



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

Budget Paper No 2

Government Services

Volume 1

Presented by

Lara Giddings MP, Treasurer, for the information of
Honourable Members, on the occasion of the Budget, 2011-12

Useful 2011-12 Budget and Government Websites

www.budget.tas.gov.au	Contains the 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 Websites 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.tasmaniatogether.tas.gov.au	Provides detailed information on Tasmania Together, including the current status of this important initiative.

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CONVENTIONS

Figures in tables and in the text have been rounded. Discrepancies in tables between totals and sums of component items reflect rounding. Percentage changes in all tables are based on the underlying unrounded amounts.

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

PART 1:

DEPARTMENTS

1 INTRODUCTION

Features

- Budget Paper No 2 *Government Services* provides information about the Outputs (goods and services) the Government will deliver in 2011-12 and over the Forward Estimates period (2012-13 to 2014-15).
- Budget Paper No 2 provides detailed financial and non-financial information regarding 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.

OVERVIEW

Budget Paper No 2 *Government Services* provides information about the Outputs (goods and services) the Government will deliver in 2011-12 and over the Forward Estimates period (2012-13 to 2014-15). 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 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) 2011* and the *State Service (Restructuring) Order 2009*.
- Ministerial responsibility for departments is assigned under the provisions of the *Administrative Arrangements Order (No. 2) 2011*, issued in accordance with section 4(1) of the *Administrative Arrangements Act 1990*. The Ministerial responsibilities detailed in the Order are illustrated in Table 1.1.

