					
Employee Entitlements	70	70	70	70	70
Superannuation	263 625	251 250	250 864	255 073	267 898
Depreciation and Amortisation ⁴	15 876	20 993	20 485	20 010	20 200
Borrowing Costs ⁵	27 237	26 992	23 977	23 278	23 054
Grants and Transfer Payments ⁶	189 759	194 047	238 988	281 133	258 570
Supplies and Consumables ⁷	102 993	96 847	115 618	116 377	110 151
Transfer to the Consolidated Fund ⁸	2 689 476	2 999 291	3 134 005	3 217 208	3 400 856
Other Expenses	900	1 000	1 050	1 050	1 050
	3 289 936	3 590 490	3 785 057	3 914 199	4 081 849
Plus Gains/(Losses)					
Gain/(Loss) on Sale of Non-Financial Assets	(5 644)	....	....	....	....
Gain/(Loss) on Superannuation ⁹	8 050	(24 552)	(13 207)	(9 991)	4 251
Other Gains/(Losses) ¹⁰	138 238	141 170	176 395	190 587	206 309
	140 644	116 618	163 188	180 596	210 560
Equals NET OPERATING RESULT	142 160	213 754	276 744	265 371	394 334

Notes:

1. Explanations of significant variances in Revenue from Appropriation can be found in the Output Group variance explanations.
2. Further information regarding the increase in Taxation Revenue in 2008-09 can be found in Chapter 5 of Budget Paper No 1 *The Budget*.
3. Interest Revenue includes interest on investments and dividend and income tax equivalent revenues received from Government businesses. The increase in estimated Interest Revenue is primarily due to increased holdings of cash for investment and increased interest rates. Further information in relation to the movements in these revenues is provided in Chapter 4 of Budget Paper No 1 *The Budget*.
4. The estimated Depreciation expense has increased as a result of a higher estimated value of the motor vehicle fleet.

5. Borrowing Costs includes interest payable by Finance-General to agencies on the balances of interest bearing accounts in the Special Deposits and Trust Fund, together with interest payable on borrowings through Tascorp and under various Commonwealth-State Housing Agreements. The declining estimates reflects decreasing interest on borrowings and, from 2009-10, estimated decreases in the balances of agency interest bearing accounts within the Special Deposits and Trust Fund. The 2008-09 estimate includes an increase in estimated interest payable to agencies.
6. Grants and Transfer Payments is primarily comprised of grant payments to agencies from the Special Capital Investment Funds, together with other Grants and Subsidies paid by Finance-General. For more information please refer to the Special Capital Investment Fund section earlier in this Chapter and the following Administered Expenses section.
7. The decrease in Supplies and Consumables is principally due to the transfer of various 2008-09 Budget allocations to other agencies, as detailed in Note 2 to Table 5.5 in Output Group 4. These transfers are partly offset in 2008-09 by an increase of \$4.1 million in expenses of the Tasmanian Risk Management Fund.
8. Transfer to the Consolidated Fund relates to revenue collections administered by the Finance-General Division, which is largely comprised of State taxation revenue, returns from Government businesses, Australian Government General Purpose Payments and interest income. More information on these revenues collected on behalf of the Consolidated Fund can be found in Chapter 4, Chapter 5 and Chapter 9 of Budget Paper No 1 *The Budget*.
9. The estimated Loss on Superannuation reflects advice provided by the State Actuary in relation to the superannuation liability.
10. Other Gains is estimated to increase over the Forward Estimates due to projected increases in the Government's equity interest in Government businesses, partly offset by revaluation expenses related to the Tasmanian Risk Management Fund liability.

Table 5.13: Revenue from Appropriation – Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent	307 910	312 551	327 339	333 398	343 349
Works and Services ¹	19 950	87 650	133 750	126 000	200 000
	327 860	400 201	461 089	459 398	543 349
Reserved by Law					
Appropriation to the Treasurer's Reserve (<i>Public Account Act 1986</i>)	10 000	10 000	10 000	10 000	10 000
Contribution to Tasmanian Racing Industry (<i>Gaming Control Act 1993</i>)	4 285	4 498	4 813	5 091	5 379
Contribution to the Superannuation Provision Account (<i>Retirements Benefits Act 1993</i>) ²	81 491	89 933	98 839	108 235	118 148
Financial Assistance under the <i>Rosetta Landslip Act 1991</i>	75	....	....	....	....
Payments to Municipalities under the <i>Local Government (Rates and Charges Remissions) Act 1991</i> ³	16 308	18 262	18 728	19 207	19 700
Payments under the <i>Retirement Benefits (Parliamentary Superannuation) Regulations 2002</i>	1 988	2 145	2 287	2 244	2 356
Superannuation Benefits Payable under the <i>Judges' Contributory Pensions Act 1968</i> ⁴	2 052	1 353	1 422	1 492	1 567
Superannuation Benefits Payable under the <i>Solicitor-General Act 1983</i> ⁵	105	195	205	215	226
Superannuation Benefits payable under the <i>Governor of Tasmania Act 1982</i>	63	67	70	73	78
Tasmanian Community Fund (<i>Tasmanian Community Fund Act 2005</i>)	5 197	5 331	5 491	5 656	5 826
	121 564	131 784	141 855	152 213	163 280
Total Revenue from Appropriation - Administered	449 424	531 985	602 944	611 611	706 629

Notes:

1. The increased Annual Appropriation for Works and Services primarily reflects the Government's commitment to capital funding for hospitals within Tasmania.
2. The increase in the contribution to the Superannuation Provision Account reflects annual indexation.
3. The \$2 million increase in 2008-09 is a result of CPI indexation on payments and the extension of rates remissions to holders of a health care card.
4. The decrease reflects the appointment of the former Chief Justice to the position of Governor.
5. The increase is due to wage growth in relation to the superannuation benefits and the retirement of the former Solicitor-General during 2007-08.

Table 5.14: Administered Expenses

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Betting Exchange Payments to the Racing Industry	4 285	4 498	4 813	5 091	5 379
Commonwealth Contribution for Extension of Pensioner Concessions	475	475	475	475	475
Equalisation Payments and Subsidies ¹	5 001	1 638	1 735	1 787	1 787
First Home Owners Scheme	20 517	20 615	20 720	20 825	20 990
Local Government: Grants	57 361	60 303	62 624	65 086	67 526
Other Grants and Subsidies ²	348	13	2	2	2
Payments under the <i>Local Government (Rates and Charges Remissions) Act 1991</i> ³	16 308	18 262	18 728	19 207	19 700
Payments under the <i>Duties Act 2001</i>	350	350	350	350	350
Payroll Tax Assistance ⁴	5 437	1 890	400	85	....
Tasmanian Community Fund ⁵	....	5 331	5 491	5 656	5 826
	110 082	113 375	115 338	118 564	122 035
Transfer to the Consolidated Fund	2 689 476	2 999 291	3 134 005	3 217 208	3 400 856
Other Administered Expenses	490 378	477 824	535 714	578 427	558 958
Total Administered Expenses	3 289 936	3 590 490	3 785 057	3 914 199	4 081 849

Notes:

1. The \$3.4 million reduction in Equalisation Payments and Subsidies is a result of the discontinuation of fuel subsidies from 30 September 2007, as announced in the 2007-08 Budget. Details of changes in these subsidies are provided in the Grant description.
2. The decrease in Other Grants and Subsidies reflects that no further payments under the *Rosetta Landslip Act 1991* are anticipated, together with a reduction in Child Care Centre payroll tax grants following a review of payroll tax assistance. Further information is provided in the Grant description.
3. Payments under the *Local Government (Rates and Charges Remissions) Act 1991* are estimated to increase by \$1.9 million due to the extension of pensioner rate remissions to health care card holders and the application of CPI indexation to payments.
4. The decrease of \$3.5 million in Payroll Tax Assistance is due to the transfer of payroll tax assistance funding to other initiatives such as the Workforce Participation Program.
5. This item represents the Reserved by Law contribution to the Tasmanian Community Fund in accordance with the *Tasmanian Community Fund Act 2005*. All TCF transactions, other than the Reserved by Law contribution, are treated as true trust items and excluded from the financial reports of the Finance-General Division. In 2007-08, the contribution to the TCF was also excluded from the financial reports. This treatment has been revised in the 2008-09 Budget and Forward Estimates, and is consequently reflected in the grant expenses of the Finance-General Division.

Betting Exchange Payments to the Racing Industry

In November 2005, Parliament approved amendments to the *Gaming Control Act 1993* to allow the licensing and regulation of betting exchanges in Tasmania. The first betting exchange licence granted by the Tasmanian Gaming Commission was to Betfair Australia in January 2006.

Under the Gaming Control Act, funding to the Tasmanian Racing Industry is appropriated from taxes and product levies collected from the betting exchange operator. The Government is also required to make contributions to the Community Support Levy from the tax collected. The remaining revenue is to be retained in the Consolidated Fund.

Based on taxes and product levies collected during 2007-08, it is estimated that the Government will contribute \$4.5 million to the Tasmanian Racing Industry in 2008-09 (\$4.3 million in 2007-08).

Australian Government Contribution for Extension of Pensioner Concessions

The purpose of this item is to provide non-Budget sector agencies with funds to cover the additional cost of maintaining existing concession arrangements following an extension by the Australian Government of eligibility for the Pensioner Concession Card. The balance of the Australian Government assistance for this purpose is absorbed within the outlays of General Government Sector agencies providing concessions.

Equalisation Payments and Subsidies

The purpose of this item is to provide funds for the State's contribution to the national wine equalisation tax producers rebate scheme and the Tasmanian low alcohol cider subsidy. The aggregate cost of providing these subsidies in 2008-09 is expected to be \$1.6 million (\$1.5 million in 2007-08).

Direct subsidies on cellar door wine sales from the Tasmanian Government ceased from 2004-05. However, all of the expenditure previously allocated for the state scheme is now provided to the Australian Government in support of the replacement national scheme. It is anticipated that payments totalling \$1 million will be made to the Australian Government for this purpose in 2008-09 (\$900 000 in 2007-08).

Funding of \$638 000 is included in 2008-09 (\$593 000 in 2007-08) for the provision of a subsidy of 15 per cent of the pre-tax wholesale value of Tasmanian produced cider with an alcoholic content not exceeding 6.5 per cent.

This Output previously included funding for the payment of petrol and on-road diesel subsidies (\$3.5 million). As announced in the 2007-08 Budget, these subsidies were discontinued from 30 September 2007 in favour of direct tax relief via a reduction in motor tax for light vehicle owners and a reduction in vehicle registration transfer duty for heavy vehicle owners.

First Home Owners Grant Scheme

As part of the *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations*, the states and territories fund and administer a first home owners grant scheme. The scheme was designed to offset the impact of the introduction of the GST. The First Home Owners Grant (FHOG) scheme commenced on 1 July 2000. First home purchasers who meet the eligibility criteria are entitled to a \$7 000 grant.

It is estimated that the cost of providing FHOG scheme grants will be \$20.6 million in 2008-09, an increase of \$100 000 above the original 2007-08 Budget estimate of \$20.5 million.

Local Government Grants

Local Government Grants are comprised of two components: general purpose funding and identified local road funds. Under the Australian *Local Government (Financial Assistance) Act 1995*, the Australian Government each year provides these to the states for on-passing as general purpose grants to Local Government. The distribution of these funds between states and territories is on an equal per capita basis, and between councils is on the basis of recommendations made by the State Grants Commission, according to the principle of Horizontal Fiscal Equalisation.

Expenditure under this item is equal to Australian Government payments to the State for Local Government. While the preliminary estimate for 2008-09 is \$60.3 million (\$57.4 million in 2007-08), the final level of the 2008-09 grant will depend upon the Consumer Price Index outcome for the year to March 2009 and final estimates of population figures as at 31 December 2008.

Other Grants and Subsidies

Child Care Centres - Grants

This grant payment provides financial assistance to child care centres that meet established criteria through the provision of a grant equivalent to their payroll tax liability. The allocation for 2008-09 of \$10 000 reflects the estimated payroll tax costs of the eligible child care centre. This payment will cease on 30 June 2008 as a result of a review of existing payroll tax assistance. However, the 2008-09 budget allocation allows for timing delays with the application for payment of the grant.

Other Subsidies on Borrowings

An amount of \$3 000 (\$3 000 in 2007-08) has been provided for a subsidy to the Municipality of Sorell on interest costs on borrowings under the *Midway Point Improvement Act 1975*. A total amount of \$3.5 million was borrowed by the Government, on behalf of the Council, in 1975 at an interest rate of 9.8 per cent, for the improvement of streets and the provision of a storm water drainage system at Midway Point.

The Government provides a 50 per cent interest subsidy for that portion of the outstanding principal used to fund the street improvement program (a subsidy in respect of drainage works is payable by the Department of Primary Industries and Water).

The loan is repayable in quarterly instalments over a period of 35 years. Capital repayments are also made when affected properties in the Midway Point area are sold, or at the discretion of the Municipality of Sorell.

Payments under the Local Government (Rates and Charges Remissions) Act 1991

In accordance with the provisions of the *Local Government (Rates and Charges Remissions) Act 1991*, local authorities are required to remit 30 per cent of rates and charges levied on eligible pensioners, up to an annual maximum, for their principal place of residence. The annual maximum is indexed annually by the Consumer Price Index. Local authorities are subsequently reimbursed from Finance-General. Eligible pensioners are residential property owners and must at least hold a current Australian Government Pensioner Concession Card. In this Budget, the rates remission has been extended to Health Care Card holders.

The cost of providing pensioner remissions increases year on year due to increases in rates and charges imposed by local authorities and growth in the total pool of eligible pensioners. From 1 July 2008, the maximum remission increases to \$366 (up from \$353 in 2007-08).

Payments under the Duties Act 2001

Duty refunds are provided in relation to the purchase of land upon which a first home is subsequently built. To qualify for a duty refund, full duty on the land purchase is first required to be paid. Land owners may then apply for a duty refund of up to \$2 400 upon satisfaction of the requirements for a grant under the FHOG scheme, in relation to a first home constructed upon land that was purchased with a dutiable value of up to \$175 000. Land owners have two years from the date of the land purchase agreement to complete their home construction and a subsequent three months to apply for the duty refund. The estimated payments under this Output in 2008-09 will be \$350 000 (\$350 000 in 2007-08).

Payroll Tax Assistance

The purpose of this grant was to provide financial assistance to organisations subject to various eligibility criteria. Some organisations received assistance by way of grants equivalent to their payroll tax liability and were entitled to assistance when their payroll expenditure exceeded the threshold limit, currently \$1.01 million per annum. Other organisations, which had a payroll tax liability and employed apprentices, were entitled to receive assistance equivalent to the payroll tax liability accruing on apprentices' wages.

A review of the effectiveness of these payroll tax related assistance programs found that the provision of indirect support through payroll tax assistance was not the most effective means of achieving the desired policy objectives. It was determined that better outcomes could be achieved through the provision of other forms of assistance. Consequently, it was announced in the 2007-08 Budget that these payroll tax related assistance programs would be phased out. Funding has been transferred to new programs and will now be available to businesses regardless of their payroll tax status.

IT Industry Assistance

From 1 January 2008, the information technology rebate is being reduced in four steps of 25 per cent. The first reduction of 25 per cent applicable from 1 January 2008, and the second reduction of 25 per cent applicable from 1 July 2008, will bring the total budgeted expenditure for 2008-09 to \$720 000 (\$1.1 million in 2007-08). The rebate will then reduce to 75 per cent from 1 July 2009 and will cease from 30 June 2010. The resulting savings have been transferred to the Department of Economic Development and Tourism to be used together with additional agency funding to provide increased funding for the successful Enterprise Growth program. Funding under this program is available to all industry sectors and is not dependent upon the payment of payroll tax by an organisation. As a result, small Tasmanian businesses will also benefit from this assistance.

Tasmanian Trainees and Apprentice Incentive Scheme

The operation of this scheme will cease from 1 July 2008. The 2008-09 allocation of \$1 million (\$2.5 million in 2007-08) allows for payment of claims relating to the last quarter of 2007-08.

Funding of \$2.5 million per annum has been provided to the new Workforce Participation Program to replace the Tasmanian Trainee and Apprentice Incentive Scheme (TTAIS). With record low unemployment, there is unprecedented demand from business for skilled workers. Demographic change is going to make this demand even stronger. Tasmania has the oldest and fastest ageing population in Australia and this will lead to a shrinking of the working age population. This program provides a broader range of assistance than TTAIS and is accessible to small, medium and large business. It will focus on:

- encouraging greater workforce participation;
- providing incentives for businesses to take on new apprentices and trainees;
- providing opportunities for disadvantaged and long-term unemployed jobseekers; and
- assisting businesses with retention strategies for workers approaching retirement.

Approved Group Trainers

Assistance provided under this scheme will cease from 1 July 2008. This assistance will be replaced by a direct exemption from payroll tax for trainee and apprentice wages for approved group trainers. A provision of \$150 000 has been included in the 2008-09 budget allocation (\$1.8 million in 2007-08) to allow for payment of claims in July 2008 relating to 2007-08.

Tasmanian Community Fund

The Tasmanian Community Fund (TCF) is regulated by the *Tasmanian Community Fund Act 2005* to make grants to worthwhile community organisations. Section 5 of the Act outlines the amounts that are to be paid into the TCF. The amounts appropriated to the Fund are a Reserved by Law appropriation. The Act provides that the amount paid to the Fund each financial year is equal to the previous year's allocation, indexed by the Hobart March CPI outcome for the current year.

The TCF is a designated true trust administered by the Finance-General Division on behalf of the TCF Board. Transactions processed by Finance-General on behalf of the TCF are not revenue or expenses of the Finance-General Division. In 2008-09, all TCF transactions, other than the Reserved by Law grant to the TCF, have been treated as true trust items and excluded from the financial reports of the Finance-General Division.

The estimated Reserved by Law grant to the TCF in 2008-09 is \$5.3 million (\$5.2 million in 2007-08). The estimated balance of the Fund at 30 June 2009 is \$9.5 million, an increase of \$852 000 from the expected balance of the Fund at 30 June 2008.

The Government has announced that in 2008-09, the TCF will be merged with the Community Support Levy (CSL) to create a new grant body to manage an integrated grant program.

This new governance framework will:

- create a more strategic funding body that could provide better value from the available level of public funding;
- improve governance arrangements; and

- better target funds towards priority areas, such as problem gambling.

Merging the TCF and the CSL through the creation of a new grant body will deliver a responsible, flexible and adaptive grants program, high levels of accountability and heightened clarity of purpose in funding provisions, while retaining operational independence from Government in grant determination. Treasury will work with stakeholders during 2008-09 to implement the legislative and administrative arrangements required to implement the Government's decision.

Further information on the activities and finances of the TCF can be found in the Annual Report of the TCF on its website at www.tascomfund.org.

Table 5.15: Balance Sheet as at 30 June - Administered

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	640 672	1 258 699	1 407 806	1 538 977	1 792 556
Investments	245 955	240 637	233 946	227 123	220 161
Equity Investments ²	3 226 212	3 822 541	3 997 471	4 188 504	4 404 313
Receivables	63 949	67 224	67 224	67 224	67 224
Other Financial Assets ³	3 252	4 663	5 188	5 821	6 454
	4 180 040	5 393 764	5 711 635	6 027 649	6 490 708
Non-Financial Assets					
Land and Buildings ⁴	26 159	49 845	34 973	30 401	29 829
Infrastructure	29 515	29 592	29 592	29 592	29 592
Plant and Equipment	63 727	64 862	64 948	66 560	69 381
Assets held for Sale ⁵	795	1 000	1 000	1 000	1 000
	120 196	145 299	130 513	127 553	129 802
Total Assets	4 300 236	5 539 063	5 842 148	6 155 202	6 620 510
Liabilities					
Borrowings ⁶	547 492	606 922	541 305	491 737	462 273
Superannuation	3 654 663	3 868 710	3 976 286	4 077 151	4 168 105
Payables	1 279	924	924	924	924
Other Liabilities ⁷	139 959	170 345	168 679	169 066	178 552
Total Liabilities	4 343 393	4 646 901	4 687 194	4 738 878	4 809 854
NET ASSETS	(43 157)	892 162	1 154 954	1 416 324	1 810 656
Equity					
Accumulated Funds	(43 157)	877 092	1 139 884	1 401 254	1 795 586
Asset Revaluation Reserve ⁸	....	15 070	15 070	15 070	15 070
Total Equity	(43 157)	892 162	1 154 954	1 416 324	1 810 656

Notes:

1. The increase of \$618 million in Cash and Deposits in 2008-09 primarily reflects: adjustments to the 1 July 2007 opening balance, which was higher than anticipated at the time of compiling the 2007-08 Budget estimates in May 2007; the provisions made for significant infrastructure investments, including the Hospitals Capital Fund; and an increase in agency balances held within the Special Deposits and Trust Fund (significant variances are explained in individual agency chapters).
2. Equity Investments represents the Government's equity interest in Government owned businesses measured as the consolidated value of their net assets. The projected increases in the value of Equity Investments are due to projected operating surpluses by many Government businesses and also the revaluation of fixed assets, particularly in relation to Infrastructure Assets.

3. The increases in Other Financial Assets are due to increases in Accrued Revenue and Tax Assets (net receivable GST input tax credits) in line with actual 30 June 2007 outcomes.
4. In compliance with AASB 116 *Property, Plant and Equipment*, Land and Buildings held by Finance-General were revalued as at 30 June 2007 to ensure that the fair value of these assets was presented in financial reporting. This resulted in an increase of \$15.1 million above the original 2007-08 Budget estimate of the opening balance for these assets.
5. Assets held for Sale represents the estimated value of motor vehicles held for sale by Finance-General at 30 June each year.
6. Borrowings consist of Australian Government borrowings incurred under various Commonwealth-State Housing Agreements, borrowings through Tascorp and monies held on behalf of agencies in the Special Deposits and Trust Fund. The movements in 2008-09 and the Forward Estimates are primarily due to movements in cash held on behalf of agencies.
7. Other Liabilities is principally comprised of the Tasmanian Risk Management Fund liabilities. The movements in this Balance Sheet item reflect the movements in the TRMF liabilities. Further information on the TRMF is included in Chapter 6 of Budget Paper No 1 *The Budget*.
8. The \$15.1 million Asset Revaluation Reserve represents the 30 June 2007 revaluation of Land and Buildings held by Finance-General.

Table 5.16: Cash Flow Statement – Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation	327 860	400 201	461 089	459 398	543 349
Reserved by Law	121 564	131 784	141 855	152 213	163 280
Taxation	782 238	926 046	973 450	1 014 176	1 057 147
Interest Received	56 514	104 305	113 229	118 757	132 300
Grants	1 710 395	1 818 968	1 901 392	1 954 292	2 057 205
Sales of Goods and Services	67 343	71 171	73 136	75 252	77 398
GST Receipts	13 500	13 500	13 500	13 500	13 500
Other Receipts	225 701	235 101	233 845	224 154	234 212
	3 305 115	3 701 076	3 911 496	4 011 742	4 278 391
Cash Paid					
Employee Entitlements	(70)	(70)	(70)	(70)	(70)
Superannuation	(136 681)	(149 249)	(156 495)	(164 199)	(172 693)
Borrowing Costs	(27 331)	(26 630)	(23 723)	(22 882)	(22 613)
Grants and Transfer Payments	(189 758)	(194 048)	(238 988)	(281 133)	(258 570)
Supplies and Consumables	(102 993)	(97 302)	(116 073)	(116 832)	(110 606)
Transfers to the Consolidated Fund	(2 689 476)	(2 999 291)	(3 134 005)	(3 217 208)	(3 400 856)
GST Payments	(13 500)	(13 500)	(13 500)	(13 500)	(13 500)
Other Payments	(900)	(1 000)	(1 050)	(1 050)	(1 050)
	(3 160 709)	(3 481 090)	(3 683 904)	(3 816 874)	(3 979 958)
Net Cash Flows From Operating Activities	144 406	219 986	227 592	194 868	298 433
Cash Flows From Investing Activities					
Sale of Fixed Assets	25 400	26 550	26 550	26 550	26 550
Purchase of Fixed Assets	(49 728)	(44 945)	(46 200)	(47 600)	(49 000)
Net Customer Loans (Granted)/Repaid	6 281	6 511	6 783	6 922	7 061
Net Cash From Investing Activities	(18 047)	(11 884)	(12 867)	(14 128)	(15 389)
Cash Flows from Financing Activities					
Net Borrowings	(95 404)	(81 486)	(65 618)	(49 569)	(29 465)
Net Cash Flows from Financing Activities	(95 404)	(81 486)	(65 618)	(49 569)	(29 465)

Table 5.16: Cash Flow Statement – Administered (continued)

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Net Increase/(Decrease) In Cash Held	30 955	126 616	149 107	131 171	253 579
Cash at the Beginning of the Year	609 717	1 132 083	1 258 699	1 407 806	1 538 977
Cash at the End of the Year	640 672	1 258 699	1 407 806	1 538 977	1 792 556

6 DEPARTMENT OF HEALTH AND HUMAN SERVICES

AGENCY OUTLINE

The Department of Health and Human Services is responsible for delivering integrated services that maintain and improve the health and wellbeing of individual Tasmanians and the Tasmanian community as a whole.

By providing responsive, high quality, integrated and patient/client focused services, the Department aims to place the health and human service system on a sustainable footing and to make the most effective use of available resources.

The Department coordinates the delivery of its services across Tasmania through a network of facilities, community services and home-based care and reports to the Minister for Health and Human Services, Hon Lara Giddings MP.

The principal responsibilities of the Department include the delivery of:

- high quality, safe, sustainable and efficient health services through the public hospital system, primary and community health services, including mental health, oral health and correctional health services and ambulance services;
- health promotion and protection through emergency management, public health and related preventative services;
- care for older Tasmanians, as well as support and assistance to enable them to remain living independently in their own homes;
- a network of alcohol and drug prevention and treatment services;
- a range of accommodation and support services aimed at enhancing the quality of life for people with a disability;
- statutory responsibilities for vulnerable children and young people in relation to child protection and juvenile justice;
- a wide range of community services for children and their families, including early intervention, family support services and child health services; and
- secure, affordable housing and support to low income Tasmanians, as well as accommodation and support for people experiencing homelessness.

This chapter provides the Department's financial information for 2008-09 and the Forward Estimates period (2009-10 to 2011-12). Further information about the Department is provided at: <http://www.dhhs.tas.gov.au>.

MAJOR INITIATIVES

Table 6.1 provides a summary of the Budget and Forward Estimate allocations for the major initiatives.

Table 6.1: Major Initiatives Statement

	2008-09	2009-10	2010-11	2011-12
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Additional Nurses	5 200	5 200	5 200	5 200
Ambulance Transport and Accommodation Commitment ¹	5 000	....	....	....
Australian Health Care Agreement ²	22 668	20 844	32 054	43 824
CCTV Project at Ashley Youth Detention Centre	300	....	....	....
Child Protection Positions	2 100	2 100	2 100	2 100
Children Abused in Care	10 000	....	....	....
Clarence GP Superclinic and Integrated Care Centre	5 000	10 000	3 000	....
Electricity Concession	9 770	10 600	11 480	12 400
Family Support Services	2 000	2 000	2 000	....
Health Information Technology	5 400	5 450	6 150	1 500
Health Infrastructure	3 210	19 150	17 000	11 000
Hospitals Capital Fund	5 000	50 000	80 000	100 000
Housing Fund	10 000	10 000	20 000	20 000
Launceston General Hospital Emergency Department	1 932	9 870	....	....
Launceston Integrated Care Centre	3 600	10 200	4 200	....
Neighbourhood Houses (full time coordinators)	700	700	700	700
New Ambulances	2 930	2 000	....	....
Reviews and Reforms	20 000	20 000	20 000	20 000
Smithton District Hospital	1 450	....	....	....
Smoking Cessation	660	677	696	716
Tasmanian Ambulance Service Station Upgrade	910	750	....	....