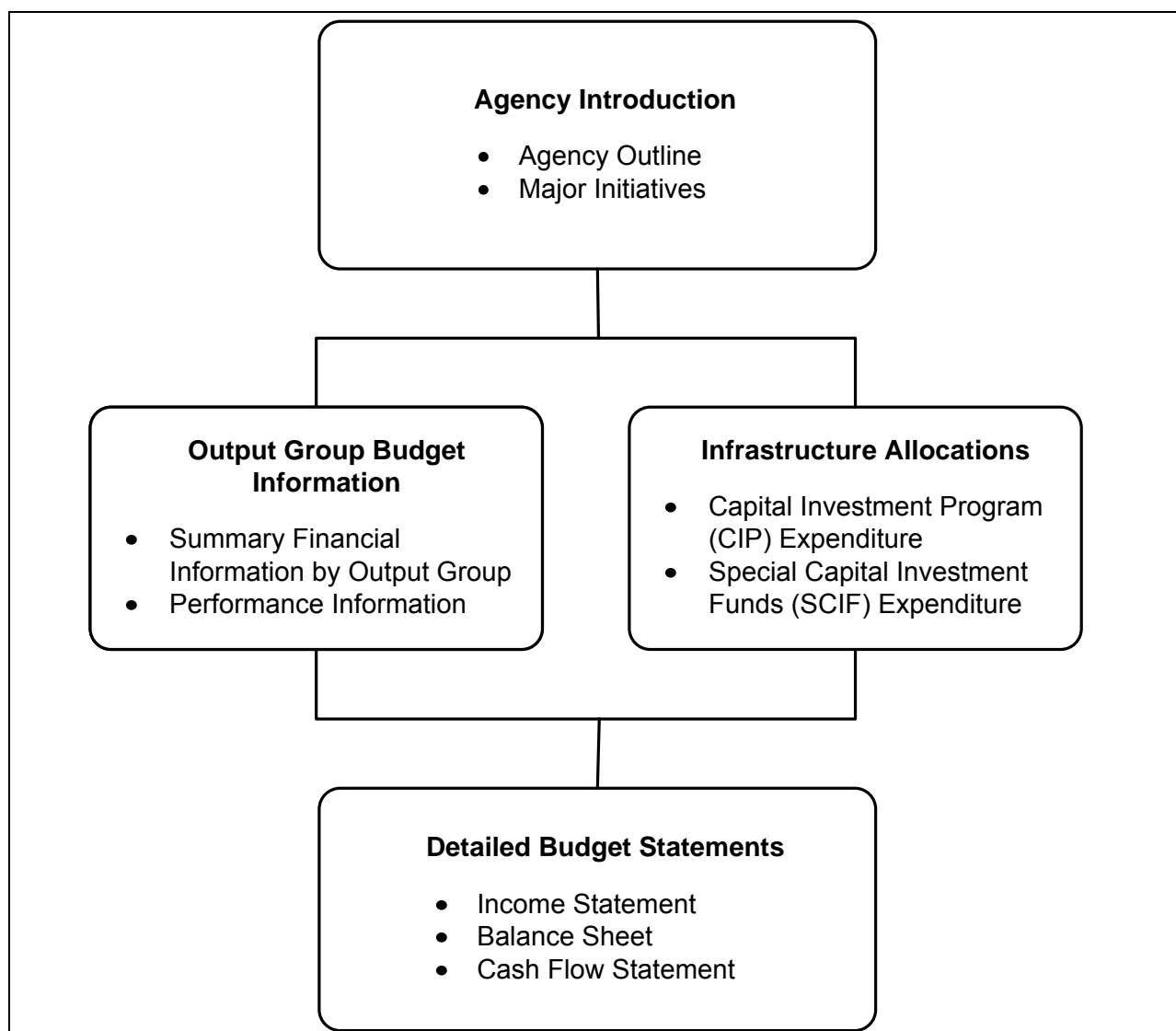
STRUCTURE OF BUDGET PAPER NO 2 *GOVERNMENT SERVICES*

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 Tasmanian Skills Institute.

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

Chart 1.1: Budget Paper No 2 Chapter Structure



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.

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) 2011* and the *State Service (Restructuring) Order 2009*, is outlined in Table 1.1.

Table 1.1: Structure of the Tasmanian Government

Minister	Portfolio	Department
Hon Lara Giddings MP	Premier	Premier and Cabinet
	Treasurer	Treasury and Finance
	Minister for the Arts	Economic Development, Tourism and the Arts
Hon Bryan Green MP	Deputy Premier	
	Minister for Primary Industries and Water	Primary Industries, Parks, Water and Environment
	Minister for Energy and Resources	Infrastructure, Energy and Resources
	Minister for Local Government	Premier and Cabinet
	Minister for Planning	Justice
Hon David O'Byrne MP	Minister for Racing	Infrastructure, Energy and Resources
	Minister for Infrastructure	Infrastructure, Energy and Resources
	Minister for Economic Development	Economic Development, Tourism and the Arts
	Minister for Innovation, Science and Technology	Economic Development, Tourism and the Arts
	Minister for Police and Emergency Management	Police and Emergency Management
Hon Michelle O'Byrne MP	Minister for Workplace Relations	Justice
	Minister for Health	Health and Human Services
	Minister for Children	Health and Human Services/Education/Premier and Cabinet
Hon Nick McKim MP	Minister for Sport and Recreation	Economic Development, Tourism and the Arts
	Minister for Education and Skills	Education
Hon Nick McKim MP	Minister for Corrections and Consumer Protection	Justice
	Minister for Sustainable Transport	Infrastructure, Energy and Resources

Table 1.1: Structure of the Tasmanian Government (continued)

Minister	Portfolio	Department
Hon Cassy O'Connor MP	Minister for Human Services	Health and Human Services
	Minister for Community Development	Premier and Cabinet
	Minister for Climate Change	Premier and Cabinet
	Minister for Aboriginal Affairs	Premier and Cabinet
Hon Brian Wightman MP	Attorney-General	
	Minister for Justice	Justice
	Minister for Environment, Parks and Heritage	Primary Industries, Parks, Water and Environment
Hon Scott Bacon MP	Minister for Tourism	Economic Development, Tourism and the Arts
	Minister for Hospitality	Economic Development, Tourism and the Arts
	Minister for Veterans' Affairs	Treasury and Finance/Premier and Cabinet

General Government Sector Authorities

These Statutory Authorities are established under specific legislation, which defines the purpose of the authority and the general functions for which it is responsible.

Table 1.2 identifies the current Ministerial portfolio allocations for the GGS authorities.