Notes:

1. This funding has been made available for one year, while work continues on developing a sustainable funding strategy for the Tasmanian Ambulance Service.
2. The decrease in the Australian Health Care Agreement (AHCA) from 2008-09 to 2009-10 reflects the additional one-off funding allocation \$12.5 million to Tasmania in 2008-09. It is anticipated that additional indexation will be provided when the final AHCA is signed.

Additional Nurses

During negotiations for the 2007 Nurses' Enterprise Agreement, between the unions and the State Government, it was agreed to provide additional nurses in acute care hospitals, where clinically appropriate, to alleviate immediate workload stress in critical areas such as the Emergency Department, Intensive Care Unit and Operating Theatres. It is estimated that this initiative will cost \$20.8 million over four years.

Ambulance Transport and Accommodation Commitment

This initiative underpins the health transport component of Tasmania's Health Plan by enabling the concentration of costly acute health services at a regional and state-wide level. This is consistent with safety and quality parameters for individual specialist services — with patients transported to the appropriate facilities at a regional or state level depending on the nature of their health condition. This one-off funding of \$5.0 million is provided while work continues on developing a sustainable funding strategy for the Tasmanian Ambulance Service.

Australian Health Care Agreement

At the Council of Australian Government (COAG) meeting in March 2008, it was announced that an additional \$1.0 billion would be provided under the Australian Health Care Agreement (AHCA) for hospital care across Australia. The allocation in 2008-09 of almost \$120 million over four years reflects Tasmania's share of the additional AHCA funds.

CCTV Project at Ashley Youth Detention Centre

The 2007 Legislative Council Select Committee, Ashley, Youth Justice and Detention Review, made recommendations regarding greater use of closed circuit television (CCTV) at Ashley Youth Detention Centre. At a cost of \$300 000, it is proposed to upgrade on-site surveillance and security at the Ashley Youth Detention Centre through the installation of CCTV.

Child Protection Positions

The implementation of Child Protection reforms will result in a Child Protection and Family Support system that provides high quality care and better outcomes for children and their families. The reforms are in accordance with established best practice regarding early intervention, child-centred practice, a graduated service response and a professional workforce. The funding allocation of \$2.1 million per annum maintains current staffing during the reform process.

Children Abused in Care

In March 2008, the former Premier, Hon Paul Lennon MP, and the Minister for Health and Human Services, Hon Lara Giddings MP, announced a new review scheme for people abused while in State care. The scheme is open to people who, for legitimate reasons, did not apply under the previous *Listen to the Children* scheme. The scheme will be open for three months from 1 March 2008 until 30 June 2008. A provision of \$10.0 million has been allocated for the new scheme.

Clarence GP Superclinic and Integrated Care Centre (ICC)

Tasmania's Health Plan identified the development of the Clarence Health Centre as a necessary element in relieving demand pressures on acute health services and improving services for people with chronic disease. In 2008-09, the Australian Government is part-funding a Clarence GP Superclinic/ICC as a priority for Tasmania. The proposed GP Superclinic/ICC will combine services from existing facilities and provide new models of care for persons currently receiving treatment at the Royal Hobart Hospital and other Departmental service locations. The Clarence project has an allocation of \$5.0 million in 2008-09 from the Australian Government. In addition, an allocation of \$10.0 million in 2009-10 and \$3.0 million in 2010-11 is available from the Government's Infrastructure Tasmania Fund (Health Infrastructure). This funding will enable the development of Clarence as an ICC aligned with the GP Superclinic model.

Climate Change

The Department will be implementing a range of climate change initiatives during 2008-09. In addition to addressing climate change, most initiatives will also reduce energy costs. The total cost of implementing these initiatives in 2008-09 is yet to be determined as it is dependant on how extensively the initiatives can be introduced across the Department. Climate change initiatives include:

- the application of national Green Star standards to new capital works projects. In particular, these energy efficiency standards will be incorporated into the design of the new Royal Hobart Hospital. The cost of adopting this environmentally sustainable approach is estimated at 3-5 per cent of total construction costs;
- negotiating with building owners for the inclusion of time switching on major plant and equipment, and the provision of flexible, open plan spaces for the efficient use of available space when providing new work spaces for departmental staff. Where major renovations are required in the procurement or refurbishment processes, the Department will be actively seeking to incorporate motion sensors on lights, efficient air treatment equipment and optimal natural lighting; and
- effective from March 2008, all new and replacement operational vehicles must be selected from the four cylinder or small to medium size six cylinder range (3.5 litres in engine capacity or less) available on the Government Contract, with a focus on the most economical option. The choice of passenger vehicles is further limited to those with a Green Vehicle Guide vehicle emission rating of 5.5 and for commercial vehicles limited to those with a vehicle emission rating of 3.5 or less.

The Department is also conducting a review of its light vehicle fleet which will, among other things, minimise the Department's carbon footprint associated with its light vehicle fleet.

The Department will be compensating for carbon emissions generated during air travel by its employees through a carbon offset levy, with an estimated cost of \$30 000 per annum.

Housing Tasmania is currently reviewing residential building guidelines to inform strategies to reduce energy use which include:

- use of energy efficient appliances; and
- installation of water conserving taps, shower heads and toilets.

Electricity Concession

To ease the impact of electricity prices for those Tasmanian's most in need, the Department has implemented the Government's decision to increase the existing Electricity Concession to eligible recipients by 70 per cent from 48.4 cents per day to 82.3 cents per day (\$177 per annum to \$301 per annum) effective from 1 January 2008. In addition, to avoid eroding the real value of the Electricity Concession, the concession will be indexed annually from 1 July 2008 for the impact of inflation.

Family Support Services

Commencing in 2007-08, an amount of \$8.0 million was allocated over four years to enable further implementation of the recommendations from the review of family support services in Tasmania. The initial \$2.0 million allocation was provided in 2007-08, with the remaining funds to be spent over the next three years. This allocation will be supplemented by additional funding to reform Family Support Services (see Reviews and Reforms).

Health Information Technology

Funding of \$18.5 million has been allocated over four years from the Infrastructure Tasmania Fund to support the development of integrated health information systems and related infrastructure in the Department to enable and support reform in health service delivery. The projects to be implemented over four years include: a Child Protection Information System; Enterprise Storage Solution; LAN and Infrastructure Upgrade; Medical Imaging; Mental Health Services Electronic Client Management and Reporting System; Messaging and Identifier Systems; and the Patient Administration System.

Health Infrastructure

Funding of \$50.4 million has been allocated over four years from the Infrastructure Tasmania Fund to implement a series of capital investment projects. The projects include: upgrading the Bruny Island Community Health Centre; completing the Launceston Integrated Care Centre (ICC) and Clarence GP Superclinic; upgrading the Flinders Island Multi Purpose Centre; developing the Glenorchy Community Health Centre into a tier three facility; upgrading the King Island Hospital and Health Centre; redeveloping the Kingston Community Health Centre into a tier three facility; upgrading the Launceston General Hospital Fire Detection System; upgrading the Longford and Westbury Health Centres; completing the Tasmania's Health Plan minor works; and the ongoing upgrade of Tasmanian Ambulance Stations.

Hospitals Capital Fund

The Hospitals Capital Fund will allow the Government to invest in the major hospital facilities throughout the State. The New Royal (Hobart Hospital) Project will be a major commitment against the Fund. The Fund will also support future investments at both the Launceston General Hospital and North West Regional Hospital. Funding of \$75.0 million was allocated to the Fund in 2007-08, with a further \$75.0 million allocated in 2008-09. Total funding of \$900.0 million will be allocated to the Fund by 30 June 2014.

Housing Fund

An amount of \$60.0 million was allocated in 2007-08 to establish the Housing Fund. This funding will increase the supply of public housing in Tasmania. The Department has also established an Affordable Housing Innovations Unit, which will report directly to the Secretary of the Department. This Unit will have primary responsibility for determining priorities for the allocation of the \$60.0 million investment to assist in development of affordable housing and develop new strategies to address homelessness in Tasmania.

Launceston General Hospital Emergency Department

An amount of \$12.0 million has been allocated for redevelopment of the Department of Emergency Medicine at the Launceston General Hospital. The funding provided will increase the available floor space and create a short stay observation ward and separate triage area. This project has already commenced, and remaining funding of \$11.8 million will be spent over the next two years. The expected completion date for the redevelopment is June 2010.

Launceston Integrated Care Centre

The Launceston Integrated Care Centre (ICC) will combine services from existing facilities and provide new models of care for persons currently receiving treatment at the Launceston General Hospital and other Departmental service locations.

A key aim of an ICC is to treat patients without requiring admission to an acute hospital. An ICC also provides greater certainty of access for clients because it focuses on non-emergency services, including a broad range of non-admitted primary, secondary and tertiary services, and short-stay elective services and specialised subacute services. This may take the form of preventative strategies or the treatment of chronic conditions in an environment, which is both more convenient to the patient and less expensive to the health service than hospital admission.

The Launceston ICC project has an allocation from the Australian Government of \$3.6 million in 2008-09, \$10.2 million in 2009-10, and \$1.2 million in 2010-11, and a State allocation of \$3.0 million in 2010-11 from the Infrastructure Tasmania Fund (Health Infrastructure).

Neighbourhood Houses (Full Time Coordinators)

Neighbourhood houses work as community operated organisations, building community capacity in socially isolated and disadvantaged local areas or neighbourhoods. Additional funding of \$700 000 per annum will support neighbourhood houses throughout Tasmania and provide full time coordinators as a focal point for community engagement and support outcomes under the Government's new approach to social inclusion.

New Ambulances

Funding continues as part of the Government's \$10.7 million program for 100 new ambulances to replace ageing vehicles in Tasmania's ambulance fleet. Purchase of the new ambulances has already commenced and the remaining available funding (\$4.9 million) will be spent over the next two years. This funding will ensure that virtually the entire ambulance fleet will be upgraded by 2010. Funding in 2008-09 will replace and fit-out 25 new vehicles.

Reviews and Reforms

Funding of \$80.0 million over four years has been allocated to implement reform in the areas of Alcohol and Other Drug Treatment, Family Support Services, Disability Services, Out of Home Care System and Tasmania's Health Plan. The desired implementation outcomes include:

- providing an improved Alcohol and Drug Sector in Tasmania to ensure Tasmanians with an alcohol, tobacco and/or other drug issue have access to appropriate, timely, and effective services based on contemporary best practice;
- rebuilding the Tasmanian Out of Home Care system for children in need of care and protection. Reform of this system is part of the wider reform to the child protection system and will involve the staged transition of services to the non-government sector;
- developing a family support service that is able to meet the needs of vulnerable children, young people and their families through community-based local service networks that allow for early intervention and support;
- implementing structural and service practice reforms in the provision of Disability Services, including reforming the service systems framework, introducing a population-based funding and service delivery model, and restructuring regional access and coordination;
- through Tasmania's Health Plan, redesigning the Primary Health System to focus more on prevention and community-based care, reserving acute hospital resources for people who cannot be managed in non-hospital settings; and

- supporting the implementation of the Clinical Services Plan, with a focus on the development of multidisciplinary, system-wide clinical networks to facilitate increased collaboration, service integration, monitoring and development. This reform includes new state-wide services commencing in September 2008 with medical retrieval services, as part of a new Patient Transport Service, and a new state-wide cystic fibrosis service as the forerunner of what will be a state-wide chronic disease clinical service by January 2009.

Smithton District Hospital

Funding of \$1.5 million has been allocated in 2008-09 to complete the \$5.8 million redevelopment and upgrade of the Smithton District Hospital and to allow community health services to be collocated to meet growing community needs. It is anticipated that the project will be completed in November 2008.

Smoking Cessation

In 2008-09, \$660 000 has been allocated to develop a comprehensive smoking cessation program that incorporates evidence-based cessation services, accessible pharmacotherapy and training of health professionals, appropriate non-health and community workers in hospitals, primary health care and community settings, and mental health and Alcohol and Drug Services as part of Tasmania's Health Plan.

Tasmanian Ambulance Service Station Upgrade

Funding of \$1.7 million has been allocated for the upgrade of Tasmanian Ambulance Service (TAS) branch stations in the Tasman, East Coast and West Coast areas of Tasmania. It is anticipated that the upgrade will be completed by June 2010.

OUTPUT INFORMATION

Outputs of the Department of Health and Human Services are provided under the following Output Groups:

- Output Group 1 – Acute Health Services;
- Output Group 2 – Community Health Services;
- Output Group 3 – Human Services; and
- Output Group 4 – Independent Children's Review Services.

Table 6.2 provides an Output Group Expense Summary for the Department of Health and Human Services.

Table 6.2: Output Group Expense Summary

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 1 - Acute Health Services					
1.1 Clinical Support Services	32 747	34 547	34 670	38 345	40 161
1.2 Medical Services ¹	271 966	294 926	305 964	324 497	337 900
1.3 Surgical Services ¹	189 498	200 433	208 363	220 472	228 958
1.4 Women's and Children Services ²	76 044	89 223	92 502	97 279	100 361
1.5 Diagnostic and Pharmacy Services ³	80 909	92 165	96 030	101 644	106 998
1.6 Ambulance Services ⁴	36 311	44 406	40 077	42 460	43 747
1.7 Forensic Medicine Services	1 768	1 803	1 757	1 801	1 836
	689 243	757 503	779 363	826 498	859 961
Output Group 2 - Community Health Services					
2.1 Primary Health Services ⁵	141 335	163 310	167 306	176 125	183 834
2.2 Oral Health Services	21 996	23 084	23 764	24 833	26 030
2.3 Population Health Services ⁶	32 164	31 391	33 001	35 213	37 068
2.4 Mental Health Services	78 295	82 521	83 746	87 491	91 146
2.5 State-wide Specialist Services ⁷	29 555	33 296	37 056	40 017	42 238
	303 345	333 602	344 873	363 679	380 316
Output Group 3 - Human Services					
3.1 Children and Family Services ⁸	72 848	92 903	97 034	98 616	97 933
3.2 Youth Justice Services	13 324	14 482	15 195	15 308	16 450
3.3 Disability Services ⁹	122 748	133 708	140 283	148 636	157 367
3.4 Housing Services	140 882	141 855	142 989	145 700	147 967
	349 802	382 948	395 501	408 260	419 717

Table 6.2 Output Group Expense Summary (continued)

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 4 - Independent Children's Review					
Service					
4.1 Office of the Commissioner for Children	596	616	639	642	645
Grants and Subsidies¹⁰	13 113	32 220	24 493	25 372	26 292
Capital Investment Program¹¹	8 159	6 570	3 538	3 559	2 517
Special Capital Investment Funds¹²	4 674	8 448	....	....	....
TOTAL	1 368 932	1 521 907	1 548 407	1 628 010	1 689 448

Notes:

1. The increase in the Medical Services and Surgical Services Outputs in 2008-09 primarily reflects the expenditure of Tasmania's share of additional funding under the Australian Health Care Agreement.
2. The increase in the Women's and Children's Services Output in 2008-09 reflects the funding profile for the 2006 Election commitment 'More Staff at the Royal Hobart Hospital'.
3. The increase in the Diagnostic and Pharmacy Services Output in 2008-09 primarily reflects an increase in the cost of highly specialised drugs.
4. The increase in the Ambulance Services Output in 2008-09 reflects additional funding for transport and accommodation and funding for an additional 15 paramedics. One-off funding of \$5.0 million is provided in 2008-09 while work continues on developing a sustainable funding strategy for the Tasmanian Ambulance Service.
5. The increase in the Primary Health Services Output in 2008-09 reflects: the transfer of Youth Health from Children and Family Services; funding for reform of Primary Health Services as part of the Reviews and Reforms initiative; and additional funding for Home and Community Care.
6. The decrease in the Population Health Services Output in 2008-09 reflects a reduction in Australian Government funding for vaccines as compared to the previous year, offset by increases in salaries and other costs.
7. The increase in the State-wide Specialist Services Output in 2008-09 reflects funding for reform in Alcohol, Tobacco and Other Drug Services as part of the Reforms and Reviews initiative, and an increase in bed occupancy at the Wilfred Lopes Centre.
8. The increase in the Children and Family Services Output in 2008-09 reflects Family Services and Out of Home Care reform as part of the Reviews and Reforms initiative.
9. The increase in the Disability Services Output in 2008-09 reflects additional funding as part of the Reviews and Reforms initiative.
10. The increase in Grants and Subsidies in 2008-09 reflects the increase in ex-gratia payments under the Children Abused in Care initiative (\$8.9 million) and the Electricity Concessions Community Services Activity (\$10.3 million) due to a 70 per cent increase in the electricity concession from 1 January 2008.
11. The reduction in Capital Investment Program (CIP) expenses reflects changes in the classification of CIP funded projects between expenses and capital acquisition. Total CIP expenditure is detailed in Table 6.11.
12. The increase in Special Capital Investment Funds reflects expenses under the Hospital Equipment Fund (\$2.0 million) and the Royal Hobart Hospital Redevelopment Fund (\$6.4 million).

Output Group 1: Acute Health Services

Table 6.3 presents financial information for each Output under Output Group 1. A description of the Outputs follows the table.

Table 6.3: Summary Financial Information - Output Group 1

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Acute Health Services					
Expenses by Output					
1.1 Clinical Support Services	32 747	34 547	34 670	38 345	40 161
1.2 Medical Services ¹	271 966	294 926	305 964	324 497	337 900
1.3 Surgical Services ¹	189 498	200 433	208 363	220 472	228 958
1.4 Women's and Children Services ²	76 044	89 223	92 502	97 279	100 361
1.5 Diagnostic and Pharmacy Services ³	80 909	92 165	96 030	101 644	106 998
1.6 Ambulance Services ⁴	36 311	44 406	40 077	42 460	43 747
1.7 Forensic Medicine Services	1 768	1 803	1 757	1 801	1 836
	689 243	757 503	779 363	826 498	859 961
Retained Revenue⁵	73 003	86 480	91 117	93 729	97 465
Net Cost of Output Group	616 240	671 023	688 246	732 769	762 496
Appropriation	593 596	644 985	678 433	705 416	734 369

Notes:

1. The increase in the Medical Services and Surgical Services Outputs in 2008-09 primarily reflects the expenditure of Tasmania's share of additional Australian Government funding under the Australian Health Care Agreement.
2. The increase in the Women's and Children's Services Output in 2008-09 primarily reflects additional funding for the 'More Staff at the Royal Hobart Hospital' 2006 Election commitment.
3. The increase in the Diagnostic and Pharmacy Services Output in 2008-09 primarily reflects an increase in the cost of highly specialised drugs.
4. The increase in the Ambulance Services Output in 2008-09 reflects additional funding of \$5.0 million for the Tasmanian Ambulance Service while work continues on the development of a sustainable funding strategy.
5. The increase in Retained Revenue in 2008-09 reflects revenue increases achieved during 2007-08, improved revenue budgeting and management, and increases in revenue from the Australian Government.

1.1 Clinical Support Services

This Output provides health professional services such as physiotherapy, occupational therapy, speech pathology, podiatry, social work and nutrition.

1.2 Medical Services

This Output provides general and specialist medical services, medical outpatient clinics, emergency medicine and radiation oncology services.

1.3 Surgical Services

This Output provides emergency and elective surgical services, including services contracted to the private sector and surgical outpatient clinics.

1.4 Women's and Children Services

This Output provides obstetrics and gynaecological services, neonatal intensive care, paediatrics and paediatric surgery.

1.5 Diagnostic and Pharmacy Services

This Output provides pharmacy, pathology and imaging services.

1.6 Ambulance Services

This Output provides emergency ambulance care and transport services to all urgent and priority cases, including medical emergencies, road accidents, industrial, marine and other accidents. It also provides a specialised non-urgent patient transport service between private and public hospitals, nursing homes, private residences, diagnostic facilities and other institutions.

1.7 Forensic Medicine Services

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

Table 6.4: Performance Information - Output Group 1

Performance Measures	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
All Hospitals¹					
Admitted Patients – Weighted Separations	Number	89 071	91 156	93 119	94 981
Department of Emergency Medicine Presentations	Number	94 402	97 687	102 179	106 266
Outpatient Department – Occasions of Service	Number	756 371	783 393	797 859	813 816
Average Length of Stay	Days	6.5	6.5	6.4	6.2
Day Surgery Rate	%	63.0	62.9	63.0	66.0
Percentage of elective surgery (multi-day stay)					
patients admitted on the day of surgery	%	81.6	82.9	84.0	84.0
Proportions of births by Caesarean Section	%	26.2	27.4	26.3	25.4
Unplanned Readmissions Within 28 Days ²	%	3.3	3.4	3.4	3.4
Patient Satisfaction with Hospital Services ³	%	96.0	na	80.7	83.0
Patients Who Were Seen Within The					
Recommended Timeframe for DEM Australian					
Triage Scale Category 1 (immediate)	%	95.3	93.7	100.0	100.0
Patients who Were Seen Within The					
Recommended Timeframe for DEM Australian					
Triage Scale Category 2 (10 minutes)	%	70.2	70.3	80.0	80.0
Urgent Patients Admitted Within 30 days of					
Elective Surgery	%	72.0	75.0	90.0	90.0
Median Waiting Times for Elective Patients					
Admitted from the Waiting List	Days	34.0	38.0	35.0	35.0
Waiting List ⁴	Number	7 133	7 919	8 323	8 950
Ambulance					
Total Ambulance Responses	Number	61 774	62 756	62 685	64 446
Emergency Ambulance Responses	Number	31 487	31 032	31 732	32 447
Satisfaction with Ambulance Services	Number	96.0	97.0	96.0	97.0
Ambulance Response Times (minutes)	Number	10.2	10.5	10.0	10.0

Notes:

1. Figures for 2005-06 and 2006-07 have been revised to exclude Mersey Hospital data. Figures for 2007-08 and 2008-09 also exclude Mersey Hospital data.
2. A new methodology has been adopted to capture all admitted patients who have been readmitted through the Emergency Department due to another acute inpatient episode within 28 days of discharge from the previous episode. Previously reported readmission rates have been revised.
3. A different survey and methodology for measuring patient satisfaction was used in 2007-08. As a consequence, direct comparisons with previous years can not be made.
4. There was a significant increase in the waiting list during 2007-08, in part attributable to theatre closures at the RHH to accommodate building works, as well as an increase in demand for elective surgery. It is anticipated demand will further increase as a result of the recent changes in the Medicare Levy Surcharge threshold, which is likely to result in a fall in participation in private health insurance and a consequence increase in the number of public patients.

Output Group 2: Community Health Services

Table 6.5 presents financial information for each Output under Output Group 2. A description of the Outputs follows the table.

Table 6.5: Summary Financial Information - Output Group 2

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Community Health Services					
Expenses by Output					
2.1 Primary Health Services ¹	141 335	163 310	167 306	176 125	183 834
2.2 Oral Health Services	21 996	23 084	23 764	24 833	26 030
2.3 Population Health Services ²	32 164	31 391	33 001	35 213	37 068
2.4 Mental Health Services	78 295	82 521	83 746	87 491	91 146
2.5 State-wide Specialist Services ³	29 555	33 296	37 056	40 017	42 238
	303 345	333 602	344 873	363 679	380 316
Retained Revenue	41 258	42 565	44 283	46 820	48 476
Net Cost of Output Group	262 087	291 037	300 590	316 859	331 840
Appropriation⁴	256 786	283 090	300 818	309 049	323 336

Notes:

1. The increase in the Primary Health Services Output in 2008-09 reflects: the transfer of Youth Health from Children and Family Services; funding for reform of Primary Health Services as part of the Reviews and Reforms initiative; and additional funding for Home and Community Care.
2. The decrease in the Population Health Services Output in 2008-09 reflects a reduction in Australian Government funding for vaccines as compared to the previous year, offset by increases in salaries and other costs.
3. The increase in the State-wide Specialist Services Output in 2008-09 reflects funding for reform in Alcohol, Tobacco and Other Drug Services as part of the Reviews and Reforms initiative, and an increase in bed occupancy at the Wilfred Lopes Centre.
4. The increase in the Appropriation in 2008-09 reflects: the transfer of Youth Health from Children and Family Services; Primary Health Services Reform; an increase in Home and Community Care funding; and reform in Alcohol Tobacco and Other Drugs Services.

2.1 Primary Health Services

This Output comprises residential aged care, community-based rehabilitation and allied health services including assessment and case management, continence services, orthotics and prosthetics services and equipment schemes; and Palliative Care Services that provide interdisciplinary care, consultancy support and advice to people living with life limiting illnesses and their families.

2.2 Oral Health Services

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

2.3 Population Health Services

This Output provides three service streams: Public and Environmental Health Services, which monitors the health of the Tasmania population, and implements programs to protect and promote health; Cancer Screening and Control Services; and Population and Health Priorities, which implements programs to prevent or reduce risk factors that lead to chronic conditions.

2.4 Mental Health Services

This Output provides services to clients and their families to treat, support and manage mental disorders. The service also provides crisis assessment and treatment, intensive support, community care and rehabilitation services throughout Tasmania.

2.5 State-wide Specialist Services

This Output provides: Correctional Primary Health which provides primary health care services to correctional facilities; Forensic Mental Health services, which provides care and treatment for people with mental illnesses who have come into conflict with the criminal justice system; and Alcohol and Drug Services, which provides a range of specialist alcohol and other drug interventions and treatments at both individual and population levels.

Table 6.6: Performance Information – Output Group 2

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Primary Health¹					
Rural Hospitals – Separations	Number	5 052	4 899	4 500	5 000
Rural Hospitals - Occupancy Rate	%	63.7	60.8	65.0	65.0
Community Nursing - Occasions of Service	Number	194 417	190 312	185 000	185 000
Residential Aged Care - Occupancy Rate	%	95.8	94.3	92.0	92.0
ACAP - Completed Assessments	Number	4 888	5 205	5 200	5 200
Palliative Care - Specialist Community- Clients Accessing the Service	Number	5 056	3 924	3 830	4 400
Mental Health Services					
Inpatient Separations ²	Number	2 381	2 268	2 300	2 200
Community and Residential - Active Clients ³	Number	6 446	6 177	7 000	6 000
28-day Re-Admission Rate	Number	11.6	11.2	11.0	10.0
Population Health					
Eligible Women Screened for Breast Cancer ⁴	Number	25 679	23 976	23 724	22 272
BreastScreen – Percentage of Clients Assessed Within 28 Days of Screening ⁵	%	73.5	40.5	90.0	90.0
Oral Health Services					
OHS - Adults - Occasions of Service – General ^{6,7}	Number	4 828	6 342	6 720	7 300
OHS - Adults – Occasions of Service - Episodic	Number	15 026	16 475	21 600	26 000
OHS - Adults - Occasions of Service - Prosthetics	Number	3 365	4 792	5 850	7 800
OHS - Children - Occasions of Service ⁸	Number	72 035	73 241	71 085	60 800
OHS - General (Adults) Waiting List ^{1,9}	Number	8 492	8 563	9 500	6 000
OHS - Dentures - Waiting List ^{1,10}	Number	485	389	600	3 600
State-wide Specialist Services					
Alcohol and Drug Services - Closed Episodes of Treatment ¹¹	Number	1 331	1 207	1 500	1 500
Pharmacotherapy Program - Total Active Participants	Number	601	600	600	600
Withdrawal Unit – Bed Occupancy ¹²	%	51.0	47.0	70.0	80.0
Withdrawal Unit – Average Length of Stay	Days	4.3	6.5	6.0	6.0

Notes:

1. Figures for 2007-08 and 2008-09 are projections rather than targets.
2. The 2008-09 Target has been revised down from the 2007-08 Target as a result of the introduction of a new model of care. The new model involves reforms in community-based services, including assertive case management and a greater focus on recovery, which should result in less demand for acute inpatient services.
3. The 2008-09 Target has been revised down from the 2007-08 Target as the 2007-08 projection for active clients is significantly lower than the 7 000 target. This difference is a result of a review of client files and the discharging of a number of clients who have been inactive for a period of time. Although the bulk of the review is occurring in 2007-08, the process will continue in 2008-09.

4. The previously listed targets for this indicator have been revised to more accurately reflect the targeted sub-set of women. The BreastScreen program targets women in the 50-69 age group, and the objective is to screen 70.0 per cent of women in this age group every two years. However, all women aged over 40 are eligible to attend for a free screening mammogram. Women screened in 2005-06 are eligible to screen again in 2007-08, and women screened in 2006-07 should screen again in 2008-09. BreastScreen Australia Standards require a minimum target of 70.0 per cent of women screened during the previous period (2005-06) to return for re-screening. The targets provided are the minimum expected number of screens to be performed based on BreastScreen Australia Standards.
5. The target for this indicator was incorrectly stated as 100 per cent in the 2007-08 Budget Papers. It has since been corrected to ≥ 90.0 per cent which is based on the relevant BreastScreen Australia National Accreditation Standard. In 2006-07, the service was unable to achieve this standard due to workforce shortages, resulting in a delay between screening and assessment.
6. From January 2007, Oral Health Services introduced the triage system and subsequently changed how some treatments were counted and reported. In particular, some of what was previously called general care is now counted as episodic care. As a consequence, general care and episodic care figures are not comparable with figures prior to January 2007.
7. Increased activity is expected in 2008-09 following additional funding under the Australian Government Dental Health Program.
8. The reduction in the full-time equivalent (FTE) dental therapists has resulted in a decrease in activity for children. The revised target for 2008-09 is an extrapolation of the year-to-date actual activity for 2007-08, based on the expectation that FTE will remain at current levels. An ageing workforce and a growing national shortage of dental therapists are likely to continue to affect Oral Health Services Tasmania's capacity to treat children.
9. The waiting list projection was revised from 5 500 to 9 500 when it was evident that the relative success from additional resources led to increased demand from the eligible population. However, the increased activity has meant that waiting times for general care have decreased and there are expected to be reductions in the number of people on the waiting list following the injection of further funding under the Australian Government Dental Health Program.
10. Demand for dentures is expected to increase in 2008-09 as a flow on effect of additional resources provided for general care under the Better Dental Program and the Australian Government Dental Health Program. A number of strategies are being investigated to meet the demand, including increased purchase of services from the private sector.
11. This indicator is reported as part of the National Minimum Data Set for Alcohol and Other Drug Treatments. The closure rules state that an episode of care is closed three months after last date of clinical intervention, in which case the date of closure is the last date of an intervention. Therefore a number of episodes of care are retrospectively closed and reported.
12. The occupancy rate for 2006-07 reflects difficulties in recruiting medical officers and nursing staff to the detox unit. In addition, the number of admissions was restricted for several months during 2006-07 while the unit was closed during its relocation to St John's Park. Targets for 2007-08 and 2008-09 reflect an increased complement of medical and nursing staff, which will enable an increased number of patients to be admitted.

Output Group 3: Human Services

Table 6.7 presents financial information for each Output under Output Group 3. A description of the Outputs follows the table.

Table 6.7: Summary Financial Information - Output Group 3

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Human Services					
Expenses by Output					
3.1 Children and Family Services ¹	72 848	92 903	97 034	98 616	97 933
3.2 Youth Justice Services	13 324	14 482	15 195	15 308	16 450
3.3 Disability Services ²	122 748	133 708	140 283	148 636	157 367
3.4 Housing Services	140 882	141 855	142 989	145 700	147 967
	349 802	382 948	395 501	408 260	419 717
Retained Revenue³	61 753	71 997	72 591	75 412	78 259
Net Cost of Output Group	288 049	310 951	322 910	332 848	341 458
Appropriation	256 579	286 948	301 275	308 008	316 716

Notes:

1. The increase in the Children and Family Services Output in 2008-09 reflects additional funding announced in the *State of the State Address 2007*, and Family Services and Out of Home Care reform funding as part of the Reviews and Reforms initiative.
2. The increase in the Disability Services Output in 2008-09 reflects additional funding as part of the Reviews and Reforms initiative.
3. The increase in Retained Revenue in 2008-09 reflects improved revenue budgeting and management, increases in rental revenue, and an increase in revenue and associated expenditure for Australian Government funding for Younger Persons in Residential Aged Care.

3.1 Children and Family Services

This Output provides services for child protection, child health and parenting, psychological support and therapeutic services, family violence counselling and support, the community support program, which funds services provided by community sector organisations, and gambling support.

3.2 Youth Justice Services

This Output provides assistance for young people in conflict with the law through the provision of community conferencing, community service orders, supervision support and custodial services for young offenders at the Ashley Youth Detention Centre.

3.3 Disability Services

This Output provides accommodation support, community support, community access, respite, advocacy and information, and research and development for people with a disability.

3.4 Housing Services

This Output provides access to secure, affordable housing and support to low income Tasmanians, as well as accommodation and support for people experiencing homelessness.

Table 6.8: Performance Information – Output Group 3

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Children and Family Services¹					
Proportion of parents enrolling their newborn with Child Health and Parenting Services (CHAPS) ^{3,4}	%	97.1	95.9	97.2	97.2
Proportion of mothers attending CHAPS at 6 weeks who were exclusively breastfeeding ^{2,5,6}	%	49.5	51.4	53.0	53.0
Proportion of Child Protection Notifications Referred for Investigation ^{2,3}	%	29.5	31.1	29.0	29.0
Proportion of Finalised Child Protection Investigations that were Substantiated ^{2,3,7}	%	59.9	66.9	60.0	64.0
Children in Out-of-Home Care as at 30 June ^{2,8}	Number	609	668	675	650
Children on Care and Protection Orders as at 30 June ²	(per 1 000 population)	7.2	7.8	8.2	8.2
Number of unallocated cases as at 30 June ^{2,3,9}	Number	1 452	900	250	100
Substantiation rate after a decision not to substantiate ^{4,10,11}	%	13.4	15.8	24.0	15.0
Resubstantiation rate ^{4,12,13}	%	21.1	19.8	29.0	15.0
Disability Services¹					
Supported Accommodation Clients ²	Number	1 100	1 104	1 100	1 104
Disability Services - Day Options Clients ^{2,14}	Number	1 592	1 487	1 487	1 487
Supported Accommodation - Waiting List ^{2,15}	Number	26	34	28	35
Day Options - Waiting List ^{2,15}	Number	92	107	96	110
Youth Justice²					
Average Daily Number of Active Clients	Number	622	684	701	719
Average Daily Number of Young People at Ashley	Number	30.7	28.7	26.2	30.5

Table 6.8: Performance Information – Output Group 3 (continued)

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Housing					
Public Housing Occupancy Rate ²	%	98.7	98.9	98.7	98.7
Number of Applicants Housed	Number	1 095	1 146	1 000	1 150
Proportion of New Allocations To Those in Greatest Need	%	90.5	94.6	90.0	90.0
Number of Households Assisted through the Private Rental Support Scheme ²	Number	4 427	3 959	4 500	4 500
Tenant Satisfaction with Services Provided by Housing ¹⁶	%	na	72.0	75.0	75.0
Number of Applicants on Waitlist ²	Number	2 930	2 625	2 700	2 700
Average Wait Time for People who are Housed	Weeks	25	22	22	22
Average Time to House Category 1 Applicants ¹⁷	Weeks	18	15	19	19
Proportion of SAAP support needs met ¹⁸	%	95.5	na	100.0	100.0
Proportion of SAAP clients having two or more support periods with the 12 month reporting period to the end of June ^{2,18}	%	24.2	na	24.0	24.0
SAAP support periods with a support plan ^{18,19}	%	63.1	na	100.0	100.0

Notes:

1. Due to the need to implement changes and new initiatives arising from reform to Family Services, Disability Services and Out of Home Care, improvements in performance are likely to be limited in 2008-09 but will be seen in subsequent years.
2. Figures for 2007-08 and 2008-09 are projections rather than targets.
3. Actual figures have been updated from data previously reported in the Department's 2006-07 Annual Report and 2007-08 Budget Papers to address the effect of data lag.
4. Data for 2006-07 is subject to data lag.
5. The breastfeeding data does not necessarily reflect the true breastfeeding rate in Tasmania as the use of the Child Health and Parenting Services is voluntary.
6. This indicator has been revised from the Department's 2006-07 Annual Report and 2007-08 Budget Papers from the proportion of mothers breastfeeding to the proportion of mothers exclusively breastfeeding. This ensures consistency with national and World Health Organisation reporting.
7. The projection for 2006-07 of 56.0 per cent in the 2007-08 Budget Papers was a projection based on the perceived trend in the historical data available at the time. The actual figure for 2006-07 was 66.9 per cent. This increase is due to a number of cases that were reviewed and subsequently closed as part of a dedicated project that commenced during 2006-07 to reduce the number of cases awaiting allocation. The figure for 2007-08 reflects a projection rather than a target.
8. The counting rule has been revised from the Department's 2006-07 Annual Report and 2007-08 Budget Papers to ensure consistency with the Australian Institute of Health and Welfare (AIHW) counting rule.
9. The difference in the projection of the number of unallocated cases in 2007-08 with the actual number of unallocated cases for 2006-07 is a result of a number of process improvements, including a dedicated project that commenced during 2006-07 to reduce the number of cases awaiting allocation; and the recent implementation of a new child protection information system. It is anticipated that this trend will continue with the introduction of the new child protection operating model.
10. This indicator is defined as the proportion of children who were the subject of an investigation and decision not to substantiate, who were the subject of a subsequent notification within 12 months that was substantiated at any time. Due to the time taken to finalise investigations, the actual results for 2005-06 and 2006-07 may differ from those previously published and are likely to increase in future publications.

11. The target for 2007-08 of 24.0 per cent was based on the trend in the historical data available last year at the time of setting that target for the 2007-08 Budget Papers.
12. This indicator is defined as the proportion of children who were the subject of substantiation during the previous year, who were the subject of a subsequent notification within 12 months that was substantiated at any time. Due to the time taken to finalise investigations, the actual results for 2005-06 and 2006-07 may differ from those previously published and are likely to increase in future publications.
13. The target for 2007-08 of 29.0 per cent was based on the trend in the historical data available last year at the time of setting that target for the 2007-08 Budget Papers.
14. Variance between the projected client numbers for 2006-07 reported in the 2007-08 Budget Papers and the 2006-07 Actual appears to be due to a data reporting anomaly in 2005-06. As a consequence, the projection for 2007-08 has been revised from what has been previously reported.
15. The actual figure for 2006-07 exceeded projections as demand for services exceeded the places that could be made available within budget.
16. Tenant satisfaction is collected through a biennial survey, therefore data is not available for 2005-06.
17. While the 2006-07 figure fell below the target, this indicates that applicants have been housed earlier than expected and are waiting to be housed for a shorter period of time than expected.
18. Supported Accommodation and Assistance Program (SAAP) data is reported to and collated by the Australian Institute of Health and Welfare (AIHW) on behalf of service providers and may not be available to jurisdictions until up to two years after the time of collection.
19. The target is set at 100.0 per cent as all SAAP services are required under their Service Agreements to develop a support plan for all SAAP support periods.

Output Group 4: Independent Children's Review Services

Table 6.9 presents financial information for the single Output under Output Group 4. A description of the Output follows the table.

Table 6.9: Summary Financial Information - Output Group 4

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Independent Children's Review Service					
Expenses by Output					
4.1 Office of the Commissioner for Children	596	616	639	642	645
	596	616	639	642	645
Retained Revenue	6	6	6	6	6
Net Cost of Output Group	590	610	633	636	639
Appropriation	584	603	639	629	631

4.1 Office of the Commissioner for Children

Activities provided in this Output include promoting the rights and wellbeing of children and examining the policies, practices and services provided for children and any law affecting the health, welfare, care, protection and development of children.

Performance Information – Output Group 4

The Commissioner for Children does not report performance information as it is not a Service Delivery Output Group. Details of the Commissioner for Children's activities are available in the Annual Reports, which can be accessed from its website at: <http://www.childcomm.tas.gov.au>.

SPECIAL CAPITAL INVESTMENT FUNDS

Table 6.10 identifies expenditure by the Department from the Government's Special Capital Infrastructure Funds.

Table 6.10: Special Capital Investment Fund (SCIF) Allocations

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Economic and Social Infrastructure Fund					
Hospital Equipment Fund	25 000	5 202	3 000	5 000	770
Hospitals Capital Fund	tbc	5 000	50 000	80 000	100 000
Housing Fund	60 000	10 000	10 000	20 000	20 000
Infrastructure Tasmania Fund					
Health Information Technology					
Child Protection Information System Phase Two	700	500	200	....	....
Enterprise Storage Solution	3 000	2 000	500	500	....
LAN and Infrastructure Upgrade	4 000	1 500	1 000	500	1 000
Medical Imaging Project	3 700	....	1 000	2 700	....
Mental Health Services Electronic Client Management and Reporting System	1 600	400	750	450	....
Messaging and Identifier Systems	2 000	500	500	500	500
Patient Administration System	3 500	500	1 500	1 500	....
		5 400	5 450	6 150	1 500
Health Infrastructure					
Bruny Island Community Health Centre Upgrade	3 000	500	2 500	....	....
Clarence GP Superclinic ²	18 000	....	10 000	3 000	....
Flinders Island Multi Purpose Centre Upgrade	6 000	....	1 000	2 000	3 000
Glenorchy – Tier Three Community Health Services Facility	8 500	500	2 000	3 000	3 000
Integrated Care Centre (ICC) Launceston ³	18 000	....	....	3 000	....
King Island Hospital and Health Centre Upgrade	5 000	....	1 000	2 000	2 000
Kingston – Tier Three Community Health Services Facility	6 500	....	500	3 000	3 000
Launceston General Hospital Fire Detection System Upgrade	1 200	....	200	1 000	....
Longford / Westbury Health Centre Upgrade	2 000	800	1 200	....	....
Primary Health Plan Implementation - Minor Works	500	500	....	....	....

Table 6.10: Special Capital Investment Fund (SCIF) Allocations (continued)

	Estimated Total Cost	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Tasmanian Ambulance Service Station Upgrade	1 660	910	750	....	....
		3 210	19 150	17 000	11 000
Total		8 610	24 600	23 150	12 500
Royal Hobart Hospital Redevelopment Fund	35 000	7 048	....	....	....
Total SCIF Allocations		35 860	87 600	128 150	133 270

Notes:

1. The total cost of the New Royal Project funded from the Hospitals Capital Fund is yet to be finalised.
2. Funding of \$5.0 million is provided for this project by the Australian Government through the Capital Investment Program, bringing the total project funding to \$18.0 million.
3. An amount of \$15.0 million is provided by the Australian Government through the Capital Investment Program, bringing the total project funding to \$18.0 million.

Hospital Equipment Fund

In 2006-07, a \$25.0 million fund was established for the purchase of hospital equipment throughout the state over five years. Anticipated expenditure in 2008-09 includes \$2.0 million for the state-wide Patient Administration System project, \$1.7 million toward a linear accelerator at the Launceston General Hospital and \$1.5 million for a Pharmacy Replacement System project.

Hospitals Capital Fund

The Hospitals Capital Fund will allow the Government to invest in the major hospital facilities throughout the State. The New Royal Project will be a major commitment against the Fund. However, the Fund will also support future investments at both the Launceston General Hospital and North West Regional Hospital. Funding of \$75.0 million was allocated to the Fund in 2007-08, with a further \$75.0 million allocated in 2008-09. Total funding of \$900.0 million will be allocated to the Fund by 30 June 2014.

Housing Fund

An amount of \$60.0 million was allocated in 2007-08 to establish the Housing Fund. This funding will increase the supply of public housing in Tasmania. The Government has established an Affordable Housing Innovations Unit, which will report directly to the Secretary of the Department. This Unit will have primary responsibility for determining priorities for the allocation of the \$60.0 million investment to assist in development of affordable housing and develop new strategies to address homelessness in Tasmania.

Health Information Technology

Funding of \$18.5 million has been allocated over four years from the Infrastructure Tasmania Fund to support the development of integrated health information systems and related infrastructure in the

Department to enable and support reform in health service delivery. The projects that will be implemented over the four years include: a Child Protection Information System (\$700 000); an Enterprise Storage Solution (\$3.0 million); LAN and Infrastructure Upgrade (\$4.0 million); Medical Imaging (\$3.7 million); a Mental Health Services Electronic Client Management and Reporting System (\$1.6 million); Messaging and Identifier Systems (\$2.0 million); and a Patient Administration System (\$3.5 million).

Health Infrastructure

Funding of \$50.4 million has been allocated over four years from the Government's Infrastructure Tasmania Fund to implement a series of capital investment projects. The projects include: upgrading the Bruny Island Community Health Centre (\$3.0 million); completing the Launceston Integrated Care Centre (ICC) (\$3.0 million) and Clarence GP Superclinic (\$13.0 million); upgrading the Flinders Island Multi Purpose Centre (\$6.0 million); redevelopment of the Glenorchy Community Health Centre into a tier three facility (\$8.5 million); upgrading the King Island Hospital and Health Centre (\$5.0 million); redevelopment of Kingston Community Health Centre into a tier three facility (\$6.5 million); upgrading the Launceston General Hospital Fire Detection System (\$1.2 million); upgrading the Longford and Westbury Health Centres (\$2.0 million); completing Tasmania's Health Plan minor works (\$500 000); and the ongoing upgrade of Tasmanian Ambulance Stations (\$1.7 million).

Royal Hobart Hospital Redevelopment Fund

In 2005-06, \$35.0 million was allocated over four years for the Royal Hobart Hospital Redevelopment Fund for capital redevelopment at the RHH site. In 2008-09, \$6.4 million has been allocated for advance planning of the new Royal Hobart Hospital, and \$600 000 for completion of the Short Term Works project. Projects completed under the Royal Hobart Hospital Redevelopment Fund include the new Department of Emergency Medicine, the Geriatric Evaluation Management Unit and the Infill Building.

CAPITAL INVESTMENT PROGRAM

Table 6.11 provides financial information for the Department's Capital Investment Program. For more information on the Capital Investment Program, see Chapter 7 in Budget Paper No 1 *The Budget*.

Table 6.11: Capital Investment Program

	Estimated Total Cost	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
New Projects					
CCTV Project at Ashley Youth Detention Centre	300	300	....	....	....
Clarence GP Superclinic ¹	18 000	5 000	....	....	....
Launceston Integrated Care Centre (ICC) ²	18 000	3 600	10 200	1 200	....
		8 900	10 200	1 200	....
Continuing Projects					
Housing - New Projects	na	13 213	13 355	6 280	6 326
LGH Emergency Department	12 000	1 932	9 870	....	....
Mental Health Review	4 360	209	....	....	....
New Ambulances	10 670	2 930	2 000	....	....
Non-Works Housing	na	6 260	6 532	6 669	6 812
RHH Capital	13 200	3 735	....	....	....
Smithton District Hospital	5 778	1 450	....	....	....
		29 729	31 757	12 949	13 138
Total CIP Allocations		38 629	41 957	14 149	13 138

Notes:

1. The balance of funding for this project (\$13.0 million) is provided by the State through the Infrastructure Tasmania Fund (Health Infrastructure) to bring the total project funding to \$18.0 million.
2. An amount of \$3.0 million is provided by the State through the Infrastructure Tasmania Fund (Health Infrastructure) to bring the total project funding to \$18.0 million.

CCTV Project at Ashley Youth Detention Centre

The 2007 Legislative Council Select Committee review of Ashley, Youth Justice and Detention made recommendations regarding greater use of closed circuit television (CCTV) at Ashley Youth Detention Centre. At a cost of \$300 000, it is proposed to upgrade on-site surveillance and security at Ashley Youth Detention Centre through the installation of CCTV.

Clarence GP Superclinic and Integrated Care Centre (ICC)

Tasmania's Health Plan identified the development of the Clarence Health Centre, as a necessary element in relieving demand pressures on acute health services and improving services for people with chronic disease. The proposed GP Superclinic/ICC will combine services from existing facilities and provide new models of care for persons currently receiving treatment at the Royal Hobart Hospital and other Departmental service locations. In 2008-09, the Australian Government is contributing \$5.0 million of the total project cost of \$18.0 million for a Clarence GP Superclinic/ICC. The balance of the project will be funded from the Government's Infrastructure Tasmania Fund.

Housing – New Projects

Funding of \$13.2 million is provided in 2008-09 for Housing Tasmania's capital program, including the purchase or construction of public housing. Further details of the Housing capital program are provided in Chapter 7 of Budget Paper No 1 *The Budget*.

Launceston General Hospital Emergency Department

Funding of \$12.0 million has been allocated to the redevelopment of the Department of Emergency Medicine at the Launceston General Hospital. The funding provided will increase the available floor space and create a short stay observation ward and separate triage area. The expected completion date for the redevelopment is June 2010.

Launceston Integrated Care Centre

The Launceston Integrated Care Centre (ICC) facility will combine services from existing facilities and provide new models of care for persons currently receiving treatment at the Launceston General Hospital and other Departmental service locations.

The Launceston ICC project has an allocation from the Australian Government of \$3.6 million in 2008-09, \$10.2 million in 2009-10, and \$1.2 million in 2010-11, and a State allocation of \$3.0 million in 2010-11 from the Infrastructure Tasmania Fund.

Mental Health Review

Funding of \$209 000 is allocated in 2008-09 to complete the \$4.4 million redevelopment of Mental Health facilities. Projects funded under this initiative include the development of a level four facility in the Northern Region (\$2.0 million), development of a level three facility in the North West (\$1.5 million), and general upgrades to Mental Health facilities.

New Ambulances

Funding for the Government's \$10.7 million New Ambulance initiative will continue in 2008-09. This initiative will purchase 100 new ambulances over four years to replace ageing vehicles in Tasmania's ambulance fleet.

Non-Works Housing

An amount of \$6.3 million in 2008-09 has been allocated for the repayment of loans from the Australian Government under the Commonwealth-State Housing Agreement.

Royal Hobart Hospital Capital

Funding of \$3.7 million has been provided in 2008-09 as part of the total \$13.2 million allocation for the purchase of equipment for the new Department of Emergency Medicine, Neonatal/Paediatric Intensive Care Unit, Operating Theatres and building works for the state-wide Paediatric Enhancement initiative.

Smithton District Hospital

Funding of \$1.5 million has been allocated in 2008-09 to complete the \$5.8 million redevelopment and upgrade of the Smithton District Hospital and to allow community health services to be collocated to meet growing community needs. It is anticipated that the project will be completed in November 2008.

DETAILED BUDGET STATEMENTS

Table 6.12: Income Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	1 132 238	1 238 423	1 306 611	1 327 711	1 378 495
Interest Revenue	1 348	1 870	1 490	1 421	1 352
Grants ²	49 646	66 186	118 620	160 277	166 522
Sales of Goods and Services ³	131 946	148 342	154 277	160 448	166 868
Other Revenue ⁴	17 017	22 012	22 310	22 971	23 634
	1 332 195	1 476 833	1 603 308	1 672 828	1 736 871
Less Expenses					
Employee Entitlements ⁵	656 454	713 418	732 910	776 178	813 476
Superannuation	66 500	67 268	69 100	71 266	73 495
Depreciation and Amortisation	47 267	49 382	50 002	50 002	50 002
Borrowing Costs	10 732	10 472	10 201	9 918	9 628
Grants and Transfer Payments ⁶	154 701	187 399	192 647	199 167	205 110
Supplies and Consumables ⁷	369 746	406 302	413 883	442 023	458 578
Other Expenses	50 419	55 446	55 171	54 084	52 867
	1 355 819	1 489 687	1 523 914	1 602 638	1 663 156
Plus Gains/(Losses)					
Gain/(Loss) on Sale of Non-Financial Assets ⁸	(2 028)	1 705	2 772	(78)	(80)
	(2 028)	1 705	2 772	(78)	(80)
Equals NET OPERATING RESULT	(25 652)	(11 149)	82 166	70 112	73 635

Notes:

1. The increase in Revenue from Appropriation primarily reflects additional funding provided for: indexation and new initiative funding from the State Government for Additional Nurses; Ambulance Transport and Accommodation Commitment; Child Protection Positions; Children Abused in Care; Family Services Reform; Neighbourhood Houses; Reviews and Reforms; an increase in Australian Government funding; and an increase in Works and Services appropriation of \$6.7 million for RHH Capital, Clarence GP Superclinic and Launceston Integrated Care Centre.
2. The increase in Grants reflects an increase in Special Capital Investment Funds relating to funding for: the Hospital Capital Fund; Housing Fund; Health Information Technology; and Health Infrastructure. Further detail is provided in Table 6.10 Special Capital Investment Fund (SCIF) Allocations.
3. The increase in Sales of Goods and Services reflects additional Housing Tasmania rental revenue and an increase in services fees, including Outpatient and the Private Patient Scheme Fees, partially offset by the removal of the Mersey Community Hospital revenue from the budget.
4. The increase in Other Revenue reflects more accurate estimates based on revenue collected to date in 2007-08, improved revenue budgeting and management, and increases in revenue from the Australian Government.
5. The increase in Employee Entitlements in 2008-09 primarily reflects increased funding for various reviews and reforms, funding for additional nurses, and expenditure of additional Australian Health Care Agreement funding on Acute Health Services.

6. The increase in Grants and Transfer Payments expenses relates to increases in payments to Non-Government Organisations (NGOs) relating to Disability Services, Home and Community Care and Supported Accommodation Assistance.
7. The increase in Supplies and Consumables reflects additional expenditure on medical, surgical and pharmaceutical supplies.
8. The movement in the Gain/(Loss) on Sale of Non-Financial Assets reflects a more accurate estimate of proceeds from disposal of Housing Tasmania stock, offset by an increase in the written-down value of assets to be sold.

Table 6.13: Revenue from Appropriation

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent	1 107 545	1 215 626	1 281 165	1 323 102	1 375 052
Works and Services ¹	15 360	22 028	25 446	4 609	3 443
	1 122 905	1 237 654	1 306 611	1 327 711	1 378 495
Appropriation Carried Forward²	9 333	769	....	....	....
Total Revenue from Appropriation	1 132 238	1 238 423	1 306 611	1 327 711	1 378 495

Notes:

1. The increase in Works and Services in 2008-09 reflects additional funding for major capital projects. In 2008-09, Capital Investment Program funding includes expenditure on: New Ambulances; Smithton District Hospital; Launceston General Hospital Emergency Department; Royal Hobart Hospital Capital; Housing New Projects; CCTV at Ashley Youth Detention Centre; and Australian Government funding for the Clarence GP Superclinic and Launceston Integrated Care Centre.
2. The decrease in the Appropriation Carried Forward reflects a reduction in the level of funding carried forward from 2007-08 to 2008-09 under section 8A(2) of the *Public Account Act 1986*. The amount carried forward from 2007-08 reflects delays in capital works projects relating to the Launceston General Hospital Emergency Department and Mental Health Review, and funds relating to the Supported Accommodation Assistance Program.