Table 1.2: General Government Sector Authorities

Statutory Authority	Portfolio Minister	Portfolio Department
Inland Fisheries Service	Hon Bryan Green MP	Primary Industries, Parks, Water and Environment
Marine and Safety Tasmania	Hon David O'Byrne MP	Infrastructure, Energy and Resources
Royal Tasmanian Botanical Gardens	Hon Brian Wightman MP	Primary Industries, Parks, Water and Environment
State Fire Commission	Hon David O'Byrne MP	Police and Emergency Management
Tasmanian Skills Institute	Hon Nick McKim MP	Education

2 DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND THE ARTS

AGENCY OUTLINE

The Department of Economic Development, Tourism and the Arts promotes economic and industry development in Tasmania, delivers marketing and development programs to support the State's tourism industry, provides opportunities for Tasmanians to participate in sport, recreation and physical activity, and is responsible for the protection and promotion of some of the State's considerable cultural assets, including developing and promoting the arts.

The Department supports the Minister for Economic Development and the Minister for Innovation, Science and Technology, Hon David O'Byrne MP; the Minister for Tourism and the Minister for Hospitality, Scott Bacon MP; the Minister for Sport and Recreation, Hon Michelle O'Byrne MP; and the Minister for the Arts, Lara Giddings MP.

The Department aims to promote a healthy and prosperous Tasmania by:

- developing and implementing a whole-of-government Economic Development Plan;
- supporting Tasmanian businesses to succeed nationally and internationally;
- encouraging investment in Tasmania;
- continuing to recognise, build and promote a contemporary view of Tasmania as a place to live, work, visit and invest;
- developing Tasmania's arts community and its capacity to contribute creatively, culturally and economically;
- providing, promoting and facilitating interaction with, and understanding of, the cultural and natural world;
- improving Tasmanians' wellbeing by providing sport and recreation participation opportunities; and
- providing authoritative policy advice and implementation to support these aims.

This chapter details the Department's financial information for 2011-12 and over the Forward Estimates period (2012-13 to 2014-15).

Further information on the Department, including the new Economic Development Plan (EDP), is available at <http://www.development.tas.gov.au>.

MAJOR INITIATIVES

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

Table 2.1: Major Initiatives Statement

	2011-12	2012-13	2013-14	2014-15
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Economic Development Plan				
Business Tasmania Online	544	331	367	456
Digital Ready	230	200	150	100
AFL Football	3 111	4 010	4 150	4 396

Economic Development Plan

The Department is leading the development of the Economic Development Plan (EDP) which takes a whole-of-government approach to establishing economic development priorities for Tasmania at an economy-wide, sectoral and regional level. The EDP will provide the overarching framework in which to coordinate important government strategies such as infrastructure, skills and innovation. The EDP aims to improve the prosperity of Tasmanians through development which is economically, socially and environmentally sustainable and establishes a system that includes:

- a framework with clear goals, principles and criteria for identifying strategic priorities;
- a ten-year vision for Tasmania with rolling implementation plans;
- robust stakeholder engagement and collaboration; and
- an evidence-based assessment of the impact of government action.

Major Initiatives include:

- Business Tasmania Online - establishing a centralised online government information and licence tool to improve the business-enabling environment for all enterprises by reducing the administrative burden of complying with regulations and reducing the cost of business interfacing with government; and
- Digital Ready - the objective of the Digital Ready project is to improve small business operators' participation in the digital economy by providing targeted knowledge, skills and advice via a Business e-Kit and Digital Coach Program. The Business e-Kit will provide tutorials and information to give operators the skills and knowledge to participate in the digital economy. The Digital Coach Program will provide one-on-one assistance to enable businesses to understand how to transition to a digital economy business model.