Table 6.14: Income Statement - Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	13 113	32 105	24 378	25 257	26 177
Grants	300 752	337 393	340 438	345 322	359 367
Sales of Goods and Services	16	16	16	16	16
	313 881	369 514	364 832	370 595	385 560
Less Expenses					
Grants and Transfer Payments	13 113	32 220	24 493	25 372	26 292
Transfer to the Consolidated Fund	300 768	337 409	340 454	345 338	359 383
	313 881	369 629	364 947	370 710	385 675
Equals NET OPERATING RESULT²	....	(115)	(115)	(115)	(115)

Notes:

1. The increase in Revenue from Appropriation and Grants and Transfer Payments in 2008-09 reflects the increase in Electricity Concessions due to a 70 per cent increase in the electricity concession from 1 January 2008, and ex-gratia payments for Children Abused in Care.
2. The decrease in the Net Operating Result reflects a movement in accrued expenses relating to the Community Service Activity - Aurora Energy Pty Ltd.

Table 6.15: Administered Revenue

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue Collected on Behalf of the Consolidated Fund					
Commonwealth Capital Grants ¹	3 986	11 943	13 576	4 609	3 443
Commonwealth Recurrent Grants	296 766	325 450	326 862	340 713	355 924
Other Sales of Services	16	16	16	16	16
	300 768	337 409	340 454	345 338	359 383
Revenue from Appropriation					
Annual Appropriation ²	13 113	32 105	24 378	25 257	26 177
Total Administered Revenue	313 881	369 514	364 832	370 595	385 560

Notes:

1. The increase in Commonwealth Capital Grants reflects funding provided by the Australian Government for the Clarence GP Superclinic and Launceston Integrated Care Centre Capital Investment Projects, partly offset by a reduction in the capital component of the Commonwealth-State Housing Agreement.
2. The increase in Annual Appropriation from in 2008-09 reflects the increase in Electricity Concessions due to a 70 per cent increase in the electricity concession from 1 January 2008, and ex-gratia payments for Children Abused in Care.

Commonwealth Capital Grants

Commonwealth Capital Grants include funding for the Clarence GP Superclinic and the Launceston Integrated Care Centre, and funding for the Commonwealth-State Housing Agreement. The Commonwealth-State Housing Agreement is a joint Australian and State Government arrangement, which aims to assist both renters and purchasers to obtain appropriate accommodation. It is primarily concerned with the provision of public housing and also provides funding for other types of tenure.

Commonwealth Recurrent Grants

Commonwealth Recurrent Grants revenue reflects a number of special purpose payments from the Australian Government to provide funding for a range of programs. Under the Council of Australian Governments (COAG) Reform Agenda, a new framework for Commonwealth-State financial relations is currently under development. The new financial framework will result in a significant rationalisation of Special Purpose Payments (SPPs), primarily through combining many of the SPPs into a smaller number of new national SPP agreements.

The current range of SPPs will continue until a new agreement is in place. However, while the new financial framework is being developed, there are some differences between the estimates of SPPs in this Chapter and those presented in the Australian Government Budget.

Australian Government Special Purpose Payments in 2008-09 include:

- Australian Health Care Agreement grants (\$226.0 million);
- Commonwealth, State and Territories Disability Agreement grants (\$21.9 million);
- Commonwealth-State Housing Agreement (\$22.3 million);
- Highly Specialised Drugs grants (\$14.0 million);
- Home and Community Care grants (\$27.2 million);
- Public Health Outcome Funding Agreement grants (\$6.0 million); and
- Supported Accommodation Assistance Program grants (\$7.9 million).

Table 6.16: Administered Expenses

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Children Abused in Care ¹	....	8 855	....	....	....
Community Service Activity: Aurora Energy Pty Ltd - Electricity Concessions ²	13 113	23 365	24 493	25 372	26 292
	13 113	32 220	24 493	25 372	26 292
Transfer to the Consolidated Fund	300 768	337 409	340 454	345 338	359 383
Total Administered Expenses	313 881	369 629	364 947	370 710	385 675

Notes:

1. The increase in the Children Abused in Care payments reflects an extension of the review scheme for people abused while in State care. This amount reflects the ex-gratia payments component of the \$10.0 million allocation for Children Abused in Care.
2. The increase in Community Services Activity: Aurora Energy Pty Ltd - Electricity Concessions primarily reflects an increase due to a 70 per cent increase in the electricity concession from 1 January 2008.

Children Abused in Care

In March 2008, the former Premier, Hon Paul Lennon MP, and the Minister for Health and Human Services, Hon Lara Giddings MP, announced a new review scheme for people abused while in State care. The scheme is open to people who, for legitimate reasons, did not apply under the previous Listen to the Children scheme. The scheme is open for three months from 1 March 2008 until 30 June 2008.

Community Service Activity: Aurora Energy Pty Ltd – Electricity Concessions

Under arrangements for the electricity supply industry in Tasmania, an agreement for the provision of Pensioner and Health Care Card holder concessions has been established between the Government and Aurora Energy Pty Ltd as a Community Service Activity. The Department provides funding to Aurora Energy for the purpose of providing a subsidy to eligible Tasmanian pensioners and Health Care Card holders on their electricity accounts.

Table 6.17: Balance Sheet as at 30 June

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	36 141	12 002	13 697	13 974	14 853
Investments ²	22 057	7 472	6 080	5 181	4 275
Receivables ³	18 674	20 943	21 820	22 709	23 610
Other Financial Assets ⁴	1 901	5 705	5 706	5 706	5 706
	78 773	46 122	47 303	47 570	48 444
Non-Financial Assets					
Land and Buildings	2 018 871	2 095 545	2 173 775	2 276 567	2 399 082
Plant and Equipment ⁵	55 560	77 773	106 019	126 388	130 759
Other Non-Financial Assets ⁶	7 447	8 611	9 011	9 411	9 811
	2 081 878	2 181 929	2 288 805	2 412 366	2 539 652
Total Assets	2 160 651	2 228 051	2 336 108	2 459 936	2 588 096
Liabilities					
Borrowings	230 552	231 081	224 549	217 880	209 955
Superannuation ⁷	20 624	17 190	17 190	17 157	16 690
Employee Entitlements ⁸	165 119	183 726	170 663	185 539	202 845
Payables	43 467	40 370	41 556	42 775	44 034
Other Liabilities ⁹	11 397	15 495	15 955	16 438	16 950
Total Liabilities	471 159	487 862	469 913	479 789	490 474
NET ASSETS	1 689 492	1 740 189	1 866 195	1 980 147	2 097 622
Equity					
Accumulated Funds	423 719	368 758	452 807	524 802	600 320
Asset Revaluation Reserve	1 262 256	1 365 337	1 407 294	1 449 251	1 491 208
Other Equity	3 517	6 094	6 094	6 094	6 094
Total Equity	1 689 492	1 740 189	1 866 195	1 980 147	2 097 622

Notes:

1. The reduction in Cash and Deposits reflects a more accurate estimate of cash held based on the Department's 2006-07 financial statements, and a reduction in the amount of funds carried forward under S8A(2) of the *Public Account Act 1986*. In 2007-08, \$15.6 million was carried forward as the result of delays in major works including the Hospital Information System, Royal Hobart Hospital Capital and Smithton District Hospital Capital.
2. The reduction in Investments reflects a more accurate estimate based on the Department's 2006-07 financial statements and a decrease in the level of loan advances under the Home Ownership Assistance Program (HOAP).
3. The increase in Receivables reflects additional revenue from the Sale of Goods and Services.

4. The increase in Other Financial Assets relates to the surplus in the fair value of the plan assets of the Tasmanian Ambulance Service Superannuation Scheme (TASSS) over the estimated present value of the obligations in accrued benefits to members. At the time of preparing the 2007-08 Budget, the scheme was estimated to be in deficit and therefore recognised as a superannuation liability. A subsequent actuarial valuation has revealed that the scheme is in surplus.
5. The increase in Plant and Equipment reflects the impact of additional funding from Special Capital Investment Funds and Capital Investment Program including Health Information Technology, Clarence GP Superclinic, Launceston Integrated Care Centre, Glenorchy and Kingston Tier Three Community Health Service Facilities and Flinders and King Island Centre Upgrades.
6. The increase in Other Non-Financial Assets reflects an increase in the estimated value of inventory.
7. The decrease in Superannuation reflects a more accurate estimate of the liability based on the actuarial valuation contained in the Department's 2006-07 financial statements and the change in the TASSS from a deficit to a surplus.
8. The increase in Employee Entitlements in 2008-09 reflects a more accurate estimate of the liability based on the Department's 2006-07 financial statements, and an estimated increase in salary rates. The decrease in 2009-10 reflects a reduction in accrued salaries in that year.
9. The increase in Other Liabilities primarily reflects a change in the treatment of payroll tax which was previously included in the Employee Entitlements as a liability and an increase in other employee related provisions.

Table 6.18: Balance Sheet as at 30 June - Administered

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Liabilities					
Payables ¹	2 304	5 355	5 470	5 585	5 700
Total Liabilities	2 304	5 355	5 470	5 585	5 700
NET ASSETS	(2 304)	(5 355)	(5 470)	(5 585)	(5 700)
Equity					
Accumulated Funds	(2 304)	(5 355)	(5 470)	(5 585)	(5 700)
Total Equity	(2 304)	(5 355)	(5 470)	(5 585)	(5 700)

Note:

1. The increase in Payables and Accumulated Funds reflects a more accurate estimate of the liability based on the Department's 2006-07 financial statements and the increase in the Aurora electricity concession.

Table 6.19: Cash Flow Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	1 122 905	1 237 654	1 306 611	1 327 711	1 378 495
Interest Received	1 348	1 870	1 490	1 421	1 352
Grants ²	49 646	66 186	118 620	160 277	166 522
Sales of Goods and Services ³	131 946	147 454	153 400	159 559	165 967
GST Receipts	45 060	45 058	46 410	47 801	49 235
Other Receipts ⁴	17 017	22 012	22 310	22 971	23 634
	1 367 922	1 520 234	1 648 841	1 719 740	1 785 205
Cash Paid					
Employee Entitlements	(641 193)	(698 083)	(746 024)	(761 353)	(796 221)
Superannuation	(63 882)	(67 217)	(69 049)	(71 248)	(73 911)
Borrowing Costs	(10 732)	(10 472)	(10 201)	(9 918)	(9 628)
Grants and Transfer Payments ⁵	(154 701)	(187 399)	(192 647)	(199 167)	(205 110)
Supplies and Consumables	(369 746)	(406 358)	(412 952)	(441 055)	(457 565)
GST Payments	(45 067)	(45 058)	(46 411)	(47 801)	(49 235)
Other Payments	(50 419)	(51 746)	(52 913)	(51 807)	(51 679)
	(1 335 740)	(1 466 333)	(1 530 197)	(1 582 349)	(1 643 349)
Net Cash Flows from Operating Activities	32 182	53 901	118 644	137 391	141 856
Cash Flows from Investing Activities					
Sale of Fixed Assets ⁶	7 000	14 330	15 411	8 540	8 795
Purchase of Fixed Assets ⁷	(42 856)	(62 118)	(127 220)	(139 884)	(143 866)
Net Customer Loans (Granted)/Repaid	2 384	2 385	1 392	899	906
Net Cash Flows from Investing Activities	(33 472)	(45 403)	(110 417)	(130 445)	(134 165)
Cash Flows from Financing Activities					
Net Borrowings ⁸	(8 014)	(6 260)	(6 532)	(6 669)	(6 812)
Net Cash Flows from Financing Activities	(8 014)	(6 260)	(6 532)	(6 669)	(6 812)
Net Increase/(Decrease) in Cash Held	(9 304)	2 238	1 695	277	879
Cash at the Beginning of the Year	45 445	9 764	12 002	13 697	13 974
Cash at the End of the Year	36 141	12 002	13 697	13 974	14 853

Notes:

1. The increase in cash received from Appropriation reflects an increase in the Recurrent Appropriation for: receipts from the Australian Government; indexation and new initiative funding from the State Government for Additional Nurses; Ambulance Transport and Accommodation Commitment; Child Protection Positions; Children Abused in

- Care; Family Services Reform; Neighbourhood Houses; Reviews and Reforms; and an increase in Works and Services appropriation of \$6.7 million for RHH Capital, Clarence GP Superclinic and Launceston Integrated Care Centre.
2. The increase in cash received from Grants of \$16.5 million reflects an increase in Special Capital Investment Funds relating to the Hospital Capital Fund, Housing Fund, Infrastructure Tasmania Fund (Health Information Technology and Health Infrastructure).
 3. The increase in cash received from the Sales of Goods and Services of \$16.4 million reflects additional Housing rental revenue and an increase in services fees including Outpatient Fees and the Private Patient Scheme, partly offset by the removal of the Mersey Hospital revenue from the budget.
 4. The increase in cash received from Other Receipts reflects an increase in Australian Government funding to Disability Services for young people with a disability in aged care residential accommodation, more accurate estimates based on 2007-08 actual revenue levels and anticipated increases in fees.
 5. The increase in Grants and Transfer Payments expenditure relates to increased payments to Non-Government Organisations (NGOs), an increase in Commonwealth/State funded specific purpose payments encompassing Home and Community Care, Supported Accommodation Assistance Program, Commonwealth-State Housing Agreement and Young People In Residential Aged Care.
 6. The increase in the Sale of Fixed Assets is primarily due to an increase in the level of funds derived through Housing Tasmania land and building sales.
 7. The increase in the Purchase of Fixed Assets is primarily due to an increase in the level of expenditure of \$9.4 million under the Special Capital Investment Fund and an increase of \$10.1 million in the Capital Investment Program.
 8. The reduction in Net Borrowings reflects a decrease in the payments made to the Australian Government under the Commonwealth-State Housing Agreement.

Table 6.20: Cash Flow Statement - Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	13 113	32 105	24 378	25 257	26 177
Grants	300 752	337 393	340 438	345 322	359 367
Sales of Goods and Services	16	16	16	16	16
	313 881	369 514	364 832	370 595	385 560
Cash Paid					
Grants and Transfer Payments ¹	(13 113)	(32 105)	(24 378)	(25 257)	(26 177)
Transfers to the Consolidated Fund	(300 768)	(337 409)	(340 454)	(345 338)	(359 383)
	(313 881)	(369 514)	(364 832)	(370 595)	(385 560)
Net Increase/(Decrease) In Cash Held	....	....	....	....	....
Cash at the Beginning of the Year	....	....	....	....	....
Cash at the End of the Year	....	....	....	....	....

Note:

1. The increase in cash received from Appropriation and Grants and Transfer Payments from 2007-08 to 2008-09 reflects the increase in Community Services Activity - Electricity Concessions due to a 70 per cent increase in the electricity concession from 1 January 2008, and ex-gratia payments for Children Abused in Care.

7 DEPARTMENT OF INFRASTRUCTURE, ENERGY AND RESOURCES

AGENCY OUTLINE

The Department of Infrastructure, Energy and Resources provides infrastructure for the social and economic development of Tasmania.

The Department reports to the Minister for Infrastructure, Hon Graeme Sturges MP, the Minister for Energy and Resources, Hon David Llewellyn MP, and the Minister for Racing, Hon Michael Aird MLC.

By providing a strategic approach to the provision of both physical infrastructure and regulatory frameworks, the Department aims to:

- facilitate a safe and efficient transport system that enhances economic development;
- promote reliable, efficient, safe and sustainable energy systems;
- facilitate forest policy for Tasmania's sustainable forestry practices and forest industries;
- facilitate mineral exploration and land management of Tasmanian land and offshore waters; and
- maintain probity and integrity in the racing industry.

This chapter provides the Department's financial information for 2008-09 and the Forward Estimates period (2009-10 to 2011-12). Further information on the Department is provided at: <http://www.dier.tas.gov.au>.

MAJOR INITIATIVES

Table 7.1 provides a summary of the Budget and Forward Estimate allocations for the major initiatives.

Table 7.1: Major Initiatives Statement

	2008-09	2009-10	2010-11	2011-12
	Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Access to Port of St Helens	1 250	250	250	250
Burnie City Council - Access to West Park Precinct	500	....	....	....
Extra Low Voltage/Light Emitting Diode (ELV/LED) Technology	1 100	1 000	800	215
Urban Renewal and Heritage	2 000	2 000	4 000	4 000
Infrastructure Projects¹				
Bagdad Bypass	1 550	3 450	1 230	....
Bell Bay Intermodal Terminal ¹	800	3 120	....	....
Bridgewater Bridge Refurbishment	10 750	950	....	....
Brighton Bypass ¹	2 500	12 500	20 700	....
Brighton Transport Hub ¹	5 500	9 500	8 000	....
Bruny Island Road Sealing	600	2 500	1 800	....
Illawarra Main Road	400	2 700	....	....
Kingston Bypass	1 050	14 200	4 500	10 000
Midlands/Lyell Highway Junction Upgrade	2 300	....	....	....
North East Freight Roads	1 500	12 700	13 300	15 000
North West Tourist Road	1 000	8 000	12 000	2 000
Port Sorell Main Road	....	....	3 000	....
Replacement of the X-Ray Fluorescent Spectrophotometer	369	....	....	....

Note:

1. This Table does not include Australian Government commitments to new infrastructure projects where the timing of funding is currently subject to negotiation. Committed funding subject to negotiation totals \$316.8 million, including \$128.3 million for the Brighton Bypass, \$127.3 million for rail investments, \$56.0 million for the Brighton Transport Hub and \$5.2 million for the Bell Bay Intermodal Terminal.

Access to Port of St Helens

Funding of \$2.0 million has been provided over four years to undertake sand transfer activities to provide safe access to the Port of St Helens, and to support the local community.

Burnie City Council - Access to West Park Precinct

The West Park Precinct Development is a major development for the future of Burnie. This initiative provides funding to the Burnie City Council to assist with road infrastructure required to access the West Park Precinct.

Extra Low Voltage/Light Emitting Diode (ELV/LED) Technology

This initiative will, over four years, roll out a safe, state of the art, sustainable and power efficient traffic signals system using Extra Low Voltage/Light Emitting Diode (ELV/LED) technology which will deliver a significant reduction in carbon emissions.

Urban Renewal and Heritage Fund

The \$25.0 million Urban Renewal and Heritage Fund provides funding for use in projects to assist with restoration of built heritage and for the renewal of urban areas in various communities around Tasmania. It is estimated that \$2.0 million will be expended from the fund in 2008-09. This includes \$425 000 for the Home Hill Upgrade initiative which will be implemented by the Department of Environment, Parks, Heritage and the Arts.

Infrastructure Projects

In 2008-09, the Department will progress commitments by the State and Australian Governments to new road and rail projects. Details of these projects are provided in the SCIF and CIP sections of this chapter.

Whilst Table 7.1 presents new funding of \$189.5 million between 2008-09 and 2011-12 for new Capital Investment Program and Special Capital Investment Fund projects, it does not specify commitments by the Australian Government where the profile of expenditure has not been negotiated. Australian Government commitments not included in Table 7.1 total \$316.8 million, consisting of \$128.3 million for the Brighton Bypass, \$127.3 million for rail investments, \$56.0 million for the Brighton Transport Hub and \$5.2 million for the Bell Bay Intermodal Terminal.

OUTPUT INFORMATION

Outputs of the Department of Infrastructure, Energy and Resources are provided under the following Output Groups:

- Output Group 1 – Infrastructure;
- Output Group 2 – Energy Advisory and Regulatory Services;
- Output Group 3 – Mineral Resources Management and Administration;
- Output Group 4 – Support for the Minister for Energy and Resources;
- Output Group 5 – Racing Policy and Regulation; and
- Output Group 6 – Transport Subsidies and Concessions.

Table 7.2 provides an Output Group Expense Summary for the Department of Infrastructure, Energy and Resources.

Table 7.2: Output Group Expense Summary

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Infrastructure					
Output Group 1 - Infrastructure					
1.1 Transport System Policy and Planning ¹	2 664	2 738	2 306	2 397	2 256
1.2 Rail Safety	392	407	422	432	442
1.3 Road Safety ²	4 811	6 404	5 340	7 067	7 113
1.4 Registration and Licensing	11 328	11 690	12 035	12 447	12 751
1.5 Vehicle Operations	3 765	3 894	4 007	4 155	4 246
1.6 Traffic Management and Engineering Services ³	7 423	8 728	8 306	7 572	7 138
1.7 Passenger Transport ⁴	3 683	3 677	3 304	3 096	2 910
	34 066	37 538	35 720	37 166	36 856
Output Group 6 - Transport Subsidies and Concessions					
6.1 Bruny Island Ferry Service	604	654	679	706	728
6.2 Furneaux Shipping Contract	207	248	253	259	265
6.3 King Island Shipping	49	49	49	49	49
6.4 CSO: Payment to Metro Tas Pty Ltd	27 671	28 544	29 683	30 984	31 991
6.5 School Bus Operators: Contract Services ⁵	24 253	18 078	18 995	20 143	20 752
6.6 Urban Bus Service	1 542	1 599	1 658	1 725	1 777
6.7 Construction of Streets in Towns	52	52	52	52	52
	54 378	49 224	51 369	53 918	55 614
Grants and Subsidies⁶	19 585	23 457	22 691	22 754	22 935
Capital Investment Program⁷	131 556	137 715	127 657	124 846	129 785
Special Capital Investment Funds⁸	3 745	5 546	4 112	6 020	6 020
Minister for Racing					
Output Group 5 - Racing Policy and Regulation					
5.1 Racing Regulation ⁹	3 000	3 252	3 332	3 428	3 499
5.2 Racing Policy	89	89	89	89	89
	3 089	3 341	3 421	3 517	3 588
Grants and Subsidies	1 060	1 060	1 060	1 060	1 060

Table 7.2: Output Group Expense Summary (continued)

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Energy and Resources					
Output Group 2 - Energy Advisory and Regulatory Services					
2.1 Energy Policy and Advice ¹⁰	1 684	2 121	2 175	2 236	2 268
Output Group 3 - Mineral Resources Management and Administration					
3.1 Minerals Exploration and Land Management ¹¹	4 196	4 338	4 428	3 599	3 682
3.2 Tenement Management of the Exploration and Minerals Industry ¹²	3 080	3 325	3 400	3 492	3 560
	7 276	7 663	7 828	7 091	7 242
Output Group 4 - Support for the Minister					
4.1 Support for the Minister	428	440	451	468	479
Grants and Subsidies¹³	4 177	4 091	4 128	4 194	4 167
TOTAL	261 044	272 196	260 612	263 270	270 014

Notes:

1. The decrease in the Transport System Policy and Planning Output in 2009-10 reflects completion of funding for the State Infrastructure Planning System project. The decrease in 2011-12 reflects completion of funding for the 2006 Election commitment to the Regional Pilot Project.
2. The increase in the Road Safety Output in 2008-09 primarily reflects the Carry Forward of Road Safety Levy funding and the recognition of additional funding received from the Motor Accidents Insurance Board for road safety initiatives. The increase in 2010-11 reflects a change in the profile of funding from the Road Safety Levy between capital projects and other expenses.
3. The increase in the Traffic Management and Engineering Services Output in 2008-09 reflects funding provided to Burnie City Council for access to West Park Precinct, and funding provided for the introduction of Extra Low Voltage/Light Emitting Diode (ELV/LED) technology in traffic signals. The decrease in funding from 2010-11 reflects the completion of 2006 Election commitments for Blackspot and Linemarking projects on local government roads.
4. The decrease in the Passenger Transport Output from 2008-09 reflects a decrease in funding for the Core Passenger Services Review.
5. The decrease in the School Bus Operators: Contract Services Output in 2008-09 reflects the implementation of the Core Passenger Services Review, partly offset by an increase in funding for demand and indexation.
6. The increase in Grants and Subsidies in 2008-09 primarily reflects additional funding provided for Marine and Safety Tasmania for access to the Port of St Helens, implementation of the Core Passenger Services Review, increases in demand and indexation for School Bus Operators Route Services and the Transport Access Scheme, offset by the completion of special funding for TT-Line marketing.
7. The movement in the Capital Investment Program profile reflects expenditure on infrastructure projects.
8. The movement in the Special Capital Investment Funds profile reflects expenditure on projects including the new Urban Renewal and Heritage Fund, and amortisation of the Motor Registry Project. The decrease in 2009-10 reflects completion of Better Roads Program projects.
9. The increase in the Racing Regulation Output in 2008-09 primarily reflects indexation and a transfer of Appropriation from Finance-General to cover rental costs associated with Henty House.
10. The increase in the Energy Policy and Advice Output in 2008-09 reflects additional funding provided by the Australian Government for the Remote Renewable Power Regeneration Scheme.

11. The decrease in the Minerals Exploration and Land Management Output in 2010-11 reflects the completion of the 2006 Election commitment to fund TIGER 3D Modelling of the North East and North West, and Promotion of Mineral Opportunities in Tasmania.
12. The increase in the Tenement Management of the Exploration and Minerals Industry Output reflects increased deposits in the Mines Deposit Account due to increased mining exploration.
13. The decrease in Grants and Subsidies in 2008-09 reflects the completion of funding provided for a training curriculum for forest operators.

Output Group 1: Infrastructure

Table 7.3 provides financial information for each Output under Output Group 1. A description of the Outputs follows the table.

Table 7.3: Summary Financial Information - Output Group 1

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Infrastructure					
Expenses by Output					
1.1 Transport System Policy and Planning ¹	2 664	2 738	2 306	2 397	2 256
1.2 Rail Safety	392	407	422	432	442
1.3 Road Safety ²	4 811	6 404	5 340	7 067	7 113
1.4 Registration and Licensing	11 328	11 690	12 035	12 447	12 751
1.5 Vehicle Operations	3 765	3 894	4 007	4 155	4 246
1.6 Traffic Management and Engineering Services ³	7 423	8 728	8 306	7 572	7 138
1.7 Passenger Transport ⁴	3 683	3 677	3 304	3 096	2 910
	34 066	37 538	35 720	37 166	36 856
Retained Revenue	3 637	3 769	3 934	5 656	5 692
Net Cost of Output Group	30 429	33 769	31 786	31 510	31 164
Appropriation	29 992	32 671	31 448	31 206	30 896

Notes:

1. The decrease in the Transport System Policy and Planning Output in 2009-10 reflects completion of funding for the State Infrastructure Planning System project. The decrease in 2011-12 reflects completion of funding for the 2006 Election commitment to the Regional Pilot Project.
2. The increase in the Road Safety Output in 2008-09 primarily reflects the Carry Forward of Road Safety Levy funding and the recognition of additional funding received from the Motor Accidents Insurance Board for road safety initiatives. The increase in 2010-11 reflects a change in the profile of funding from the Road Safety Levy between capital projects and other expenses.
3. The increase in the Traffic Management and Engineering Services Output in 2008-09 reflects funding provided to Burnie City Council for access to West Park Precinct, and funding provided for the introduction of Extra Low Voltage/Light Emitting Diode (ELV/LED) technology in traffic signals. The decrease in funding from 2010-11 reflects the completion of 2006 Election commitments for Blackspot projects and Linemarking on Local Government roads.
4. The decrease in the Passenger Transport Output from 2008-09 reflects a decrease in funding for the Core Passenger Services Review.

1.1 Transport System Policy and Planning

This Output delivers effective policy and planning frameworks for the safe and efficient movement of people and freight. This includes the ongoing development and review of passenger and freight transport system policies, the development of transport and infrastructure strategies to enhance the economic and social development of the State, and development of regional transport plans, with a focus on:

- completing an integrated transport plan for the southern region; and
- continuing development of the State Infrastructure Planning System with priority support to be provided for the areas of 'Housing Affordability and Homelessness' for the Department of Premier and Cabinet, and the 'Early Years Foundation Research' for the Department of Education.

1.2 Rail Safety

This Output delivers Tasmania's rail regulatory safety regime. It covers accreditation, auditing, safety investigation and enforcement, with a focus on the development of new legislation to introduce nationally agreed rail safety reforms in Tasmania, together with preparation for the implementation of these reforms.

1.3 Road Safety

This Output develops and supports strategic road safety initiatives and provides policy advice; encourages community involvement in the road safety effort through the establishment of partnerships with local government and their associated community organisations and networks; and develops and delivers road safety education and awareness programs, with a focus on:

- implementing and monitoring of the first three year *Action Plan* initiatives under the *Tasmanian Road Safety Strategy 2007-2016*; and
- ongoing delivery of 2006 Election commitments *Boosting Driving Skills in our Kids* and *Road Safety at a Grassroots Level*.

1.4 Registration and Licensing

This Output develops business policies and procedures; provides information; and delivers services relating to the registration of vehicles and licensing of drivers, with a focus on:

- implementing the new Motor Registry System; and
- implementing the new novice driver reforms, including a fully graduated licensing system.

1.5 Vehicle Operations

This Output develops, encourages and enforces compliance with regulations for roadworthiness, standards, dimensions and mass limits, loading and operation of vehicles, primarily heavy vehicles; and undertakes management of approved inspection stations and transport operator accreditation schemes, with a focus on:

- ongoing development and implementation of a package of Heavy Vehicle Safety initiatives; and
- quality assurance strategies for approved inspection stations.

1.6 Traffic Management and Engineering Services

This Output delivers cost-effective safety improvements to reduce the incidence of road crashes and provides specialist, technical traffic management and engineering solutions for the State Government, local road authorities, developers and the community, with a focus on:

- upgrading the State's traffic signal system infrastructure through the introduction of Extra Low Voltage/Light Emitting Diode (ELV/LED) lighting technology;
- delivering the 2006 Election commitments for State Blackspot Program and Linemarking on Local Government roads; and
- delivering specific projects under the auspices of the *Tasmanian Road Safety Strategy 2007-2016*.

1.7 Passenger Transport

This Output delivers passenger transport services that support the efficient, equitable, and appropriate movement of people, including the administration of targeted transport assistance schemes and subsidies for students, the unemployed, aged pensioners, and persons with disabilities, with a focus on:

- developing a regulatory and contractual framework conducive to the sustainable delivery of passenger transport services; and
- administering contracts for the delivery of regular passenger transport services in metropolitan, urban fringe, regional and rural areas.

Table 7.4: Performance Information - Output Group 1

Performance Measure^{1,2}	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Service Level Agreements completed to acquire data for state infrastructure mapping	%	na	na	80	80
Rail Safety compliance audits completed within agreed audit program timeframes	%	100	100	100	100
Schools participating in road safety education (using the 9 and 10 Road Risk Reduction resource)	%	na	30	60	80
Nominated teachers attending Professional Development for the 9 and 10 Road Risk Reduction resource	%	na	30	60	80
Local Government Community Road Safety Partnerships	Number	12	18	24	24
Motor Registry System availability	%	100	99.75	99	99
Transport Enquiry Service – percentage of calls answered	%	92	93	95	95
Vehicles checked found to be unregistered ³	%	0.52	0.81	0.50-0.75	0.50-0.75
Heavy Vehicle Weighings Performed ⁴	Number	3 423	7 922	14 400	14 400
Heavy vehicles found overweight	%	9.14	8.66	8	7
Linemarking program achieved by the end of the financial year	%	100	99	100	100
Blackspot interventions in accordance with program ⁵	%	na	0	100	100
ELV/LED technology integrated into the existing traffic signals system ⁶	%	na	na	na	24
Wheelchair accessible taxis (WATS) licensed	Number	28	36	44	46
Reduction in the average age of bus fleet ⁷	%	na	na	4	4

Notes:

1. The Department's performance measures have been revised following the Auditor-General's Report on *Public Sector Performance Information* (April 2008). Preliminary measures to address concerns raised in the Auditor-General's Report have been included in the 2008-09 Budget. The Department is progressing a comprehensive review of its performance measures to incorporate the Auditor-General's recommendations in future Budget Papers and Annual Reports.
2. 'na' indicates that data is not available or measurement has not yet commenced.
3. This measure is based upon Automatic Number Plate Recognition cameras in accordance with the Memorandum of Understanding between the Department and the Motor Accidents Insurance Board (MAIB).
4. A heavy vehicle weighing strategy commenced in January 2007 to ensure that more heavy vehicles are regularly weighed throughout the State.
5. Total funding provided in 2006-07 was carried forward to 2007-08.
6. This is a ten-year program, with 70 per cent to be completed in the first three years and the remaining 30 per cent (which represents the more complex and time consuming projects) to be completed over the final seven years of the program.
7. The average age of the bus fleet is assessed as 23 years old and the impacts of the Core Passenger Services Review and a changed funding model aims to reduce the average age by four percent per annum.

Output Group 2: Energy Advisory and Regulatory Services

Table 7.5 provides financial information for the single Output under Output Group 2. A description of the Output follows the table.

Table 7.5: Summary Financial Information - Output Group 2

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Energy Advisory and Regulatory Services					
Expenses by Output					
2.1 Energy Policy and Advice ¹	1 684	2 121	2 175	2 236	2 268
	1 684	2 121	2 175	2 236	2 268
Retained Revenue²	121	930	947	966	976
Net Cost of Output Group	1 563	1 191	1 228	1 270	1 292
Appropriation³	1 561	1 189	1 226	1 268	1 290

Notes:

1. The increase in the Energy Policy and Advice Output in 2008-09 reflects additional funding provided by the Australian Government for the Remote Renewable Power Regeneration Scheme.
2. The increase in Retained Revenue in 2008-09 reflects additional funding provided by the Australian Government for the Remote Renewable Power Regeneration scheme and the transfer of National Electricity Market funding from Appropriation to Retained Revenue.
3. The decrease in Appropriation in 2008-09 reflects the transfer of National Electricity Market funding from Appropriation to Retained Revenue.

2.1 Energy Policy and Advice

This Output provides strategic advice and support to the Minister on aspects of energy policy and planning to maintain an efficient and effective regulatory structure for the Tasmanian energy sector, with a focus on:

- advancing Tasmania's interests in the National Energy Market Reforms;
- planning and coordination for Tasmanian energy, particularly with regard to emergency preparedness; and
- administering agreed energy programs in Tasmania, in partnership with the Australian Government.

Table 7.6: Performance Information - Output Group 2

Performance Measure ¹	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Policy Advice					
Provision of effective support to the Government by providing information and advice to enable informed decision-making ²	Satisfaction	Satisfied	Satisfied	≥ 4	≥ 4
National Energy Market Development					
Promote and protect Tasmanian interests in national energy market developments and reforms ³	Outcomes	Satisfied	Satisfied	≥ 4	≥ 4
Emergency Preparedness					
Maintain adequate frameworks to deal with major emergencies in electricity, gas or oil ⁴	Adequacy	na	na	≥ 4	≥ 4

Notes:

1. The Department's performance measures have been revised following the Auditor-General's Report on *Public Sector Performance Information* (April 2008). Preliminary measures to address concerns raised in the Auditor-General's Report have been included in the 2008-09 Budget. The Department is progressing a comprehensive review of its performance measures to incorporate the Auditor-General's recommendations in future Budget Papers and Annual Reports.
2. Prior to 2007-08, satisfaction was measured by feedback from the Minister's Office and the Director of Energy and Planning based on a two point scale, either Satisfied or Unsatisfied. From 2007-08 the survey process has been refined and the measures will be assessed using a five-point scale where four is rated 'good'.
3. Prior to 2006-07, National Energy Market Development was included in a general stakeholder survey within the Department. From 2007-08 onwards this measure will involve a five-point scale where four is rated 'good'.
4. This measure will be assessed for the first time in 2007-08 by the Energy Coordination Advisory Committee. This measure will use a five-point scale where four is rated 'good'.

Output Group 3: Mineral Resources Management and Administration

Table 7.7 provides financial information for each Output under Output Group 3. A description of the Outputs follows the table.

Table 7.7: Summary Financial Information - Output Group 3

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Mineral Resources Management and Administration					
Expenses by Output					
3.1 Minerals Exploration and Land Management ¹	4 196	4 338	4 428	3 599	3 682
3.2 Tenement Management of the Exploration and Minerals Industry ²	3 080	3 325	3 400	3 492	3 560
	7 276	7 663	7 828	7 091	7 242
Retained Revenue²	206	856	856	856	856
Net Cost of Output Group	7 070	6 807	6 972	6 235	6 386
Appropriation	6 933	7 108	7 271	6 532	6 681

Notes:

1. The decrease in the Minerals Exploration and Land Management Output in 2010-11 reflects the completion of the 2006 Election commitment to fund the TIGER 3D Modelling of the North East and North West, and Promotion of Mineral Opportunities in Tasmania.
2. The increase in the Tenement Management of the Exploration and Minerals Industry Output and Retained Revenue reflects increased deposits in the Mines Deposit Account due to increased mining exploration.

3.1 Minerals Exploration and Land Management

This Output facilitates mineral exploration infrastructure development and fosters and encourages responsible land management in Tasmania, with a focus on:

- improving the quality and quantity of geoscience information, including the development of a revised three dimensional geological model of the State, with a view to encouraging mineral exploration; and
- promoting Tasmania nationally and internationally through targeted and strategic marketing as highly prospective for mineral exploration and mining.

3.2 Tenement Management of the Exploration and Minerals Industry

This Output ensures the responsible management of the State's mineral resources and a fair and sustainable return to the community when mineral or petroleum resources are developed through regular

inspections of mining tenements and evaluation of environmental performance and resource production, with a focus on:

- administering legal titles for mining tenements; and
- managing royalty regimes and collecting fees and rentals.

Table 7.8: Performance Information - Output Group 3

Performance Measure¹	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Area covered by modern remote sensing data with subsequent 1:25,000 geological mapping coverage ²	%	43.9	44.8	45	50
Programmed abandoned mining lands rehabilitation projects completed	%	93	88	100	100

Notes:

1. The Department's performance measures have been revised following the Auditor-General's Report on *Public Sector Performance Information* (April 2008). Preliminary measures to address concerns raised in the Auditor-General's Report have been included in the 2008-09 Budget. The Department is progressing a comprehensive review of its performance measures to incorporate the Auditor-General's recommendations in future Budget Papers and Annual Reports.
2. The area coverage by remote sensing data increased from 23 945 square kilometres in 2005-06 to 33 772 square kilometres in 2006-07 due to the TasExplore program. There has been no additional mapping completed in these areas as yet as mapping programs start the year following obtaining new remote sensing data. The percentages above are based on the present coverage of modern remote sensing data.

Output Group 4: Support for the Minister for Energy and Resources

Table 7.9 provides financial information for the single Output under Output Group 4. A description of the Output follows the table.

Table 7.9: Summary Financial Information - Output Group 4

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Support for the Minister</i>					
Expenses by Output					
4.1 Support for the Minister	428	440	451	468	479
	428	440	451	468	479
Net Cost of Output Group	428	440	451	468	479
Appropriation	423	435	446	463	474

4.1 Support for the Minister

This Output provides high-level support on resource policy and management issues including the provision of advice relating to Government Business Enterprises and statutory authorities, with a focus on:

- forest policy projects of strategic importance, such as the Regional Forest Agreement and the Tasmanian Community Forest Agreement; and
- major mining developments in the State, with a particular focus on national and international marketing and liaison with industry.

Table 7.10: Performance Information - Output Group 4

Performance Measure ¹	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
User Satisfaction Survey²					
Set and maintain high standards in administrative process and policy development that meet the needs of the end-user:					
Minister	Satisfaction	Satisfied	Satisfied	Satisfy	Satisfy
Agency	Satisfaction	Satisfied	Satisfied	Satisfy	Satisfy

Notes:

1. The Department's performance measures have been revised following the Auditor-General's Report on *Public Sector Performance Information* (April 2008). Preliminary measures to address concerns raised in the Auditor-General's Report have been included in the 2008-09 Budget. The Department is progressing a comprehensive review of its performance measures to incorporate the Auditor-General's recommendations in future Budget Papers and Annual Reports.
2. A User Satisfaction Survey seeks stakeholder feedback regarding the level of satisfaction perceived on such issues as quality, equity, efficiency and openness of the consultation process.

Output Group 5: Racing Policy and Regulation

Table 7.11 provides financial information for each Output under Output Group 5. A description of the Outputs follows the table.

Table 7.11: Summary Financial Information - Output Group 5

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Racing Policy and Regulation</i>					
Expenses by Output					
5.1 Racing Regulation ¹	3 000	3 252	3 332	3 428	3 499
5.2 Racing Policy	89	89	89	89	89
	3 089	3 341	3 421	3 517	3 588
Retained Revenue²	420	500	500	500	500
Net Cost of Output Group	2 669	2 841	2 921	3 017	3 088
Appropriation	2 647	2 819	2 899	2 995	3 066

Notes:

1. The increase in the Racing Regulation Output in 2008-09 reflects indexation and a transfer of Appropriation from Finance-General to cover rental costs associated with Henty House.
2. The increase in Retained Revenue in 2008-09 reflects an increase in revenues from the racing industry.

5.1 Racing Regulation

This Output delivers probity and integrity services to the racing industry by registering race clubs, registering and licensing industry participants, the provision of handicapping and grading services, the provision of stipendiary stewards and registration and regulation of bookmakers and their agents, with a focus on:

- ensuring compliance with the requirements of the *Racing Regulation Act 2004*; and
- enforcing national and local Rules of Racing for each racing code.

5.2 Racing Policy

This Output delivers high-level research, analysis and policy advice to the Minister for Racing on a range of issues relating to the Tasmanian racing industry, with a focus on developing, implementing and evaluating racing policy in Tasmania, with reference to local and national developments in the sector.

Table 7.12: Performance Information - Output Group 5

Performance Measure ¹	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Swabs taken by stewards ²	Number	1 556	1 811	2 466	2 650
Positive swabs to swabs taken ³	%	0.64	1.21	0.40	0.40
Suspensions, disqualifications and fines imposed by stewards on licensed persons	Number	261	251	250	250
Suspensions, disqualifications and fines appealed to the Tasmanian Racing Appeal Board	Number	32	42	45	40
Appeals to the Tasmanian Racing Appeal Board where conviction quashed ⁴	%	12.5	12	6.5	5
Licence applications received	Number	1 421	1 539	1 595	1 620
Licence applications not referred to Regulatory Panels approved within 14 days	%	95	94	100	100
Races handicapped ⁵	Number	706	815	751	755
Races handicapped requiring a redraw due to errors	Number	9	2	2	1
Races graded	Number	1 545	1 546	1 550	1 550
Races graded requiring a redraw due to errors ⁶	Number	1	1	8	1

Notes:

1. The Department's performance measures have been revised following the Auditor-General's Report on *Public Sector Performance Information* (April 2008). Preliminary measures to address concerns raised in the Auditor-General's Report have been included in the 2008-09 Budget. The Department is progressing a comprehensive review of its performance measures to incorporate the Auditor-General's recommendations in future Budget Papers and Annual Reports.
2. The increase in this measure in 2007-08 is due to additional funding directed at this activity in 2007-08.
3. The increase in this measure in 2006-07 reflects reprioritisation of swabs taken.
4. Targets reflect improved training programs for stewards.
5. The number of races handicapped is determined by Harness Council and TOTE.
6. The errors in 2007-08 refer to one race meeting where two nomination forms were misplaced. This error impacted on eight races.

Output Group 6: Transport Subsidies and Concessions

Table 7.13 provides financial information for each Output under Output Group 6. A description of the Outputs follows the table.

Table 7.13: Summary Financial Information - Output Group 6

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Transport Subsidies and Concessions					
Expenses by Output					
6.1 Bruny Island Ferry Service	604	654	679	706	728
6.2 Furneaux Shipping Contract	207	248	253	259	265
6.3 King Island Shipping	49	49	49	49	49
6.4 CSO: Payment to Metro Tas Pty Ltd ¹	27 671	28 544	29 683	30 984	31 991
6.5 School Bus Operators: Contract Services ¹	24 253	18 078	18 995	20 143	20 752
6.6 Urban Bus Service ¹	1 542	1 599	1 658	1 725	1 777
6.7 Construction of Streets in Towns	52	52	52	52	52
	54 378	49 224	51 369	53 918	55 614
Net Cost of Output Group	54 378	49 224	51 369	53 918	55 614
Appropriation	54 378	49 224	51 369	53 918	55 614

Note:

1. The change in funding in 2008-09 reflects implementation of the Core Passenger Services Review. Increases from 2009-10 reflect indexation.

6.1 Bruny Island Ferry Service

This Output relates to contract payments for the provision of the Bruny Island Ferry Service.

6.2 Furneaux Shipping Contract

This Output relates to contract payments for the provision of a shipping service to the Furneaux Group of Islands.

6.3 King Island Shipping

This Output relates to contingency arrangements to assist King Island residents with shipping services in accordance with a Partnership Agreement with the King Island Council.

6.4 CSO: Payment to Metro Tasmania Pty Ltd

This Output relates to subsidising commercial fares to support the full range of Metro Tasmania Pty Ltd services to pensioners, students and the unemployed.

6.5 School Bus Operators: Contract Services

This Output relates to contract payments to school bus operators during the school year.

6.6 Urban Bus Service

This Output relates to contract payments to urban bus operators, excluding Metro Tasmania Pty Ltd.

6.7 Construction of Streets in Towns

This Output contributes to the construction of streets as provided under the *Local Government (Highways) Act 1982*.

SPECIAL CAPITAL INVESTMENT FUNDS

Table 7.14 identifies expenditure by the Department from the Government's Special Capital Infrastructure Funds.

Table 7.14: Special Capital Investment Fund (SCIF) Allocations

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Economic and Social Infrastructure Fund					
Kingston Bypass – Property Acquisition	3 000	1 924	....	....	....
Infrastructure Tasmania Fund					
Brighton Transport Hub	23 000	5 500	9 500	8 000	....
North West Tourist Road	23 000	1 000	8 000	12 000	2 000
		6 500	17 500	20 000	2 000
Major Capital Projects Fund					
Better Roads Fund	25 000	4 420	234	....	....
Structural and Performance Initiative Program					
Motor Registry Project	19 600	1 620	....	....	....
Urban Renewal and Heritage Fund					
	25 000	2 000	2 000	4 000	4 000
Total SCIF Allocations		16 464	19 734	24 000	6 000

Kingston Bypass – Property Acquisition

This project provides for the purchase of land, necessary to construct the Kingston Bypass. The construction of the Kingston Bypass is jointly funded by the State and Australian Governments from the Capital Investment Program detailed in Table 7.15 of this chapter.

Brighton Transport Hub

The total cost of the Brighton Transport Hub is \$79.0 million, consisting of \$23.0 million from the State Government and \$56.0 million from the Australian Government. The timing of Australian Government funding is currently subject to negotiation and will be provided through the Capital Investment Program. The Brighton Transport Hub will improve rail operation efficiency, reduce travel times to the northern ports and open up the current Hobart rail yards site for the New Royal (Hobart Hospital) Project.

North West Tourist Road

In the 2008-09 Budget, the Government will provide \$23.0 million over four years for the establishment of a North West Tourist Road. With the route of the road subject to further consultation with key stakeholders, it will link a number of existing road sections in the North West region to create a tourist road connection to the Great Nature Trail.

The North West Tourist Road will provide greater opportunities for visitors to access a number of iconic attractions in the region. The redevelopment will include nature trails, visitor facilities and interpretive services at key sites. It is anticipated that the development will deliver significant economic and community benefits to the region.

It is estimated that \$1.0 million of the \$23.0 million allocated will be spent during 2008-09, with the project due for completion by 2012.

Better Roads Fund

A \$25.0 million fund was established in 2004-05 for the improvement of road infrastructure. It is estimated that \$4.4 million of the \$25.0 million total allocation will be spent during 2008-09 on Sisters Hills (\$4.1 million) and the West Tamar Corridor (\$0.4 million).

Motor Registry Project

Funding of \$19.6 million was allocated for the development of a new Motor Registry System. The new System will better meet business needs and enable Tasmania's motor registration system to be integrated with the national system. It is estimated that the remaining \$1.6 million of the \$19.6 million allocation will be spent during 2008-09, with the project due for completion by December 2008.

Urban Renewal and Heritage Fund

The \$25.0 million Urban Renewal and Heritage Fund will be established in 2007-08 with proceeds from the sale of the Hobart International Airport Pty Ltd. The Fund will provide for the restoration of heritage assets and the renewal of urban areas in various communities throughout Tasmania. It is estimated that \$2.0 million of the \$25.0 million allocation will be spent during 2008-09.

CAPITAL INVESTMENT PROGRAM

Table 7.15 provides financial information for the Department's Capital Investment Program. For more information on the Capital Investment Program, see Chapter 7 in Budget Paper No 1 *The Budget*.

Table 7.15: Capital Investment Program

	Estimated Total Cost	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
New Projects					
Bagdad Bypass	6 230	1 550	3 450	1 230	....
Bell Bay Intermodal Terminal ¹	9 120	800	3 120	....	....
Bridgewater Bridge Refurbishment	11 700	10 750	950	....	....
Brighton Bypass ²	164 000	2 500	12 500	20 700	....
Bruny Island Road Sealing	4 900	600	2 500	1 800	....
Illawarra Main Road	3 100	400	2 700	....	....
Kingston Bypass ³	30 000	1 050	14 200	4 500	10 000
Midlands/Lyell Highway Junction Upgrade	2 300	2 300	....	....	....
North East Freight Roads	42 500	1 500	12 700	13 300	15 000
Port Sorell Main Road	3 000	....	....	3 000	....
Replacement of the X-Ray Fluorescent Spectrophotometer	369	369	....	....	....
		21 819	52 120	44 530	25 000
Continuing Projects					
Asset Management	Ongoing	6 080	6 144	5 414	5 501
Batman Highway and Spring Hill Main Road	900	100	....	....	....
Brooker Highway	10 000	4 810	4 500	....	....
Central Highlands - Main Access Routes	8 000	1 050	4 900	1 470	....
Clives/Fouche Junction, Old Beach	2 000	1 000	....	....	....
East Tamar Highway - Approaches to Launceston	8 300	1 180	....	....	....
Environmental Management	Ongoing	450	465	475	501
Infrastructure Development	Ongoing	50 945	35 977	....	113
Infrastructure Maintenance	Ongoing	47 191	48 251	50 405	51 455
Jetties	5 000	2 000	1 300	600	....
Lyell Highway - Granton to New Norfolk	14 000	7 785	3 890	....	....
Macquarie Street Traffic Flow	1 500	1 028	....	....	....
Mornington Roundabout	1 600	1 100	....	....	....
Program Management	Ongoing	4 463	4 467	3 113	3 100
Rail - Administration	Ongoing	4 970	3 500	3 500	3 500
Rail - Infrastructure Development	78 000	18 330	10 540	9 170	5 830

Table 7.15: Capital Investment Program (continued)

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Rail - Infrastructure Maintenance	40 000	4 203	4 308	4 415	4 415
Reconstruction of Tasman Highway - Nunamara to Targa	2 700	169	....	....	....
Road Safety and Traffic Management	Ongoing	15 641	13 177	11 305	11 786
Sorell Traffic Management	2 500	2 005	....	....	....
South Arm Road	10 000	4 178	1 900	....	....
Strategic Planning and Policy	Ongoing	2 400	2 450	2 510	2 601
Tea Tree Secondary Road	4 000	900	2 700	....	....
		181 978	148 469	92 377	88 802
Total CIP Allocations		203 797	200 589	136 907	113 802

Notes:

1. The total cost of the project is \$9.1 million, consisting of \$3.9 million from the State Government and \$5.2 million from the Australian Government. The profile of Australian Government funding is currently subject to negotiation and will be presented in future Budgets.
2. The total cost of the project is \$164.0 million, consisting of \$32.7 million from the State Government and \$131.3 million from the Australian Government. The profile of Australian Government funding is currently subject to negotiation and will be presented in future Budgets.
3. The total cost of the project is \$30.0 million, consisting of \$15.0 million from the State Government and \$15.0 million from the Australian Government. The \$30.0 million represents the total cost of construction, which is in addition to the \$3.0 million provision by the State for Kingston Bypass Land Acquisitions. The Australian Government has committed \$250 000 in 2007-08.

Roads Program

The Roads Program directly contributes to the achievement of the Departmental outcome of a safe, accessible and equitable transport system that enhances economic development.

Major Roads Program activities funded from the Capital Investment Program during 2008-09 include:

- planning works for sealing of State roads on Bruny Island;
- continuing key safety projects as part of the North East Tasmania Access Study;
- implementing projects identified under the Tasmanian Safer Roads program; and
- implementing projects identified in the Tasmanian Road Safety Strategy.

Building Better Infrastructure

The Government allocated an additional \$79.3 million over five years under its 2006 Election commitment Building Better Infrastructure for Roads and Jetties.

In 2008-09, funding will be allocated for:

- finalising works on the Batman Highway and Spring Hill Main Road;
- continuing critical maintenance projects on the East Tamar Highway and the Southern approaches to Launceston;
- commencing construction on the Brooker Highway;
- commencing construction at Tea Tree Secondary Road;
- improving the Mornington Roundabout to reduce traffic congestion;
- continuing traffic management and major upgrades at a number of junctions along the South Arm Road from the Shoreline Roundabout to the Police Academy;
- finalising works on the Tasman Highway from Nunamara to Targa;
- continuing traffic management solutions to improve the flow of traffic from the Southern Outlet and along Macquarie Street;
- traffic management improvements in Sorell at junctions along the Tasman and Arthur Highways; and
- improving safety and providing a more consistent road standard on the Lyell Highway from Granton to New Norfolk.

The State Government, in conjunction with the Australian Government, will commence planning on the following key projects as part of the 2007 Australian Government Election commitments:

- Bell Bay Intermodal Terminal;
- Brighton Transport Hub;
- Bridgewater Bridge Refurbishment;
- Brighton Bypass;
- Kingston Bypass; and
- North East Freight Roads.

Jetties

As part of the Government's 2006 Election commitment for Building Better Infrastructure, funding will be allocated in 2008-09 to Marine *and* Safety Tasmania (MAST) to reconstruct the outer section of the Southport Jetty that is over 35 years old. Southport Jetty provides important infrastructure for commercial fisherman, with approximately 600 tonnes of fish landed at the jetty annually.

Rail Management

In 2008-09, the Department will facilitate the sustainable operation of the Government's rail assets through the effective administration of maintenance and capital improvement programs.

Rail Projects

The Australian Government has committed, as part of its 2007 Election campaign, to fully fund the following rail infrastructure projects:

- Main Line Rail improvements;
- Rail Capacity Improvements Rhyndaston; and
- Upgrades of the Derwent Valley Line, North West Line and West Coast Mines Rail Line.