Other Department led initiatives include:

- actively promoting and facilitating investment in key industry sectors;

- supporting exports, both interstate and international, including rationalising and strengthening marketing and branding activities. Export promotion will also be more closely targeted to sectoral priorities and markets;
- taking action at the regional level to make the most of our opportunities for investment and jobs growth;
- delivering business development services in partnership with the private sector tailored to achieve maximum reach and value;
- working collaboratively with the Tasmanian Climate Change Office, the Social Inclusion Office, and the Tasmanian Planning Commission on initiatives to increase the social and environmental sustainability of the Tasmanian economy. This element of the EDP will complement the role of agencies responsible for issues such as health, justice, environmental regulation and education which are the major contributors to social inclusion and environmental sustainability; and
- building and leveraging Tasmania's liveability as a key competitive strategy to attract and retain a skilled workforce and business entrepreneurs. This will include promoting a contemporary view of Tasmania as a place to live, work, visit and invest.

AFL Football

The Government has entered into a new five-year agreement with the Hawthorn Football Club to play AFL matches in Tasmania and to promote the State. The agreement includes the Hawthorn Football Club playing a minimum of four home games at Aurora Stadium each year as well as Tasmania being the Club's Naming Rights sponsor, providing a broad range of benefits such as community development programs, brand exposure and marketing the State of Tasmania.

OTHER INITIATIVES

Destination Marketing

Tourism Tasmania has developed a tourism destination brand that is synonymous with iconic natural tourism experiences, culture and heritage, and food and beverage tourism. In recent times significant new tourism products such as Saffire, Pennicot Wilderness Journeys, Maria Island Walk and MONA have come on stream that build more equity in that brand. Noting the substantial competition that exists from many destinations in our core markets, in 2011-12 Tourism Tasmania will focus its marketing campaign efforts on leveraging the profile such new products and others generate to build overall demand for Tasmania to generate conversion opportunities for tourism businesses state-wide.

A particular focus in 2011-12 will be to create a range of opportunities for product suppliers through well informed and targeted marketing initiatives and building an integrated relationship with regional areas to encourage increased levels of visitor dispersal throughout the state.

Disability Sport and Recreation Action Plan

In 2011-12, the Disability Sport and Recreation Action Plan will address the four key priority areas identified in the Tasmanian Sport and Recreation Framework for People with a Disability: Capacity Building; Collaboration; Information, Awareness and Promotion; and Accessibility. Sport and Recreation Tasmania will lead and guide sport and recreation sector and disability sector organisations to develop sport and recreation participation opportunities for people with a disability.

Screen Industry Strategy

Screen Tasmania's new five-year strategic plan will emphasise opportunities in digital media and multi-platform production, with an increased focus on supporting Tasmanian talent and locally generated content for both local and worldwide markets.

Screen Tasmania will deliver a \$70 000 Digital Innovation Program designed to encourage and support industry in the development and production of content to be delivered on multiple digital platforms. This fund will build skills and raise awareness of opportunities in the digital media environment, and will leverage opportunities presented through the roll-out of the National Broadband Network.

Screen Tasmania will also offer expanded support of \$110 000 for the development of content for series television across a range of genres including comedy, drama, factual and light entertainment, format TV, and animation. This will include support for teasers, trailers and pilot programs to increase the likelihood of attracting marketplace investment and creating ongoing production and employment.

Smart Map Tasmania

Smart Map Tasmania is a cultural tourism project designed to profile both commercial and non-commercial arts experiences to a local, national and international visitor market. It is a database-driven website that lists experiences in visual arts, performing arts, literature, craft and design, music and Aboriginal Arts and Craft across the state. Each listing contains contact details, opening hours, services and facilities and details of upcoming events, exhibitions or activities.

The site allows users to search by artform, by genre, by region, by town or by name. It has a list of suggested itineraries while also enabling users to create their own wish list of experiences to visit.

AGENCY SAVINGS STRATEGIES

In accordance with the Government's objective to return the Budget to a sustainable position, the Department is implementing a number of savings strategies to achieve savings of \$4.1 million in 2011-12 increasing to \$7.7 million by 2014-15. Savings strategies will include:

- reviewing the grants and development programs managed by the Department;
- implementing administrative changes to support the new EDP;
- reshaping Tourism Tasmania;
- reviewing current tourism marketing strategies; and
- implementing efficiencies in the delivery of corporate support services.

The impact of these strategies is reflected in the financial information provided in this chapter.

In addition to the Agency Savings Strategies, the decrease in the Department's 2011-12 Budget and Forward Estimates allocations reflect the completion of several 2010 Election commitments, including the Forest Industry Support Program (\$3.6 million), Gas to Ulverstone (\$3.0 million) and the Regional Assistance Program (\$2.2 million).

OUTPUT RESTRUCTURE

A major restructure of Output Group 1: Economic Development has occurred since the 2010-11 Budget. The new Output Group structure aligns with the four goals of the EDP:

- Output 1.1: Business Growth;
- Output 1.2: Industry Development;
- Output 1.3: Social and Environmental Sustainability; and
- Output 1.4: Regional Economic Development.

In 2011-12 and over the Forward Estimates, the resourcing of the Economic Development Output Group will be directly aligned with the goals of the EDP. The revised Output structure will enable effective reporting that is directly relevant to the Government's future direction for Economic Development.

Additionally, in accordance with the Administrative Order of 6 December 2010, the Department has transferred the operations of Screen Tasmania from the Economic Development Output Group to the Arts Output Group.

The 2010-11 Budget has been recast to reflect the impact of these changes.

OUTPUT INFORMATION

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

- Output Group 1 – Economic Development;
- Output Group 2 – Sport and Recreation;
- Output Group 3 – Tourism; and
- Output Group 4 – Arts.

Table 2.2 provides an Output Group Expense Summary for the Department.

Table 2.2: Output Group Expense Summary

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Economic Development					
Output Group 1 - Economic Development					
1.1 Business Growth ¹	12 107	11 294	10 044	10 404	10 502
1.2 Industry Development ²	31 194	25 671	26 679	15 120	15 754
1.3 Social and Environmental Sustainability ³	1 968	1 659	1 679	1 669	1 692
1.4 Regional Economic Development ⁴	12 181	8 394	7 461	7 230	7 202
	57 450	47 018	45 863	34 423	35 150
Special Capital Investment Funds⁵	....	600	....	....	....
Minister for Sport and Recreation					
Output Group 2 - Sport and Recreation					
2.1 Sport and Recreation ⁶	18 554	16 944	17 668	14 929	14 869
	18 554	16 944	17 668	14 929	14 869
Special Capital Investment Funds⁵	1 067	....	....	....	....
Minister for Tourism					
Output Group 3 - Tourism					
3.1 Tourism ⁷	30 581	24 906	24 497	24 174	24 497
3.2 Events ⁸	5 088	3 917	3 145	3 193	3 696
	35 669	28 823	27 642	27 367	28 193
Grants and Subsidies	1 000	1 000	1 000	1 000	1 000
Special Capital Investment Funds⁵	3 625	1 427	....	....	....

Table 2.2: Output Group Expense Summary (continued)

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for the Arts					
Output Group 4 - Arts					
4.1 Tasmanian Museum and Art Gallery	6 198	6 722	6 742	6 818	6 901
4.2 Arts Industry Development	7 348	7 112	7 260	7 317	7 115
4.3 Screen Industry Development ⁹	1 183	1 587	1 458	1 332	1 368
	14 729	15 421	15 460	15 467	15 384
Grants and Subsidies	2 850	2 891	2 951	2 975	3 001
Special Capital Investment Funds⁵	2 719	....	....	....	....
TOTAL	137 663	114 124	110 584	96 161	97 597

Notes:

1. The decrease in the Business Growth Output in 2012-13 reflects the movements in funding for the 2010 Election commitment: Strengthening the Economy.
2. The decrease in the Industry Development Output in 2011-12 is primarily due the completion of several 2010 Election commitments, including the Forest Industry Support Program (\$3.6 million), Gas to Ulverstone (\$3.0 million) and Regional Assistance Program (\$2.2 million). The decrease in 2013-14 is due to the completion of funding for the Menzies Centre redevelopment (\$10.0 million in 2012-13).
3. The decrease in the Social and Environmental Sustainability Output is primarily due to the Budget Savings Strategies.
4. The decrease in the Regional Economic Development Output reflects the reallocation of estimates for Intelligent Island which have been allocated to Output 1.2 Industry Development as part of the restructure of the Economic Development Output Group.
5. Details of projects funded from the Special Capital Investment Funds are provided in Table 2.11.
6. The decrease in the Sport and Recreation Output in 2011-12 is primarily due to the completion of several major initiatives and 2010 Election commitments including Tracks, Trails and Bikeways (\$2.0 million), Funding for Surf Life Saving Tasmania (\$2.4 million) and Sporting Infrastructure for Southern Tasmania (\$1.2 million). This is offset by additional funding for the Mersey Aquatic Centre (\$5.0 million) and the new five-year agreement with the Hawthorn Football Club to play AFL matches in Tasmania and to promote the State.
7. The decrease in the Tourism Output is primarily due the Budget Savings Strategies and the full impact of the closure of the Tasmania Temptations Holidays business.
8. The decrease in the Events Output in 2011-12 is primarily due to the Budget Savings announced in the *2010-11 Mid-Year Financial Report* for the 2010 Election commitment: Events Attraction Program.
9. The increase in the Screen Industry Development Output in 2011-12 is due to a transfer of funds between Output Groups to reflect the full cost of Screen Tasmania's operations.

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

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Economic Development					
Expenses by Output					
1.1 Business Growth ¹	12 107	11 294	10 044	10 404	10 502
1.2 Industry Development ²	31 194	25 671	26 679	15 120	15 754
1.3 Social and Environmental Sustainability ³	1 968	1 659	1 679	1 669	1 692
1.4 Regional Economic Development ⁴	12 181	8 394	7 461	7 230	7 202
	57 450	47 018	45 863	34 423	35 150
Retained Revenue⁵	5 101	6 335	4 578	4 518	4 518
Net Cost of Output Group	52 349	40 683	41 285	29 905	30 632
Appropriation	51 698	40 381	42 145	31 068	31 910

Notes:

1. The decrease in the Business Growth Output in 2012-13 reflects the movements in funding for the 2010 Election commitment: Strengthening the Economy.
2. The decrease in the Industry Development Output in 2011-12 is primarily due the completion of several 2010 Election commitments, including the Forest Industry Support Program (\$3.6 million), Gas to Ulverstone (\$3.0 million) and Regional Assistance Program (\$2.2 million). The decrease in 2013-14 is due to the completion of the Menzies Centre redevelopment (\$10.0 million in 2012-13).
3. The decrease in the Social and Environmental Sustainability Output is primarily due to the Budget Savings Strategies.
4. The decrease in the Regional Economic Development Output reflects the reallocation of estimates for Intelligent Island which have been allocated to Output 1.2 Industry Development as part of the restructure of the Economic Development Output Group.
5. The increase in Retained Revenue in 2011-12 relates to funds carried forward in accordance with section 8A(2) of the *Public Accounts Act 1986* for the Gas to Ulverstone, Project Tasmania, and the Food and Agriculture Innovation projects.

1.1 Business Growth

This Output provides a range of services which support the growth of Tasmanian businesses. Assistance programs will focus on improving the business-enabling environment and fostering a dynamic small business sector in Tasmania. Business development services will be delivered by the Department in partnership with the private sector.

1.2 Industry Development

This Output focuses on maximising Tasmania's economic and jobs growth potential in key industry sectors such as: food and agri-business, mining and mineral processing, marine and specialist manufacturing, science and research, Antarctic, building and construction, renewable energy, information communication technology and tourism. Industry Development programs will focus on brand and market development, investment attraction, promotional activities, research and development and finance facilitation.

1.3 Social and Environmental Sustainability

This Output aims to improve the social and environmental sustainability of the economy. Social sustainability programs will focus on supporting workers and communities to adjust to structural changes in the economy and to create economic opportunities for those at risk of social exclusion. This will include working with targeted local communities vulnerable to local or global shocks to maximise economic development opportunities and develop capacity to help mitigate these risks. Environmental sustainability programs provide targeted incentives to businesses to improve environmental performance.