Whilst funding has not yet been made available for these projects, negotiations are continuing with the Australian Government regarding the timing of this funding.

DETAILED BUDGET STATEMENTS

Table 7.16: Income Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	232 910	263 342	255 083	227 435	205 969
Fines and Regulatory Fees ²	4 474	9 963	10 150	10 169	10 179
Interest Revenue ³	2 100	2 103	810	....	....
Grants ⁴	30 544	17 463	19 733	21 999	3 999
Sales of Goods and Services	425	550	584	618	654
Other Revenue ⁵	396	1 046	1 046	1 046	1 046
	270 849	294 467	287 406	261 267	221 847
Less Expenses					
Employee Entitlements	29 199	30 882	31 430	32 095	32 800
Superannuation	3 504	3 623	3 706	3 775	3 890
Depreciation and Amortisation ⁶	87 299	87 084	91 023	94 910	98 967
Grants and Transfer Payments ⁷	55 389	53 121	54 774	59 333	61 020
Supplies and Consumables ⁸	58 644	66 638	49 660	42 961	42 914
Other Expenses	2 187	2 240	2 140	2 188	2 261
	236 222	243 588	232 733	235 262	241 852
Plus Gains/(Losses)					
Gain/(Loss) on Sale of Non-Financial Assets	4	4	4	4	4
	4	4	4	4	4
Equals NET OPERATING RESULT	34 631	50 883	54 677	26 009	(20 001)

Notes:

- The movements in Revenue from Appropriation reflect expenditure on major infrastructure projects, with the completion of a significant number of 2006 Election commitment projects from 2009-10.
- The increase in Fines and Regulatory Fees reflects revenue from the Road Safety Levy and a change in the funding source for National Electricity Market from the Consolidated Fund to Retained Revenue.
- Interest Revenue reflects interest received on \$60.0 million provided by the Australian Government for the East Tamar Highway.
- The decrease in Grants in 2008-09 primarily reflects changed accounting treatment of funds received from the Australian Government for the East Tamar Highway and completion of Better Roads Fund projects. The increase in 2009-10 reflects funding for the Brighton Transport Hub and North West Tourist Road, offset by completion of the Motor Registry Project. The decrease in 2011-12 reflects completion of Brighton Transport Hub and the North West Tourist Road.
- The increase in Other Revenue primarily reflects additional Mines Deposit Account revenue from increased mining activity.
- The increase in Depreciation and Amortisation from 2009-10 reflects the increasing value of infrastructure assets.
- The decrease in Grants and Transfer Payments in 2008-09 primarily reflects the implementation of the Core Passenger Services Review, whilst the increase from 2009-10 reflects indexation of Transport Subsidies and Concessions.

8. The increase in Supplies and Consumables in 2008-09 and the decrease in 2009-10 and 2010-11 primarily reflects the profile of expenditure on major infrastructure projects.

Table 7.17: Revenue from Appropriation

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent ¹	95 882	93 394	94 607	96 330	97 969
Works and Services ²	135 216	169 896	160 424	131 053	107 948
	231 098	263 290	255 031	227 383	205 917
Reserved by Law					
Contribution Towards Construction of Streets in Towns by Municipal Councils (<i>Local Government Act 1993</i>)	52	52	52	52	52
	52	52	52	52	52
Appropriation Carried Forward	1 760	....	....	....	....
Total Revenue from Appropriation	232 910	263 342	255 083	227 435	205 969

Notes:

1. The decrease in the Recurrent Annual Appropriation in 2008-09 reflects the implementation of the Core Passenger Service Review, offset by additional funding for the introduction of Extra Low Voltage/Light Emitting Diode (ELV/LED) technology in traffic signals. The increase from 2009-10 primarily reflects indexation.
2. The increase in the Works and Services Annual Appropriation reflects expenditure on major infrastructure projects, with the completion of 2006 Election commitment projects from 2009-10.

Table 7.18: Income Statement – Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	23 256	27 042	26 313	26 442	26 596
Taxation ²	26 937	26 176	27 042	27 718	28 411
Fines and Regulatory Fees	6 812	7 025	7 187	7 353	7 513
Grants ³	49 781	64 403	46 122	20 809	21 469
Sales of Goods and Services ⁴	38 013	48 238	48 174	48 715	49 806
Other Revenue ⁵	33	2 061	2 123	2 186	2 253
	144 832	174 945	156 961	133 223	136 048
Less Expenses					
Employee Entitlements ⁶	2 507	1 656	1 656	1 674	1 656
Superannuation ⁶	299	192	192	192	192
Depreciation and Amortisation	1	1	1	1	1
Grants and Transfer Payments ⁷	21 115	25 906	25 177	25 288	25 460
Supplies and Consumables	696	696	696	696	696
Transfer to the Consolidated Fund ⁸	120 131	146 458	129 203	105 336	108 007
Other Expenses ⁶	204	157	157	157	157
	144 953	175 066	157 082	133 344	136 169
Plus Gains/(Losses)					
Gain/(Loss) on Sale of Non-Financial Assets	1	1	1	1	1
	1	1	1	1	1
Equals NET OPERATING RESULT	(120)	(120)	(120)	(120)	(120)

Notes:

1. The increase in the Revenue from Appropriation in 2008-09 primarily reflects implementation of the Core Passenger Services Review and provision of funding to Marine and Safety Tasmania for dredging at the Port of St Helens, offset by completion of funding for TT-Line marketing in 2007-08. The decrease in 2009-10 reflects decreased funding for dredging at the Port of St Helens compared to 2008-09 levels.
2. The decrease in Taxation in 2008-09 reflects the introduction of a concession to Health Care Card Holders on vehicle registrations.
3. The profile of Grants revenue reflects major infrastructure project funding by the Australian Government.
4. The increase in Sale of Goods and Services in 2008-09 reflects an increase in mineral royalties due to increased activity in the mining sector and an increase in MAIB commission from an increase in the vehicle fleet.
5. The increase in Other Revenue in 2008-09 reflects a more accurate estimate of revenue based on 2007-08 actuals.
6. The decrease in Employee Entitlements, Superannuation and Other Expenses in 2008-09 reflects a change in accounting treatment. The Appropriation for Private Forests Tasmania is now reflected in Grants and Transfer Payments.
7. The increase in Grants and Transfer Payments in 2008-09 reflects a provision of funding to Marine and Safety Tasmania for dredging at the Port of St Helens and a change in accounting treatment for Private Forest Tasmania payments. Private Forest Tasmania payments have been transferred from Employee Entitlements, Superannuation and Other Expenses to Grants and Transfers. The decrease in 2009-10 reflects the timing of funding for dredging at the Port of St Helens compared to 2008-09 levels.

8. The profile of Transfer to the Consolidated Fund primarily reflects increased funding received from the Australian Government for major infrastructure projects. The increase in 2008-09 also reflects an increase in mineral royalties.

Table 7.19: Administered Revenue

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue Collected on Behalf of the Consolidated Fund					
Fund					
Australian Government Capital Grants ¹	49 626	64 248	45 967	20 654	21 314
Driver's Licences ²	4 606	4 926	5 049	5 175	5 304
Fines	12	12	12	12	12
MAIB Commission ³	1 957	2 519	2 582	2 647	2 713
Vehicle Registration Fees ⁴	26 937	26 176	27 042	27 718	28 411
Other Revenue ⁵	8	2 036	2 098	2 161	2 228
Other Sales of Services	1 318	1 333	1 349	1 365	1 381
Personalised and Custom Plates	356	365	374	383	392
Photo Licence Fees ²	1 030	1 331	1 364	1 398	1 433
Regulatory Fees ⁶	1 111	702	707	712	707
Royalty Income ⁷	33 100	42 739	42 587	43 038	44 038
Sales of Goods	33	33	33	33	33
Vehicle Inspection Services Fees	37	38	39	40	41
	120 131	146 458	129 203	105 336	108 007
Revenue from Appropriation					
Annual Appropriation	23 256	27 042	26 313	26 442	26 596
Other Revenue					
Fines	16	16	16	16	16
Grants from Non-Government Sector	155	155	155	155	155
Other Revenue	25	25	25	25	25
Sales of Goods	1 249	1 249	1 249	1 249	1 249
	1 445	1 445	1 445	1 445	1 445
Total Administered Revenue	144 832	174 945	156 961	133 223	136 048

Notes:

1. The profile of Australian Government Capital Grants reflects the funding profile for major Australian Government funded infrastructure projects.
2. The increase in Driver's Licences and Photo Licence Fees reflects the five-year periodic licensing profile and an annual increase in licences issued.
3. The increase in the MAIB Commission in 2008-09 reflects an increase in the vehicle fleet.
4. The decrease in Vehicle Registration Fees in 2008-09 reflects an extension of concessions to Health Care Card Holders.
5. The increase in Other Revenue reflects a more accurate estimate of revenue collections.
6. The decrease in Regulatory Fees reflects a change in funding for National Electricity Market from the Consolidated Fund to Retained Revenue.
7. The increase in Royalty Income reflects ongoing strength and activity in the mining industry.

Table 7.20: Administered Expenses

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Contribution to Marine <i>and</i> Safety Tasmania ¹	800	2 050	1 050	1 050	1 050
Conveyance Allowance	830	851	873	896	896
National Transport Commission (NTC): Local Government Contribution	1 500	1 500	1 500	1 500	1 500
Payments on Behalf of the Forest Practices Authority ²	2 889	2 780	2 781	2 801	2 785
Payments to School Bus Operators: Route Services ³	9 132	13 152	13 280	13 235	13 416
Pensioner Air Travel Subsidy	8	8	8	8	8
Pensioner, Aged and Unemployed Concessions (Private Operators)	861	862	864	865	865
Private Forests Tasmania	1 288	1 311	1 347	1 393	1 382
Sullivans Cove Waterfront Authority	1 755	1 755	1 755	1 755	1 755
TT-Line Marketing ⁴	1 500	....	....	....	....
Tasmanian Racing Assistance	1 060	1 060	1 060	1 060	1 060
Transport Access Scheme	3 199	3 279	3 361	3 445	3 445
	24 822	28 608	27 879	28 008	28 162
Transfer to the Consolidated Fund	120 131	146 458	129 203	105 336	108 007
Total Administered Expenses	144 953	175 066	157 082	133 344	136 169

Notes:

1. The increase in Contribution to Marine *and* Safety Tasmania reflects funding provided in 2008-09 of \$1.0 million for improved access to the Port of St Helens.
2. The decrease in Payments on Behalf of the Forest Practices Authority reflects the completion of funding provided for a training curriculum for forest operators, which is offset in part by an increase in funding provided for indexation.
3. The increase in Payments to School Bus Operators: Route Services in 2008-09 reflects implementation of the Core Passenger Services Review.
4. The decrease in TT-Line Marketing in 2008-09 reflects the completion of the special funding program.

Contribution to Marine and Safety Tasmania

This contribution supports Marine *and* Safety Tasmania in carrying out its functions of managing the Government's non-commercial marine facilities and Tasmania's marine regulatory environment.

Conveyance Allowance

The Department administers allowances paid to parents and guardians for the cost of transporting full-time students by private car to the nearest appropriate bus stop, or school, if the student lives five kilometres or more from their nearest bus stop or school. Allowances are also paid to some Bass Strait Islands residents.

National Transport Commission (NTC): Local Government Contribution

Under the reform measures that abolished local road tolls in favour of national heavy vehicle charges, \$1.5 million is provided annually from motor tax receipts to local government to compensate for loss of revenues from heavy vehicles.

Payments on Behalf of the Forest Practices Authority

This payment represents the State Government's contribution to the Forest Practices Authority (FPA). The role of the FPA is to advance the objective of the State's forest practices system and to foster a cooperative approach towards policy development and management.

Payments to School Bus Operators: Route Services

In accordance with Government policy, provision is made for payments to operators of private route service buses to supplement the fare revenue from students which is set at levels significantly below the commercial adult fare.

Pensioner Air Travel Subsidy

Aged pensioner residents of the Bass Strait Islands are entitled to an air fare subsidy when travelling between the Bass Strait Islands and Launceston or Hobart.

Pensioner, Aged and Unemployed Concessions (Private Operators)

Subsidy schemes are in place to enable pensioners, the aged and unemployed persons to obtain concession fares for travel on privately owned buses and the Mersey River Ferry.

Private Forests Tasmania

This payment represents the State Government's contribution to Private Forests Tasmania (PFT). PFT's objective is to facilitate and expand the development of the private forest resource in Tasmania in a manner that is consistent with sound forest land management practice.

Sullivans Cove Waterfront Authority

In accordance with the *Administrative Arrangements Order (No. 2) 2008*, the responsibility for the Sullivans Cove Waterfront Authority (SCWA) was transferred from the former Department of Economic Development to the Department of Infrastructure, Energy and Resources.

The SCWA is the planning authority responsible for protecting, enhancing and developing Sullivans Cove and surrounding areas. The Authority aims to preserve the unique qualities of the Hobart Waterfront, which defines the identity, vitality and image of the Tasmanian people. The Authority is guided by seven principles: it aims to protect Tasmania's heritage; ensure Tasmania retains a working port; nurture Tasmania's maritime history; encourage a family-friendly environment; adhere to world-class and sensitive design standards; build on Tasmania's artistic strengths; and support small business and creative industries.

TT-Line Marketing

Funding of \$3.0 million was provided over two years for marketing of TT-Line Pty Ltd. This funding program finishes in 2007-08.

Tasmanian Racing Assistance

This payment is directed towards the stakes for thoroughbred, harness and greyhound racing. It is provided to support the level of the programs and stake levels in each of the codes.

Transport Access Scheme

A range of concessions and benefits are available under the Transport Access Scheme to provide assistance to people who have permanent physical or intellectual disabilities, to enable them to use the range of transport facilities available to the general community.

Table 7.21: Balance Sheet as at 30 June

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	53 372	61 538	28 336	24 981	21 662
Receivables ²	827	1 123	1 123	1 123	1 123
Other Financial Assets ³	3 002	5 868	5 869	5 870	5 871
	57 201	68 529	35 328	31 974	28 656
Non-Financial Assets					
Land and Buildings ³	14 007	23 147	23 532	23 903	24 261
Infrastructure	3 845 006	4 107 911	4 326 298	4 489 493	4 607 967
Plant and Equipment	11 088	11 914	11 387	10 832	10 252
Intangibles ⁴	14 615	18 083	16 063	14 043	12 023
Assets Held for Sale	121	10	10	10	10
	3 884 837	4 161 065	4 377 290	4 538 281	4 654 513
Total Assets	3 942 038	4 229 594	4 412 618	4 570 255	4 683 169
Liabilities					
Employee Entitlements	8 552	9 045	9 286	9 527	9 768
Payables ³	1 155	5 115	5 115	5 115	5 115
Other Liabilities ⁵	46 031	2 600	2 600	2 600	2 600
Total Liabilities	55 738	16 760	17 001	17 242	17 483
NET ASSETS	3 886 300	4 212 834	4 395 617	4 553 013	4 665 686
Equity					
Accumulated Funds	2 612 903	2 733 025	2 787 702	2 813 711	2 793 710
Asset Revaluation Reserve	1 272 192	1 478 498	1 606 604	1 737 991	1 870 665
Other Equity	1 205	1 311	1 311	1 311	1 311
Total Equity	3 886 300	4 212 834	4 395 617	4 553 013	4 665 686

Notes:

1. The Cash and Deposits estimates reflect the change in funds held for the construction of the East Tamar Highway and the balance of the Urban Renewal and Heritage Fund.
2. The increase in Receivables in 2009 reflects an anticipated increase in revenue.
3. The increase in Other Financial Assets, Land and Buildings and Payables in 2009 reflects a more accurate projection of the asset balances based on 2006-07 actual results.
4. The Intangibles estimates reflect the development and subsequent amortisation of Motor Registry Project expenditures.
5. The decrease in Other Liabilities reflects changed accounting treatment of funding provided for the East Tamar Highway.

Table 7.22: Balance Sheet as at 30 June – Administered

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	1 725	3 048	2 943	2 838	2 733
Investments	82	278	278	278	278
Receivables	2 933	3 120	3 120	3 120	3 120
Other Financial Assets ¹	....	2 469	2 469	2 469	2 469
	4 740	8 915	8 810	8 705	8 600
Non-Financial Assets					
Plant and Equipment	6	2	2	2	2
	6	2	2	2	2
Total Assets	4 746	8 917	8 812	8 707	8 602
Liabilities					
Employee Entitlements	319	386	401	416	431
Payables ¹	1 740	705	705	705	705
Other Liabilities ¹	121	1 889	1 889	1 889	1 889
Total Liabilities	2 180	2 980	2 995	3 010	3 025
NET ASSETS	2 566	5 937	5 817	5 697	5 577
Equity					
Accumulated Funds	2 566	5 937	5 817	5 697	5 577
Total Equity	2 566	5 937	5 817	5 697	5 577

Note:

1. Variations in Financial Assets and Liabilities reflects a more accurate projection of these items based on 2006-07 actual results and current 2007-08 estimates.

Table 7.23: Cash Flow Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	231 098	263 290	255 031	227 383	205 917
Reserved by Law	52	52	52	52	52
Fines and Regulatory Fees ²	4 474	9 963	10 150	10 169	10 179
Interest Received	2 100	2 103	810	....	....
Grants ³	17 194	17 463	19 733	21 999	3 999
Sales of Goods and Services	425	550	584	618	654
GST Receipts	10 398	10 398	10 398	10 398	10 398
Other Receipts ⁴	396	1 046	1 046	1 046	1 046
	266 137	304 865	297 804	271 665	232 245
Cash Paid					
Employee Entitlements	(28 958)	(30 641)	(31 189)	(31 854)	(32 559)
Superannuation	(3 504)	(3 623)	(3 706)	(3 775)	(3 890)
Grants and Transfer Payments ⁵	(55 389)	(53 121)	(54 774)	(59 333)	(61 020)
Supplies and Consumables ⁶	(58 644)	(66 638)	(49 660)	(42 961)	(42 914)
GST Payments	(10 399)	(10 399)	(10 399)	(10 399)	(10 399)
Other Payments	(2 187)	(2 240)	(2 140)	(2 188)	(2 261)
	(159 081)	(166 662)	(151 868)	(150 510)	(153 043)
Net Cash Flows from Operating Activities	107 056	138 203	145 936	121 155	79 202
Cash Flows from Investing Activities					
Sale of Fixed Assets	4	4	4	4	4
Purchase of Fixed Assets ⁷	(121 558)	(163 651)	(179 142)	(124 514)	(82 525)
Net Cash Flows from Investing Activities	(121 554)	(163 647)	(179 138)	(124 510)	(82 521)
Net Increase/(Decrease) in Cash Held	(14 498)	(25 444)	(33 202)	(3 355)	(3 319)
Cash at the Beginning of the Year	67 870	86 982	61 538	28 336	24 981
Cash at the End of the Year	53 372	61 538	28 336	24 981	21 662

Notes:

1. The movements in Appropriation reflect expenditure on major infrastructure projects, with the completion of a significant number of 2006 Election commitment projects from 2009-10.
2. The increase in Fines and Regulatory Fees reflects revenue from the Road Safety Levy and the transfer of National Electricity Market funding from Appropriation to Retained Revenue.
3. The movements in Grants reflect the profile of expenditure on the Motor Registry Project, Brighton Transport Hub, North West Tourist Road and Better Roads Fund projects.

4. The increase Other Receipts primarily reflects additional Mines Deposit Account revenue from increased mining activity.
5. The decrease in Grants and Transfer Payments in 2008-09 primarily reflects the implementation of the Core Passenger Services Review. The increase from 2009-10 reflects indexation of School Bus Contracts and the Metro Community Service Obligation.
6. The movements in Supplies and Consumables primarily reflect expenditure on major infrastructure maintenance projects.
7. The Purchase of Fixed Assets reflects expenditure on major infrastructure maintenance projects.

Table 7.24: Cash Flow Statement – Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	23 256	27 042	26 313	26 442	26 596
Taxation ²	26 937	26 176	27 042	27 718	28 411
Fines and Regulatory Fees	6 812	7 025	7 187	7 353	7 513
Grants ³	49 781	64 403	46 122	20 809	21 469
Sales of Goods and Services ⁴	38 013	48 238	48 174	48 715	49 806
Other Receipts ⁵	33	2 061	2 123	2 186	2 253
	144 832	174 945	156 961	133 223	136 048
Cash Paid					
Employee Entitlements ⁶	(2 492)	(1 641)	(1 641)	(1 659)	(1 641)
Superannuation ⁶	(299)	(192)	(192)	(192)	(192)
Grants and Transfer Payments ⁷	(21 115)	(25 906)	(25 177)	(25 288)	(25 460)
Supplies and Consumables	(696)	(696)	(696)	(696)	(696)
Transfers to the Consolidated Fund ⁸	(120 131)	(146 458)	(129 203)	(105 336)	(108 007)
Other Payments ⁶	(204)	(157)	(157)	(157)	(157)
	(144 937)	(175 050)	(157 066)	(133 328)	(136 153)
Net Cash Flows From Operating Activities	(105)	(105)	(105)	(105)	(105)
Cash Flows From Investing Activities					
Sale of Fixed Assets	1	1	1	1	1
Purchase of Fixed Assets	(1)	(1)	(1)	(1)	(1)
Net Increase/(Decrease) In Cash Held	(105)	(105)	(105)	(105)	(105)
Cash at the Beginning of the Year	1 830	3 153	3 048	2 943	2 838
Cash at the End of the Year	1 725	3 048	2 943	2 838	2 733

Notes:

1. The increase in Appropriation in 2008-09 primarily reflects implementation of the Core Passenger Services Review and provision of funding to Marine and Safety Tasmania for dredging at the Port of St Helens, offset by completion of funding for TT-Line Marketing in 2007-08.

2. The decrease in Taxation in 2008-09 reflects the introduction of a concession to Health Care Card Holders on vehicle registrations.
3. The profile of Grants reflects major infrastructure projects funded by the Australian Government.
4. The increase in Sale of Goods and Services in 2008-09 reflects an increase in mineral royalties and an increase in MAIB commission due to an increase in the vehicle fleet.
5. The increase in Other Receipts in 2008-09 reflects a more accurate estimate of receipts based on 2007-08 actuals.
6. The decrease in Employee Entitlements, Superannuation and Other Payments in 2008-09 reflects a change in accounting treatment. The appropriation for Private Forests Tasmania is now reflected in Grants and Transfer Payments.
7. The increase in Grants and Transfer Payments in 2008-09 reflects a provision of funding to Marine *and* Safety Tasmania for dredging at the Port of St Helens and a change in accounting treatment for Private Forest Tasmania payments. Private Forest Tasmania payments have been transferred from Employee Entitlements, Superannuation and Other Expenses to Grants and Transfers. The decrease in 2009-10 reflects the timing of funding for dredging at the Port of St Helens compared to 2008-09 levels.
8. The profile of Transfers to the Consolidated Fund primarily reflects increased funding received from the Australian Government for major infrastructure projects and an increase in mineral royalties.

8 DEPARTMENT OF JUSTICE

AGENCY OUTLINE

The Department of Justice provides systems and services in order to maintain and promote rights and responsibilities, resolve disputes and contribute to the aim of a safer and more inclusive society that will benefit the Tasmanian community as a whole. The Department reports to the Attorney-General and Minister for Justice, Hon David Llewellyn MP, and the Minister for Planning and Workplace Relations, Hon David Bartlett MP.

The Department provides administrative support for the Supreme and Magistrates Courts, Tasmanian Industrial Commission, Tasmanian Legal Aid Commission, Tasmanian Electoral Commission, Workers' Rehabilitation and Compensation Tribunal, WorkCover Tasmania Board, Forensic Tribunal, Guardianship and Administration Board, Mental Health Tribunal, Resource Management and Planning Appeal Tribunal and the Resource Planning and Development Commission. It also supports the statutory offices of the Solicitor-General, Director of Public Prosecutions, Parole Board of Tasmania, Public Guardian and the Anti-Discrimination Commissioner. Each of these areas is separately accountable to Parliament.

The Department includes: Corrective Services, Crown Law, the Office of Consumer Affairs and Fair Trading, the Registry of Births, Deaths and Marriages, the Poppy Advisory & Control Board, Workplace Standards Tasmania, Monetary Penalties Enforcement Service, Victims Support Services, Legislation Development & Review, Industrial Relations (Private Sector) and the Land Use Planning Branch.

By working closely with the community, other areas of government and relevant statutory bodies, the Department aims to:

- maintain the Criminal Justice Framework;
- promote an inclusive society; and
- achieve service delivery that is in accordance with the goals of Tasmania *Together*.

This chapter provides the Department's financial information for 2008-09 and the Forward Estimates period (2009-10 to 2011-12). Further information on the Department is provided at <http://www.justice.tas.gov.au>.

MAJOR INITIATIVES

Table 8.1 provides a summary of the Budget and Forward Estimate allocations for the major initiatives.

Table 8.1: Major Initiatives Statement

	2008-09	2009-10	2010-11	2011-12
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Hobart and North West Community Legal Centres	200	200	200	200
Hobart Supreme Court – Upgrading Holding Cells	874	....	....	....
Prison Infrastructure Redevelopment Program – Stage D	....	500	3 000	13 500
Prison Perimeter Fencing Security	800	....	....	....
Prison Service Operations	1 600	1 600	1 600	1 600
Regional Settlement and Investment Strategies	250	500	....	....
Tasmanian State Architect	268	263	263	263
Workplace Standards Tasmania Approvals and Compliance	400	400	400	....

Hobart and North West Community Legal Centres

Additional funding of \$200 000 per annum is allocated to the Hobart and North West Community Legal Centres. These Centres provide a range of legal services to individuals and communities, including legal representation, preventative services, community legal education and work contributing to law and policy reform. By delivering information, advice and support on community based legal issues, Community Legal Centres aim to reduce existing barriers of access to justice such as distance, inability to access Legal Aid grants, and a lack of knowledge or external advice.

Hobart Supreme Court – Upgrading Holding Cells

The holding cells at the Hobart Supreme Court will be upgraded in 2008-09 at a cost of \$874 000. The upgrade will address issues of safety and security for staff, persons in custody and visitors, and bring the holding cells into line with contemporary standards of suicide and self harm minimisation.

Prison Infrastructure Redevelopment Program – Stage D

Stage D of the Prison Infrastructure Redevelopment Program will begin in 2009-10. The four year \$20.2 million redevelopment involves the construction of an additional maximum security block at the Risdon Prison Complex.

Prison Perimeter Fencing Security

The overall security of the Risdon Prison Complex will be enhanced for both inmates and correctional officers through the purchase and installation of equipment to secure the perimeter fence.

Prison Service Operations

Over the last 12 months a revised prison operating model has been implemented, including the appointment of additional correctional officer positions at the Risdon Prison Complex. Additional funding of \$1.6 million per annum will ensure that the Risdon Prison Complex is adequately funded to undertake its core activities of inmate care and rehabilitation and employee welfare and safety.

Regional Settlement and Investment Strategies

The development of Regional Settlement and Investment Strategies will ensure that adequate and appropriately located land is available to accommodate the projected housing and employment needs of each region's population over the next 20 years. The Strategies are also intended to guide development and investment decisions in a manner that will provide a pattern of settlement and infrastructure provision that is achievable, orderly, economic and sustainable, and that will be relevant to future needs, capabilities and potentials.

Tasmanian State Architect

Funding of \$268 000 has been provided to establish the Tasmanian State Architect. The State Architect will provide strategic and independent advice to the Tasmanian Government on matters relating to planning, urban design and building architecture.

Workplace Standards Tasmania Approvals and Compliance

Additional funding of \$1.2 million over three years has been allocated to Workplace Standards Tasmania to ensure it is adequately resourced to meet the demands associated with major projects and infrastructure developments.

Climate Change Initiatives

The Department of Justice is actively involved in the Emissions Audit Team being coordinated by the Department of Premier and Cabinet. The Audit Team has been established to assist with the process of creating base line measures and future monitoring requirements. Outcomes from this process will be considered for future implementation.

Other climate change initiatives the Department will progress include:

- the replacement of government vehicles in the Department's fleet with four cylinder vehicles and the use of carbon efficient vehicles that are to be included under the whole-of-government fleet contract;
- actively managing energy use by raising awareness with staff to ensure that lights, personal computers and other equipment are turned off when not in use; and
- being an active contributor to the emissions levy on air travel to offset greenhouse gas emissions.

OUTPUT INFORMATION

Outputs of the Department of Justice are provided under the following Output Groups:

- Output Group 1 - Administration of Justice;
- Output Group 2 - Legal Services;
- Output Group 3 - Registration Services;
- Output Group 4 - Review Services;
- Output Group 5 - Electoral Services;
- Output Group 6 - Corrective Services;
- Output Group 7 - Other Services;
- Output Group 8 - Consumer Services;
- Output Group 9 - Industrial Relations Services;
- Output Group 10 - Resource Planning; and
- Output Group 11 - Workplace Standards.

Table 8.2 provides an Output Group Expense Summary for the Department.

Table 8.2: Output Group Expense Summary

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Attorney-General and Minister for Justice					
Output Group 1 - Administration of Justice					
1.1 Supreme Court Services ¹	7 794	9 114	9 390	9 732	9 982
1.2 Magisterial Court Services ¹	11 215	11 951	12 330	12 802	13 139
1.3 Enforcement of Monetary Penalties ²	3 583	4 412	4 512	4 635	4 723
1.4 Support and Compensation for Victims of Crime and Others ³	5 300	7 938	8 064	8 213	8 329
1.5 Legal Aid ⁴	4 915	5 582	5 743	5 910	6 082
1.6 Mental Health Review and Guardianship Board Decisions	1 700	1 754	1 809	1 875	1 924
	34 507	40 751	41 848	43 167	44 179
Output Group 2 - Legal Services					
2.1 Crown Law	7 830	8 170	8 372	8 626	8 761
2.2 Legislation Development and Review	618	638	658	683	700
	8 448	8 808	9 030	9 309	9 461
Output Group 3 - Registration Services					
3.1 Births Deaths and Marriages	1 249	1 278	1 305	1 340	1 361
Output Group 4 - Review Services					
4.1 Anti-Discrimination Commission	949	976	1 000	1 035	1 058
Output Group 5 - Electoral Services					
5.1 Elections and Referendums ⁵	2 075	2 034	4 025	2 161	1 981
Output Group 6 - Corrective Services					
6.1 Prison Service ⁶	46 121	49 008	50 268	51 832	52 908
6.2 Community Corrective Service	4 664	4 817	4 973	5 167	5 300
	50 785	53 825	55 241	56 999	58 208
Output Group 7 - Other Services					
7.1 Supervision of Poppy and Hemp Crops	670	691	711	737	753

Table 8.2 Output Group Expense Summary (continued)

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Output Group 8 - Consumer Services					
8.1 Maintenance of a Fair, Safe and Equitable Market Place	3 508	3 639	3 733	3 850	3 926
Capital Investment Program	893	739	....	....	....
Minister for Planning and Workplace Relations					
Output Group 9 - Industrial Relations Services					
9.1 Services of the Tasmanian Industrial Commission	2 113	2 180	2 246	2 330	2 386
9.2 Workers Rehabilitation and Compensation Tribunal Decisions	1 170	1 375	1 377	1 386	1 381
9.3 Industrial Relations Policy and Advocacy Services	322	322	322	322	322
	3 605	3 877	3 945	4 038	4 089
Output Group 10 - Resource Planning					
10.1 Land Use Planning ⁷	1 468	2 014	1 541	1 080	1 108
10.2 Resource Planning and Development Commission	2 001	2 060	2 122	2 201	2 252
10.3 Resource Management Planning Appeals Tribunal	1 340	1 393	1 442	1 505	1 549
	4 809	5 467	5 105	4 786	4 909
Output Group 11 - Workplace Standards					
11.1 Safety Standards and Compliance ⁸	9 290	8 978	9 246	9 588	9 406
11.2 Employer and Employee Services	4 782	4 813	4 860	4 927	4 955
11.3 Workplace Standards and Advice	1 175	1 207	1 245	1 293	1 324
11.4 Electricity Industry Regulation	607	623	642	665	680
	15 854	15 621	15 993	16 473	16 365
TOTAL	127 352	137 706	141 936	143 895	146 290

Notes:

1. The increase in the Supreme Court Services and Magisterial Court Services Outputs in 2008-09 primarily reflects increases in the salaries of statutory officers, such as judges and magistrates. These salaries are determined by the Auditor-General and are applied from the Consolidated Fund as Reserved by Law items.
2. The increase in the Enforcement of Monetary Penalties Output in 2008-09 reflects the commencement of amortisation of the Monetary Penalties Enforcement System, which was implemented in 2007-08.
3. The increase in the Support and Compensation for Victims of Crime and Others Output in 2008-09 reflects the provision of additional funding for the Criminal Injuries Compensation Scheme.

4. The increase in the Legal Aid Output in 2008-09 reflects the provision of additional funding for the Hobart and North West Community Legal Centres.
5. The increase in the Elections and Referendums Output in 2009-10 reflects the anticipated timing of the House of Assembly Election. This funding is applied from the Consolidated Fund as a Reserved by Law item.
6. The increase in the Prison Service Output in 2008-09 reflects the provision of additional funding for the ongoing operational costs of the Risdon Prison Complex.
7. The increase in the Land Use Planning Output in 2008-09 reflects the provision of additional funding for the development of Regional Settlement and Investment Strategies and the establishment of the Tasmanian State Architect. The decrease in this Output in the Forward Estimates reflects the completion of the Regional Settlement and Investment Strategies and the Regional Planning Initiative that commenced in 2007-08.
8. The decrease in the Safety Standards and Compliance Output in 2008-09 reflects the completion of funding for the Beaconsfield Mine Inquiry. This decrease has been partially offset by the provision of additional funding to Workplace Standards Tasmania for permit approvals and registrations associated with major projects and infrastructure developments.

Output Group 1: Administration of Justice

Table 8.3 provides financial information for each Output under Output Group 1. A description of the Outputs follows the table.

Table 8.3: Summary Financial Information - Output Group 1

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Administration of Justice					
Expenses by Output					
1.1 Supreme Court Services ¹	7 794	9 114	9 390	9 732	9 982
1.2 Magisterial Court Services ¹	11 215	11 951	12 330	12 802	13 139
1.3 Enforcement of Monetary Penalties ²	3 583	4 412	4 512	4 635	4 723
1.4 Support and Compensation for Victims of Crime and Others ³	5 300	7 938	8 064	8 213	8 329
1.5 Legal Aid ⁴	4 915	5 582	5 743	5 910	6 082
1.6 Mental Health Review and Guardianship Board Decisions	1 700	1 754	1 809	1 875	1 924
	34 507	40 751	41 848	43 167	44 179
Retained Revenue	1 100	1 109	1 119	1 128	1 139
Net Cost of Output Group	33 407	39 642	40 729	42 039	43 040
Appropriation	33 154	38 134	39 230	40 548	41 559

Notes:

1. The increase in the Supreme Court Services and Magisterial Court Services Outputs in 2008-09 primarily reflects increases in the salaries of statutory officers, such as judges and magistrates. These salaries are determined by the Auditor-General and are applied from the Consolidated Fund as Reserved by Law items.
2. The increase in the Enforcement of Monetary Penalties Output in 2008-09 reflects the commencement of amortisation of the Monetary Penalties Enforcement System, which was implemented in 2007-08.

3. The increase in the Support and Compensation for Victims of Crime and Others Output in 2008-09 reflects the provision of additional funding for the Criminal Injuries Compensation Scheme.
4. The increase in the Legal Aid Output in 2008-09 reflects the provision of additional funding for the Hobart and North West Community Legal Centres.

1.1 Supreme Court Services

This Output is responsible for the timely and just resolution of civil and criminal matters in the Supreme Court. The Supreme Court has unlimited jurisdiction in criminal and civil matters and acts as a court of review for the Magistrates Court.

1.2 Magisterial Court Services

This Output facilitates the operation of Tasmania's four permanent Magistrates Courts in Hobart, Launceston, Devonport and Burnie and the 18 country courts that Magistrates sit in on a regular circuit basis.

1.3 Enforcement of Monetary Penalties

This Output is responsible for the collection and enforcement of monetary penalties imposed by courts and other authorities. It ensures that the integrity of orders for payment of fines is maintained and maximises the collection of revenue by utilising *Service Tasmania* shops, telephone systems and the Internet to provide avenues of payment for clients.

1.4 Support and Compensation for Victims of Crime and Others

This Output organises services provided by the Department and external providers to support victims in their recovery from the impacts of crime. The Output includes administration of the Criminal Injuries Compensation Scheme.

1.5 Legal Aid

This Output provides legal assistance to those persons who would otherwise be disadvantaged if this assistance was not provided. It operates under State legislation and provides services in accordance with the Australian Government-State agreement.

1.6 Mental Health Review and Guardianship Board Decisions

This Output is responsible for:

- reviewing treatment, hospital and restriction orders made under the *Mental Health Act 1996*;
- examining applications, and appointing and reviewing the appointment of guardians, under the provisions of the *Guardianship and Administration Act 1995*;
- reviewing administrators and enduring guardians and grants consent for dental and medical procedures; and
- instructing the creation of statutory wills under the *Wills Act 1992*, and reviewing the enduring powers of attorney for persons with a disability under the *Powers of Attorney Act 2000*.

Table 8.4: Performance Information - Output Group 1

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Supreme Court – Criminal Jurisdiction					
Pending cases older than 12 months	%	16.2	13.3	10.0	10.0
Pending cases older than 24 months	%	4.3	2.2	0.0	0.0
Real net recurrent expenditure per finalisation ¹	\$	10 518	9 059	10 000	10 000
Cases lodged	Number	556	551	550	550
Supreme Court – Civil Jurisdiction					
Pending cases older than 12 months ²	%	29.5	30.4	30.0	25.0
Pending cases older than 24 months	%	12.0	9.9	9.5	5.0
Real net recurrent expenditure per finalisation ¹	\$	1 576	1 559	1 500	1 500
Cases lodged	Number	1 336	1 163	1 200	1 200
Magistrates Court – Criminal Jurisdiction – Cases dealt with by Magistrates					
Pending cases older than six months	%	32.0	33.4	33.0	31.0
Pending cases older than 12 months	%	12.2	14.1	14.0	12.0
Cases lodged	Number	17 292	17 667	17 500	17 000
Magistrates Court – Criminal Jurisdiction – Minor traffic matters					
Pending cases older than six months ³	%	26.8	34.0	60.0	50.0
Pending cases older than 12 months ³	%	2.1	5.1	25.0	50.0
Cases lodged ³	Number	45 816	44 754	40 000	5 000
Magistrates Court – Criminal Jurisdiction					
Real net recurrent expenditure per finalisation ^{1,3}	\$	159	145	135	400
Magistrates Court – Youth Justice Division					
Pending cases older than six months	%	31.3	29.1	25.0	20.0
Pending cases older than 12 months	%	9.1	13.2	10.0	5.0
Real net recurrent expenditure per finalisation ¹	\$	359	440	400	400
Cases lodged	Number	1 654	1 696	1 700	1 600
Magistrates Court – Civil Division					
Pending cases older than six months	%	34.9	35.0	33.0	30.0
Pending cases older than 12 months	%	12.5	4.7	3.0	0.0
Real net recurrent expenditure per finalisation ¹	\$	61	75	75	60
Cases lodged	Number	10 860	10 447	11 000	11 000

Table 8.4: Performance Information - Output Group 1 (continued)

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Magistrates Court – Coronial Division					
Pending cases older than 12 months	%	20.6	26.6	25.0	20.0
Pending cases older than 24 months	%	4.7	11.6	10.0	10.0
Real net recurrent expenditure per finalisation ¹	\$	836	1127	1000	1000
Cases lodged	Number	636	562	610	610
Enforcement of Monetary Penalties⁴					
Fine Collection Rate	%	66.0	60.0	67.0	67.0

Notes:

1. Actual 2005-06 amounts have been changed from actual amounts published in the 2007-08 Budget to reflect the amounts in 2006-07 dollars as published in the *Report on Government Services 2008*.
2. The long-term goal for the courts is to meet targets set in the National Standards. These standards were described in the *Report on Government Services 2008*. The Supreme Court Criminal Jurisdiction aims to achieve these targets in 2007-08. The approach for 2008-09 has been to set interim targets which mark progress towards this long-term goal.
3. This performance target has been reassessed following the implementation of the Monetary Penalties Enforcement System.
4. A previous measure of fines and infringements, relating to the number of fines and infringement notices imposed, did not provide relevant information on the performance of the Output and has been omitted.

Performance Information Comments

Supreme Court – Criminal Jurisdiction

Both the Supreme Court and the Director of Public Prosecutions are committed to reducing the backlog of pending criminal cases. Timeliness can be affected by delays caused by factors outside the courts' direct control. The target for 2007-08 is to achieve the national timeliness standard, with these standards to be maintained in 2008-09.

The Court is also committed to reducing the time taken to finalise a charge of an indictable crime from the moment of arrest until finalisation. Achievement of this target will not only involve the Court but also Tasmania Police, the Director of Public Prosecutions, and the Magistrates Court. It should also be noted that a relatively small number of complex cases can have a significant impact on these indicators.

Supreme Court – Civil Jurisdiction

The implementation of the new case management system has enabled the collection of data more in line with the requirements for the Productivity Commission *Report on Government Services 2008*. The revised numbers in the above table will replace those appearing in the *Report on Government Services 2008*, when this Report is updated in 2009. The targets reflect an expectation of a small improvement in 2007-08 but a more significant improvement in 2008-09 as the new case management system is expected to improve efficiency in the administration of cases. It must also be noted that the parties involved have a significant influence in the time taken to finalise cases.

Magistrates Court – Criminal Jurisdiction – Cases dealt with by Magistrates and Minor Traffic Matters

The targets for the Magistrates Court Criminal Jurisdiction (the Court of Petty Sessions) have been divided into two. 'Cases dealt with by Magistrates' reflects the substantive work undertaken by Magistrates. 'Minor Traffic Matters' reflects the work undertaken primarily by Justices of the Peace in dealing with lodgements arising from unpaid traffic infringement notices. This work will reduce significantly following the commencement of the *Monetary Penalties Enforcement Act 2005* on 28 April 2008.

The targets for minor traffic matters are based on expected outcomes during the transition period while most of these matters are transferred from the Courts to the new Monetary Penalties Enforcement Service. The proportion of cases which are pending for more than six months will increase simply because the overall number of cases will be significantly reduced. The number of older cases will fall during 2007-08 but not all are expected to be finalised by 30 June 2008, the majority are expected to be finalised in 2008-09. The significant reduction in cases lodged will result from the implementation of the Monetary Penalties Enforcement legislation.

Magistrates Court – Civil Jurisdiction

The planned introduction of a new case management system in 2008-09 will provide the Magistrates Court - Civil Jurisdiction with the tools to more actively monitor and manage civil cases. This will enable potential improvements in performance to be achieved in later years. The targets for 2008-09 are to achieve a small improvement on the current level of performance.

Enforcement of Monetary Penalties

The commencement of the *Monetary Penalties Enforcement Act 2005* on 28 April 2008 is expected to improve the fine collection rate. At this stage of its implementation, it is too early to quantify the extent of the improvement.

Output Group 2: Legal Services

Table 8.5 provides financial information for each Output under Output Group 2. A description of the Outputs follows the table.

Table 8.5: Summary Financial Information - Output Group 2

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Legal Services</i>					
Expenses by Output					
2.1 Crown Law	7 830	8 170	8 372	8 626	8 761
2.2 Legislation Development and Review	618	638	658	683	700
	8 448	8 808	9 030	9 309	9 461
Retained Revenue	2 716	2 742	2 769	2 795	2 822
Net Cost of Output Group	5 732	6 066	6 261	6 514	6 639
Appropriation	5 811	6 069	6 291	6 570	6 722

2.1 Crown Law

This Output aims to protect the Government's legal interests by providing the Government with legal services, advice and prosecution services for serious offences and crimes.

2.2 Legislation Development and Review

This Output provides research services and policy advice in order to assist the Government and the Attorney-General with the formation of new policies and legislation. It provides support to the Attorney-General with matters involving the discharge of parliamentary, legal, and ministerial duties and offers advice on Australian Government-State ministerial meetings. It also aims to ensure that laws meet contemporary needs and provides services to other agencies in regards to legislative issues.

Table 8.6: Performance Information - Output Group 2

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Advisings – Solicitor-General	Number	1 353	1 340	1 400	1 400
Director of Public Prosecutions (Criminal) - Cases Presented	Number	537	562	550	550
Director of Public Prosecutions (Civil) - Files Closed	Number	301	290	300	300
Chargeable Time - Office of the Crown Solicitor	%	64	61	60	60
Chargeable time – Director of Public Prosecutions (Civil)	%	65	61	60	60

Performance Information Comments

The performance indicators for this Output Group focus on the demand for the services provided and the effective use of practitioner's time. The target of 60 per cent of practitioner's time being chargeable is based on the normal expectation in private practice.

Output Group 3: Registration Services

Table 8.7 provides financial information for the single Output under Output Group 3. A description of the Output follows the table.

Table 8.7: Summary Financial Information - Output Group 3

	2007-08 Budget	2008-09 Budget	2009-10 Forward Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Registration Services					
Expenses by Output					
3.1 Births Deaths and Marriages	1 249	1 278	1 305	1 340	1 361
	1 249	1 278	1 305	1 340	1 361
Retained Revenue	300	306	313	319	326
Net Cost of Output Group	949	972	992	1 021	1 035
Appropriation	944	972	999	1 034	1 055

3.1 Births Deaths and Marriages

This Output provides services involving the registration, maintenance and distribution of various forms of statutory information. By the provision of these services, it aims to preserve the rights of individuals including the right to a unique identity.

Table 8.8: Performance Information - Output Group 3

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Transactions processed	Number	59 972	66 500	67 00	74 500
Unit cost per transaction	\$	13.16	12.21	12.00	11.00
Registration within 3 days of receipt	%	93	90	90	90
Certificates within 3 days of receipt ¹	%	92	23	25	25

Note:

1. Due to a significant increase in the demand for certificates and the seasonal nature of that demand, the previous target of 90 per cent is no longer achievable. During 2008-09, a target based on a more realistic time frame will be developed.

Performance Information Comments

The performance indicators for this Output Group focuses on the demand for, efficiency and timeliness of this Output Group's service delivery.

Unit cost per transaction represents the aggregation of a wide range of transaction types, including the registration and provision of certificates for births, deaths and marriages, changes of name, paternity acknowledgment, legitimations and adoptions, and the registration of significant relationships.

The cost of each type of transaction may vary significantly from the aggregate measure. The unit cost per transaction measure is most susceptible to variations in demand, as the Output Group has a high proportion of fixed costs.

Output Group 4: Review Services

Table 8.9 provides financial information for the single Output under Output Group 4. A description of the Output follows the table.

Table 8.9: Summary Financial Information - Output Group 4

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Review Services					
Expenses by Output					
4.1 Anti-Discrimination Commission	949	976	1 000	1 035	1 058
	949	976	1 000	1 035	1 058
Retained Revenue	79	107	121	137	152
Net Cost of Output Group	870	869	879	898	906
Appropriation	866	891	915	950	973

4.1 Anti-Discrimination Commission

Operating under the *Anti-Discrimination Act 1998*, this Output involves the investigation and conciliation of claims regarding alleged discrimination and prohibited behaviour, and aims to promote human rights for all Tasmanians. The Output can refer unresolved claims to the Anti-Discrimination Tribunal and can also grant or reject applications for exemption from the Act.

Table 8.10: Performance Information - Output Group 4

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Number of accepted complaints to the Tasmanian Anti-Discrimination Commissioner (TT) ¹	Number	246	174	240	235

Note:

1. (TT) denotes that this Performance Information is linked directly to a Tasmania *Together* benchmark.

Performance Information Comments

The number of complaints to the Tasmanian Anti-Discrimination Commissioner reflects not only the demand for the services provided by the Commissioner but is also a general indicator of the level of discrimination occurring in the Tasmanian community.

The indicator comes under Goal 5 of Tasmania *Together*: 'Vibrant; inclusive and growing communities where people feel valued and connected'. Experience in other jurisdictions suggests that a significant education effort is required to have an impact on this indicator.

Output Group 5: Electoral Services

Table 8.11 provides financial information for the single Output under Output Group 5. A description of the Output follows the table.

Table 8.11: Summary Financial Information - Output Group 5

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Electoral Services					
Expenses by Output					
5.1 Elections and Referendums ¹	2 075	2 034	4 025	2 161	1 981
	2 075	2 034	4 025	2 161	1 981
Retained Revenue	250	250	250	250	250
Net Cost of Output Group	1 825	1 784	3 775	1 911	1 731
Appropriation	1 812	1 772	3 763	1 899	1 719

Note:

1. The increase in the Elections and Referendums Output in 2009-10 reflects the estimated timing of the House of Assembly Election. This funding is applied from the Consolidated Fund as a Reserved by Law item.

5.1 Elections and Referendums

This Output Group is responsible for the provision of services for the administration of State elections and referendums. Through such services, it contributes to the preservation of the State's parliamentary democracy. It is also responsible for the management and maintenance of electoral rolls for State and Local Governments, administration of electoral and enrolment policy systems at a national level, and the implementation of modification arrangements for redistributions.

Table 8.12: Performance Information - Output Group 5

Performance Measure	Unit of Measure	1998 Actual	2002 Actual	2006 Actual
House of Assembly Elections¹				
House of Assembly Election Participation Rate (TT) ²	%	95.0	93.7	94.9
House of Assembly Rate of Informal Votes	%	3.9	4.9	4.4
Electors on Roll	Number	322 754	332 473	341 481
House of Assembly – Election Cost Per Enrolled Elector	\$	4.85	5.27	5.56

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Legislative Council Elections					
Legislative Council Election Participation Rate	%	79.1	84.3	>89	>89
Legislative Council Rate of Informal Votes	%	4.5	3.0	<4	<4
Electors on Roll ³	Number	44 844	46 569	45 000	66 000
Legislative Council – Election Cost Per Enrolled Elector	\$	6.24	4.94	5.60	5.00
Roll Maintenance Cost per Elector	\$	0.72	0.63	0.65	0.65

Notes:

1. Targets for the 2010 House of Assembly Election will be included in the 2009-10 Budget.
2. (TT) denotes that this Performance Information is linked directly to a Tasmania *Together* benchmark.
3. These figures represent the number of electors on the rolls for the seats contested in the respective years and have been amended to reflect the variation in the number of electors between electorates.

Performance Information Comments

The performance indicators for this Output Group focus on the effectiveness and efficiency of the electoral process and maintenance of the electoral roll. The Electoral Office breaks down effective votes by election (House of Assembly and Legislative Council) and reports separately on the proportion of enrolled voters who lodge a formal vote and the number of informal votes as a proportion of the total votes cast.

Output Group 6: Corrective Services

Table 8.13 provides financial information for each Output under Output Group 6. A description of the Outputs follows the table.

Table 8.13: Summary Financial Information - Output Group 6

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Corrective Services					
Expenses by Output					
6.1 Prison Service ¹	46 121	49 008	50 268	51 832	52 908
6.2 Community Corrective Service	4 664	4 817	4 973	5 167	5 300
	50 785	53 825	55 241	56 999	58 208
Retained Revenue	2 844	2 890	2 937	2 985	3 034
Net Cost of Output Group	47 941	50 935	52 304	54 014	55 174
Appropriation	45 220	48 574	49 185	50 934	52 134

Note:

1. The increase in the Prison Service Output in 2008-09 reflects the provision of additional funding for the ongoing operational costs of the Risdon Prison Complex.

6.1 Prison Service

This Output aims to provide a safer Tasmania by ensuring the secure containment of inmates and offering them opportunities for rehabilitation and personal development. It maintains prison institutions that provide care and custody, at various levels of security, for inmates and persons remanded in custody. It also provides safe secure transport between prison and judicial institutions.

6.2 Community Corrective Service

This Output supports a variety of non-custodial sentencing options. It is responsible for pre-parole reporting to the Parole Board, pre-sentence reporting to the Courts, community service order, probation and parole supervision. It provides these services in accordance with the *Sentencing Act 1997*, the *Corrections Act 1997* and various other Acts that include sentencing provisions.

Table 8.14: Performance Information - Output Group 6

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Proportion of adult offenders convicted again within two years (TT) ^{1,2}	%	23.6	23.2	23.0	23.0
Prison Escape Rate – Secure Perimeter	Number per 100 prisoner years	0.0	0.4	0.0	0.0
Prison Escape Rate – Open Perimeter	Number per 100 prisoner years	1.29	0	<2.0	<2.0
Completion rate for community supervision orders	%	91.6	86.0	90	90
Daily Average Prison Population	Number	504	534	540	540
Daily Average Number of Offenders Supervised in Community	Number	1 121	1 193	1 180	1 200
Cost per Prisoner Day ³	\$	222	214	240	240
Cost per Community Supervised Offender per day ³	\$	8.60	8.97	11.25	11.00

Notes:

1. (TT) denotes that this Performance Information is linked directly to a Tasmania *Together* benchmark.
2. The indicator for 2006-07 refers to offenders completing their justice order two years earlier in 2004-05.
3. Actual 2005-06 amounts have been changed from actual amounts published in the 2007-08 Budget to reflect the amounts in 2006-07 dollars as published in the *Report on Government Services 2008*.

Performance Information Comments

The performance indicators for this Output Group focus on the following aspects of performance:

- the effectiveness of the Output Group in reducing recidivism. The indicator measures the number of adults that have returned to corrections (either with a custodial order or a community based order from the Courts) within two years of being released from prison or completing a community based order for a previous offence. The indicator only includes adults who have completed their first period of sentenced imprisonment or supervision. This is based on an assumption that effective early intervention is required to minimise the chance that an offender will develop into a 'chronic recidivist offender'. This indicator is included as indicator 1.6 of Tasmania *Together* Goal 2: 'Confident, friendly and safe communities';
- the effectiveness of the Output Group in ensuring the containment of prisoners and the compliance of offenders with community based orders; and
- the efficiency of the corrective services system.

Quantity measures for Corrective Services are a measure of demand for these services. The actions of Corrective Services have little impact on the demand for its services.

Output Group 7: Other Services

Table 8.15 provides financial information for the single Output under Output Group 7. A description of the Output follows the table.

Table 8.15: Summary Financial Information - Output Group 7

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Other Services					
Expenses by Output					
7.1 Supervision of Poppy and Hemp Crops	670	691	711	737	753
	670	691	711	737	753
Net Cost of Output Group	670	691	711	737	753
Appropriation	666	687	707	733	749

7.1 Supervision of Poppy and Hemp Crops

This Output aims to maintain a securely regulated poppy industry through responsibility for the licensing, inspection, supervision and management of the poppy industry from the growth stage, through to manufacture and export from Australia. It ensures that the cultivation of the poppy crop is performed in accordance with the *Poisons Act 1971*. It provides policy coordination, and preparation of advice to the Government, whilst liaising with private enterprise, Government agencies, growers and other appropriate bodies.

Table 8.16: Performance Information - Output Group 7

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Number of capsules stolen per hectare sown	Number	1.06	1.04	<2.0	<2.0
Hectares sown	Number	9 660	9 660	11 000	12 000
Cost of Poppy Advisory and Control Board per hectare sown	\$	62	68	57	55

Performance Information Comments

The performance indicators for this Output Group focus on the effectiveness of the protection of the poppy crops and on the efficiency of the Poppy Advisory and Control Board's supervision and protection activities. The effectiveness of the protection is a joint responsibility of the Board, growers and Tasmania Police.

Output Group 8: Consumer Services

Table 8.17 provides financial information for the single Output under Output Group 8. A description of the Output follows the table.

Table 8.17: Summary Financial Information - Output Group 8

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Consumer Services					
Expenses by Output					
8.1 Maintenance of a Fair, Safe and Equitable Market Place	3 508	3 639	3 733	3 850	3 926
	3 508	3 639	3 733	3 850	3 926
Retained Revenue	418	418	418	418	418
Net Cost of Output Group	3 090	3 221	3 315	3 432	3 508
Appropriation	3 069	3 164	3 257	3 374	3 450

8.1 Maintenance of a Fair, Safe and Equitable Market Place

This Output provides services to the public and the Government which contribute to the maintenance of a fair, safe and equitable marketplace. It provides legislative and policy initiative advice to the Government and also provides advice, information and business registration procedures to the public. It also enforces product safety standards, promotes requirements of legislation and the move to uniformity on a national level in regards to standards and legislation.

Table 8.18: Performance Information - Output Group 8

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Compliance Actions	Number	98 478	91 913	99 100	103 600
Cost per Compliance Action	\$	14.96	16.42	15.70	15.45

Performance Information Comments

The performance indicators for this Output Group focus on its compliance activities and the cost per activity.

Output Group 9: Industrial Relations Services

Table 8.19 provides financial information for each Output under Output Group 9. A description of the Outputs follows the table.

Table 8.19: Summary Financial Information - Output Group 9

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Industrial Relations Services					
Expenses by Output					
9.1 Services of the Tasmanian Industrial Commission	2 113	2 180	2 246	2 330	2 386
9.2 Workers Rehabilitation and Compensation Tribunal Decisions	1 170	1 375	1 377	1 386	1 381
9.3 Industrial Relations Policy and Advocacy Services	322	322	322	322	322
	3 605	3 877	3 945	4 038	4 089
Retained Revenue	1 053	1 084	1 117	1 150	1 185
Net Cost of Output Group	2 552	2 793	2 828	2 888	2 904
Appropriation	2 529	2 599	2 667	2 760	2 811

9.1 Services of the Tasmanian Industrial Commission

This Output is responsible for the creation of awards, approval of industrial agreements and the resolution of industrial disputes under the *Industrial Relations Act 1984*. These services are available to registered organisations, and employers and employees from the public and private sectors, controlling authorities, and the relevant Ministers.

9.2 Workers Rehabilitation and Compensation Tribunal Decisions

This Output provides support and makes decisions on matters regarding workers' compensation disputes brought before it by employers and employees. It also provides support for the Workers' Rehabilitation and Compensation Tribunal.

9.3 Industrial Relations Policy and Advocacy Services

This Output provides policy advice to the Minister for Planning and Workplace Relations regarding Private Sector Industrial Relations.

Table 8.20: Performance Information - Output Group 9

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Applications lodged with the Tasmanian Industrial Commission	Number	554	271	300	300

Performance Information Comments

The performance indicator provided for Output Group 9 provides a basic measure of the demand for the services provided by this Output. Additional measures are currently being developed which will provide an indication of the timeliness in scheduling applications for listing and finalising matters.

Output Group 10: Resource Planning

Table 8.21 provides financial information for each Output under Output Group 10. A description of the Outputs follows the table.

Table 8.21: Summary Financial Information - Output Group 10

	2007-08 Budget \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
Resource Planning					
Expenses by Output					
10.1 Land Use Planning ¹	1 468	2 014	1 541	1 080	1 108
10.2 Resource Planning and Development					
Commission	2 001	2 060	2 122	2 201	2 252
10.3 Resource Management Planning Appeals					
Tribunal	1 340	1 393	1 442	1 505	1 549
	4 809	5 467	5 105	4 786	4 909
Net Cost of Output Group	4 809	5 467	5 105	4 786	4 909
Appropriation	4 792	5 455	5 093	4 774	4 897

Note:

1. The increase in the Land Use Planning Output in 2008-09 reflects the provision of additional funding for the development of Regional Settlement and Investment Strategies and the establishment of the Tasmanian State Architect. The decrease in this Output in the Forward Estimates reflects the completion of the Regional Settlement and Investment Strategies and the Regional Planning Initiative that commenced in 2007-08.

10.1 Land Use Planning

This Output conducts policy development in strategic land use planning and provides professional planning policy advice to the Department, the Minister, Local Government and other relevant government agencies. It offers leadership and professional contributions to major planning initiatives and projects.

10.2 Resource Planning and Development Commission

This Output is responsible for:

- the approval of planning schemes and amendments under the *Land Use Planning and Approvals Act 1993*;
- the assessment of State Policies and projects of State significance as provided under the *State Policies and Projects Act 1993*;
- preparation of the State of the Environment Report; and
- inquiries in accordance with the *Public Land (Administration and Forests) Act 1991*.

10.3 Resource Management Planning Appeal Tribunal

This Output provides for the hearing of appeals regarding heritage, planning, marine and environmental decisions and determines applications for orders under relevant legislation.

Table 8.22: Performance Information - Output Group 10

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
Land Use Planning, Strategic projects – number of significant milestones identified ¹	Number	na	na	na	4
Land Use Planning, Strategic projects – proportion of significant milestones achieved ¹	%	na	na	na	100
Proportion of decisions of Resource Management Planning Appeal Tribunal resolved through mediation	%	62.2	74.6	>75	>75

Note:

1. These indicators are provided for the first time in 2008-09.

Performance Information Comments

The number of 'significant milestones achieved' measures whether the Output delivered the key objectives set at the beginning of the year. As the number of milestones is small the failure to achieve one milestone will result in a significant change in the percentage. All milestones for 2008-09 relate to the Regional Planning Initiative.

The settlement of disputes through mediation provides a cost effective way of fairly resolving disputes. The Resource Management and Planning Appeal Tribunal is committed to the continued use of mediation to resolve disputes. The targets have been set to increase the proportion of disputes resolved through mediation but it should be noted that the decision to resolve by mediation rests with the parties involved not the Tribunal.

Output Group 11: Workplace Standards

Table 8.23 provides financial information for each Output under Output Group 11. A description of the Outputs follows the table.

Table 8.23: Summary Financial Information - Output Group 11

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Workplace Standards					
Expenses by Output					
11.1 Safety Standards and Compliance ¹	9 290	8 978	9 246	9 588	9 406
11.2 Employer and Employee Services	4 782	4 813	4 860	4 927	4 955
11.3 Workplace Standards and Advice	1 175	1 207	1 245	1 293	1 324
11.4 Electricity Industry Regulation	607	623	642	665	680
	15 854	15 621	15 993	16 473	16 365
Retained Revenue	3 369	3 369	3 369	3 369	3 369
Net Cost of Output Group	12 485	12 252	12 624	13 104	12 996
Appropriation	12 342	12 156	12 525	13 005	12 897

Note:

1. The decrease in the Safety Standards and Compliance Output in 2008-09 reflects the completion of funding for the Beaconsfield Mine Inquiry. This decrease has been partially offset by the provision of additional funding to Workplace Standards Tasmania for permit approvals and registrations associated with major projects and infrastructure developments.

11.1 Safety Standards and Compliance

This Output Group aims to improve or administer:

- health and safety at work;
- the safety with which dangerous goods are transported, handled and stored;
- gas and electricity safety legislation; and
- Tasmania's workers' compensation scheme.

11.2 Employer and Employee Services

This Output focuses on improving the level of compliance with awards under the Australian Government's *Workplace Relations Act 1996*, awards and agreements of the Tasmanian Industrial Commission and long service leave legislation.

11.3 Workplace Standards and Advice

This Output provides strategic policy advice to the Minister for Planning and Workplace Relations, the Government, the WorkCover Tasmania Board and, where required, to the Federal Minister for Employment and Workplace Relations. This Output also reviews and develops legislation, standards, codes of practice, licensing, registration and accreditation procedures to ensure that appropriate workplace standards apply.

11.4 Electricity Industry Regulation

This Output reviews and develops legislation, standards, codes of practice, licensing, registration and accreditation procedures to ensure an appropriate level of regulation in the electrical industry.

Table 8.24: Performance Information - Output Group 11

Performance Measure	Unit of Measure	2005-06 Actual	2006-07 Actual	2007-08 Target	2008-09 Target
All Claims Frequency Rate – All Industries ¹	Rate	33.6	30.8	28.0	28.0
Helpline calls answered within two minutes	%	94.0	97.0	96.0	96.0
Industrial Claims Resolution Index ²	%	90.0	90.0	90.0	90.0
Defects notices issued for inspections of electrical work	%	12.0	12.0	10.0	10.0
Electrical audits undertaken	Number	30	30	60	60
Fatality frequency response for mining industry ³	Rate	0.28	0.00	0.00	0.00
Lost Time Injury Frequency Rate – mining industry ⁴	Rate	16.8	17.1	16.0	16.0

Notes:

1. The All Claims Frequency Rate is a measure of the frequency of occurrence of all workplace injuries and illnesses relative to the amount of time workers are exposed to risk. It is derived by dividing the number of workers' compensation claims lodged by the number of hours worked by employees exposed to risk, expressed in millions of man hours.
2. This index is a measure of the number of claims for outstanding worker entitlements, as determined in accordance with the *Industrial Relations Act 1984*, resolved within three months of claim initiation relative to the total number of claims received within the same three month period, expressed as a percentage.
3. This indicator measures the number of fatalities per one million hours worked in the mining and mineral processing industry.
4. The Lost Time Injury Frequency Rate is a measure of safety performance expressed as a number of lost time injuries per million hours worked.

Performance Information Comments

The performance indicators provided for this Output Group predominantly reflect targeted improvements in claim frequency rates and fatality frequencies.

CAPITAL INVESTMENT PROGRAM

Table 8.25 provides financial information for the Department's Capital Investment Program. For more information on the Capital Investment Program, see Chapter 7 in Budget Paper No 1 *The Budget*.

Table 8.25: Capital Investment Program

	Estimated Total Cost \$'000	2008-09 Budget \$'000	2009-10 Forward Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000
New Projects					
Hobart Supreme Court - Upgrading Holding Cells	874	874	....	....	....
Prisons Infrastructure Redevelopment Program – Stage D	20 170	....	500	3 000	13 500
Continuing Projects					
Prisons Infrastructure Redevelopment Program – Stage C	89 623	11 396	....	....	....
Total CIP Allocations		12 270	500	3 000	13 500

Hobart Supreme Court – Upgrading Holding Cells

The holding cells under the Supreme Court in Hobart will be upgraded to bring the cells into line with contemporary standards and address issues of safety and security for staff, persons in custody and visitors. The upgrade will achieve compliance with modern standards of suicide and self harm minimisation.

Prisons Infrastructure Redevelopment Program – Stage D

Stage D of the Prison Infrastructure Redevelopment Program will begin in 2009-10. The four year \$20.2 million redevelopment involves the construction of an additional maximum security block at the Risdon Prison Complex.

Prisons Infrastructure Redevelopment Program – Stage C

Funding for Stage C of the Prisons Infrastructure Redevelopment Program in 2008-09 represents the final loan repayment for the project.

DETAILED BUDGET STATEMENTS

Table 8.26: Income Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	120 447	132 743	125 132	129 581	142 466
Fines and Regulatory Fees	10	10	10	10	10
Interest Revenue	40	40	40	40	40
Grants ²	4 298	3 271	3 271	3 271	3 271
Sales of Goods and Services	6 591	6 659	6 730	6 799	6 871
Other Revenue	2 231	2 295	2 362	2 431	2 503
	133 617	145 018	137 545	142 132	155 161
Less Expenses					
Employee Entitlements ³	68 016	71 419	75 056	76 305	77 511
Superannuation	6 254	6 900	7 074	7 317	7 533
Depreciation and Amortisation ⁴	3 005	5 037	5 037	5 037	5 037
Grants and Transfer Payments ⁵	5 385	6 038	6 189	6 345	6 506
Supplies and Consumables	29 371	29 674	29 695	29 720	30 251
Other Expenses ⁶	15 321	18 638	18 885	19 171	19 452
	127 352	137 706	141 936	143 895	146 290
Equals NET OPERATING RESULT	6 265	7 312	(4 391)	(1 763)	8 871

Notes:

1. The increase in Revenue from Appropriation in 2008-09 primarily reflects the provision of additional funding for the ongoing operations of the Risdon Prison Complex, Workplace Standards Tasmania approvals and compliance, the establishment of the Tasmanian State Architect, the upgrade of the holding cells at the Hobart Supreme Court, and the final loan repayment for Stage C of the Prisons Infrastructure Redevelopment Program.
2. The decrease in Grants in 2008-09 reflects the completion of funding from the Structural and Performance Initiatives Program for the Monetary Penalties Enforcement Project.
3. The increase in Employee Entitlements in 2008-09 primarily reflects additional funding for the ongoing operations of the Risdon Prison Complex and the establishment of the Tasmanian State Architect.
4. The increase in Depreciation and Amortisation in 2008-09 reflects increased depreciation on assets at the Risdon Prison Complex and amortisation of the Monetary Penalties Enforcement System.
5. The increase in Grants and Transfer Payments in 2008-09 primarily reflects the provision of additional funding for Hobart and North West Community Legal Centres.
6. The increase in Other Expenses in 2008-09 reflects the provision of additional funding for the Criminal Injuries Compensation Scheme, and an increase in the rate of fees paid to jurors.

Table 8.27: Revenue from Appropriation

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent	102 900	109 072	110 934	114 463	116 651
Works and Services ¹	9 242	12 270	500	3 000	13 500
	112 142	121 342	111 434	117 463	130 151
Reserved by Law					
<i>Criminal Injuries Compensation Act 1976 Section 11(4): Payments²</i>	....	2 500	2 500	2 500	2 500
Expenses of Aboriginal Land Council of Tasmania Elections (<i>Aboriginal Lands Act 1995</i> , Section 17)	25	25	25	25	25
Expenses of Parliamentary Elections and Referendums (<i>Electoral Act 1985 and Referendum Procedures Act 1994</i>) ³	989	923	2 890	966	795
Expenses under the <i>Legislative Council Electoral Boundaries Act 1995</i>	10	10	10	10	10
Salaries of Judges (<i>Supreme Court Act 1887</i>) ⁴	2 365	2 655	2 765	2 879	3 002
Salaries of Magistrates (<i>Magistrates Court Act 1987</i>) ⁴	3 863	4 115	4 285	4 464	4 656
Salary and Travelling Allowance, Master of the Supreme Court (<i>Supreme Court Act 1959</i>) ⁴	313	348	362	377	393
Salary, Director of Public Prosecutions (<i>Director of Public Prosecutions Act 1993</i>) ⁴	383	415	433	451	469
Salary, Solicitor-General (<i>Solicitor-General Act 1983</i>) ⁴	357	410	428	446	465
	8 305	11 401	13 698	12 118	12 315
Total Revenue from Appropriation	120 447	132 743	125 132	129 581	142 466

Notes:

1. The increase in Works and Services in 2008-09 reflects the final loan repayment for Stage C of the Prisons Infrastructure Redevelopment Program, whilst the Forward Estimates reflect Stage D of the Program.
2. The increase in the Criminal Injuries Compensation Reserved by Law item in 2008-09 reflects the provision of additional funding for the Criminal Injuries Compensation Scheme.
3. The increase in the Expenses of Parliamentary Elections and Referendums Reserved by Law item in 2009-10 reflects the anticipated timing of the House of Assembly Election.
4. The increase in these items in 2008-09 reflects salary increases of statutory officers as determined by the Auditor-General.

Table 8.28: Income Statement - Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Fines and Regulatory Fees ¹	12 224	26 034	27 420	28 875	30 403
Grants ²	3 000	...	....	....	....
Sales of Goods and Services	6 978	7 134	7 294	7 456	7 625
	22 202	33 168	34 714	36 331	38 028
Less Expenses					
Transfer to the Consolidated Fund ¹	22 202	27 168	28 714	30 331	32 028
	22 202	27 168	28 714	30 331	32 028
Equals NET OPERATING RESULT	....	6 000	6 000	6 000	6 000

Notes:

1. The increase in Fines and Regulatory Fees and Transfer to the Consolidated Fund in 2008-09 reflects a reassessment of the estimate based on historical actuals.
2. The decrease in Grants in 2008-09 reflects the cessation of compensation payments from the Australian Government for the transfer of corporations regulation in 1991.

Table 8.29: Administered Revenue

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue Collected on Behalf of the Consolidated Fund					
Certificate of Competency Fees	152	152	152	152	152
Australian Government Recurrent Grants ¹	3 000	....	....	....	....
Consumer Affairs Office Fees and Recoveries	3 387	3 472	3 559	3 648	3 739
Electrical Contractors and Technicians Fines ²	395	395	395	395	395
Magistrate Courts Fees and Recoveries	11 900	19 710	21 096	22 551	24 079
Other Sales of Services	657	673	690	707	725
Registrar-General Fees and Recoveries	331	331	331	329	329
Regulatory Fees	1 617	1 657	1 698	1 740	1 784
Supreme Court Fees and Recoveries	172	172	172	172	172
	591	606	621	637	653
	22 202	27 168	28 714	30 331	32 028
Other Revenue					
Fines ³	....	6 000	6 000	6 000	6 000
Total Administered Revenue	22 202	33 168	34 714	36 331	38 028

Notes:

1. The decrease in Australian Government Recurrent Grants in 2008-09 reflects the cessation of compensation payments from the Australian Government for the transfer of corporations regulation in 1991.
2. The increase in Fines in 2008-09 reflects a reassessment of the estimate based on historical actuals.
3. The increase in Other Revenue in 2008-09 reflects the accrued portion of fines revenue, recognised in accordance with Australian Accounting Standards.

Table 8.30: Balance Sheet as at 30 June

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	7 065	9 060	9 576	10 230	11 028
Receivables ²	1 100	3 636	3 936	4 236	4 536
Other Financial Assets ³	....	300	300	300	300
	8 165	12 996	13 812	14 766	15 864
Non-Financial Assets					
Land and Buildings ⁴	124 674	98 955	95 639	94 823	104 507
Plant and Equipment ⁴	9 386	28 934	28 656	28 378	28 100
Intangibles ⁵	2 304	2 713	1 990	1 267	544
Other Non-Financial Assets	2 020	2 168	2 048	1 928	1 808
	138 384	132 770	128 333	126 396	134 959
Total Assets	146 549	145 766	142 145	141 162	150 823
Liabilities					
Borrowings ⁶	18 238	....	....	....	....
Employee Entitlements	15 287	15 790	16 242	16 694	17 146
Payables ⁷	2 579	3 790	4 090	4 390	4 690
Other Liabilities ⁷	....	1 013	1 031	1 059	1 097
Total Liabilities	36 104	20 593	21 363	22 143	22 933
NET ASSETS	110 445	125 173	120 782	119 019	127 890
Equity					
Accumulated Funds	90 889	105 871	101 480	99 717	108 588
Asset Revaluation Reserve	19 302	19 302	19 302	19 302	19 302
Other Equity	254	....	....	....	....
Total Equity	110 445	125 173	120 782	119 019	127 890

Notes:

1. The increase in Cash and Deposits in 2009 more accurately reflects the balance for this item based on the Department's 2006-07 financial statements.
2. The increase in Receivables in 2009 more accurately reflects the balance for this item based on the Department's 2006-07 financial statements.
3. The increase in Other Financial Assets in 2009 reflects the estimated GST Input Tax credits receivable from the Australian Tax Office.

4. The decrease in Land and Buildings and increase in Plant and Equipment in 2009 reflects the reclassification of a number of assets in the Risdon Prison Complex. The increase in Land and Buildings in 2012 reflects the capitalisation of Stage D of the Prisons Infrastructure Redevelopment Program.
5. The increase in Intangibles in 2009 reflects the capitalisation of the Monetary Penalties Enforcement System.
6. The decrease in Borrowings in 2009 reflects the final loan repayment associated with Stage C the Prisons Infrastructure Redevelopment Program.
7. The increases in Payables and Other Liabilities in 2009 more accurately reflects the balance for this item based on the Department's 2006-07 financial statements.

Table 8.31: Balance Sheet as at 30 June – Administered

	2008	2009	2010	2011	2012
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits	2 359	2 179	2 179	2 179	2 179
Receivables ¹	15 031	34 697	40 697	46 697	52 697
	17 390	36 876	42 876	48 876	54 876
Non-Financial Assets					
Plant and Equipment	3	....	....	....	....
	3	....	....	....	....
Total Assets	17 393	36 876	42 876	48 876	54 876
Liabilities					
Employee Entitlements ²	217	282	282	282	282
Payables ²	155	86	86	86	86
Other Liabilities	....	13	13	13	13
Total Liabilities	372	381	381	381	381
NET ASSETS	17 021	36 495	42 495	48 495	54 495
Equity					
Accumulated Funds	14 069	36 495	42 495	48 495	54 495
Other Equity ³	2 952	....	....	....	....
Total Equity	17 021	36 495	42 495	48 495	54 495

Notes:

1. The increase in Receivables in 2009 reflects the accrued portion of fines revenues being based on actual revenue recognised over the last four years. Whilst the Monetary Penalties Enforcement System is expected to improve the recovery of debts over the long-term, the estimate is yet to be adjusted to account for the full effectiveness of the System. The estimate will be revised in the 2009-10 Budget.
2. The increase in Employee Entitlements and decrease in Payables in 2009 more accurately reflects the balance for this item based on the Department's 2006-07 financial statements.
3. The decrease in Other Equity in 2009 more accurately reflects the balance for this item based on the Department's 2006-07 financial statements.

Table 8.32: Cash Flow Statement

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	112 142	121 342	111 434	117 463	130 151
Reserved by Law ²	8 305	11 401	13 698	12 118	12 315
Fines and Regulatory Fees	10	10	10	10	10
Interest Received	40	40	40	40	40
Grants ³	4 298	3 271	3 271	3 271	3 271
Sales of Goods and Services	6 291	6 359	6 430	6 499	6 571
GST Receipts ⁴	1 700	5 700	5 700	5 700	5 700
Other Receipts	2 231	2 295	2 362	2 431	2 503
	135 017	150 418	142 945	147 532	160 561
Cash Paid					
Employee Entitlements	(67 561)	(70 956)	(74 586)	(75 825)	(77 021)
Superannuation	(6 254)	(6 900)	(7 074)	(7 317)	(7 533)
Grants and Transfer Payments ⁵	(5 385)	(6 038)	(6 189)	(6 345)	(6 506)
Supplies and Consumables	(29 071)	(29 374)	(29 395)	(29 420)	(29 951)
GST Payments ⁴	(1 700)	(5 700)	(5 700)	(5 700)	(5 700)
Other Payments ⁶	(15 321)	(18 638)	(18 885)	(19 171)	(19 452)
	(125 292)	(137 606)	(141 829)	(143 778)	(146 163)
Net Cash Flows from Operating Activities	9 725	12 812	1 116	3 754	14 398
Cash Flows from Investing Activities					
Purchase of Fixed Assets ⁷	(1 203)	(1 832)	(600)	(3 100)	(13 600)
Net Cash Flows from Investing Activities	(1 203)	(1 832)	(600)	(3 100)	(13 600)
Cash Flows from Financing Activities					
Net Borrowings ⁸	(8 290)	(10 602)	....	....	....
Net Cash Flows from Financing Activities	(8 290)	(10 602)	....	....	....
Net Increase/(Decrease) in Cash Held	232	378	516	654	798
Cash at the Beginning of the Year	6 833	8 682	9 060	9 576	10 230
Cash at the End of the Year	7 065	9 060	9 576	10 230	11 028

Notes:

1. The increase in Appropriation in 2008-09 primarily reflects the provision of additional funding for the ongoing operations of the Risdon Prison Complex, Workplace Standards Tasmania approvals and compliance, the establishment of the Tasmanian State Architect, the upgrade of the holding cells at the Hobart Supreme Court, and the final loan repayment for Stage C of the Prisons Infrastructure Redevelopment Program.
2. The increase in Reserved by Law in 2008-09 reflects the provision of additional funding for the Criminal Injuries Compensation Scheme and salary increases for statutory officers. The increase in 2009-10 reflects the anticipated timing of the House of Assembly Election.
3. The decrease in Grants in 2008-09 reflects completion of funding from the Structural and Performance Initiatives Program for the Monetary Penalties Enforcement Project.
4. The increase in GST Receipts and GST Payments in 2008-09 more accurately reflects the balance for this item based on the Department's 2006-07 financial statements.
5. The increase in Grants and Transfer Payments in 2008-09 primarily reflects the provision of additional funding for Hobart and North West Community Legal Centres.
6. The increase in Other Payments in 2008-09 reflects the provision of additional funding for the Criminal Injuries Compensation Scheme, and an increase in the rate of fees paid to jurors.
7. The increase in Purchase of Fixed Assets in 2008-09 reflects funding for the upgrade of the Hobart Supreme Court holding cells, whilst the Forward Estimates reflect Stage D of the Prisons Infrastructure Redevelopment Program.
8. The decrease in Net Borrowings from 2008-09 reflects the final loan repayment being made for Stage C of the Prisons Infrastructure Redevelopment Program.

Table 8.33: Cash Flow Statement – Administered

	2007-08	2008-09	2009-10	2010-11	2011-12
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Fines and Regulatory Fees ¹	12 224	20 034	21 420	22 875	24 403
Grants ²	3 000	....	....	....	....
Sales of Goods and Services	6 978	7 134	7 294	7 456	7 625
	22 202	27 168	28 714	30 331	32 028
Cash Paid					
Transfers to the Consolidated Fund ¹	(22 202)	(27 168)	(28 714)	(30 331)	(32 028)
	(22 202)	(27 168)	(28 714)	(30 331)	(32 028)
Net Increase/(Decrease) In Cash Held	....	....	....	....	....
Cash at the Beginning of the Year	2 359	2 179	2 179	2 179	2 179
Cash at the End of the Year	2 359	2 179	2 179	2 179	2 179

Notes:

1. The increase in Fines and Regulatory Fees and Transfers to the Consolidated Fund in 2008-09 reflects a reassessment of the estimate based on historical actuals.
2. The decrease in Grants in 2008-09 reflects the cessation of compensation payments from the Australian Government for the transfer of corporations regulation in 1991.



Tasmania
Explore the possibilities

CONTACT DETAILS

Department of Treasury and Finance
GPO Box 147
Hobart Tasmania 7001 Australia
Telephone: +61 3 6233 3100
Website: <http://www.budget.tas.gov.au>