1.4 Regional Economic Development

This Output aims to support and grow sustainable communities within regions. The Liveability Strategy is designed to attract and retain a skilled workforce, business entrepreneurs and investors. In addition, the Liveable Places Development Program improves liveability of towns and regional communities. The Output also supports planning reform and infrastructure development by working with local government to deliver strategic land use planning that targets economic development priorities.

Table 2.4: Performance Information - Output Group 1

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Jobs created and retained ¹	Number	3 194	2 696	3 000	3 000
Investment facilitated ²	\$ million	337.4	186.5	300.0	300.0
Exports facilitated	\$ million	45.6	67.1	70.0	70.0
Import Replacements Facilitated	\$ million	125.3	34.6	40.0	40.0
Increased Revenue Arising from Innovation ³	\$ million	35.0	64.8	20.0	20.0
Investment Facilitated in R&D and Innovation	\$ million	27.7	22.1	15.0	15.0

Notes:

1. The outcome for 2009-10 is below the target of 3 000 jobs. During this period total Tasmanian employment fell by 1.6 per cent.
2. The target for 2009-10 has not been met. During this period Tasmanian total private investment fell by 16.3 per cent.
3. Increased Revenue Arising from Innovation is above target due to high growth outcomes achieved by Industry Capability Network (ICN) Tas and Market Access and Partnerships Program (MAPP) activities.

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

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Sport and Recreation</i>					
Expenses by Output					
2.1 Sport and Recreation ¹	18 554	16 944	17 668	14 929	14 869
	18 554	16 944	17 668	14 929	14 869
Retained Revenue	1 924	2 209	2 239	2 239	2 399
Net Cost of Output Group	16 630	14 735	15 429	12 690	12 470
Appropriation	16 070	14 282	14 992	12 212	12 025

Note:

1. The decrease in the Sport and Recreation Output in 2011-12 is primarily due to the completion of several major initiatives and 2010 Election commitments including Tracks, Trails and Bikeways (\$2.0 million), Funding for Surf Life Saving Tasmania (\$2.4 million) and Sporting infrastructure for Southern Tasmania (\$1.2 million). This is offset by additional funding for the Mersey Aquatic Centre (\$5.0 million) and the new five-year agreement with the Hawthorn Football Club to play AFL matches in Tasmania and to promote the State.

2.1 Sport and Recreation

This Output Group contributes to a range of State Government health, economic and social policies through the development of opportunities to encourage widespread Tasmanian participation in sport and active recreation activities. This includes a focus on optimising the State's sport and active recreation assets, developing the sport and active recreation sector and providing the best possible opportunities for Tasmania's elite athletes.

Table 2.6: Performance Information – Output Group 2

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Number of participation opportunities facilitated through SRT grants and programs ¹	Number	182 920	302 975	293 300	262 000
Total Investment in sport and recreation infrastructure and programs ²	\$ million	12.6	11.4	10.0	3.7

Notes:

1. The 2008-09 actual figure does not include opportunities generated through the State Grants Program. The 2010-11 target figure reflects the impact of additional funding provided for the State Grants Program. The decrease in the 2011-12 target is due to the completion of the Trails and Bikeways Program.
2. The 2010-11 and 2011-12 Targets reflect the impact of the 2010 Election commitments and the completion of the Trails and Bikeways Program in 2010-11.

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

	2010-11 Budget	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Tourism					
Expenses by Output					
3.1 Tourism ¹	30 581	24 906	24 497	24 174	24 497
3.2 Events ²	5 088	3 917	3 145	3 193	3 696
	35 669	28 823	27 642	27 367	28 193
Retained Revenue	550	560	570	580	590
Net Cost of Output Group	35 119	28 263	27 072	26 787	27 603
Appropriation	30 724	28 087	26 903	26 522	27 418

Notes:

1. The decrease in the Tourism Output is primarily due to the Budget Savings Strategies and the full impact of the closure of the Tasmania Temptations Holidays business.
2. The decrease in the Events Output is primarily due to the Budget Savings announced in the 2010-11 Mid-Year Financial Report for the 2010 Election commitment: Events Attraction Program.

3.1 Tourism

The Output uses a variety of marketing approaches to stimulate awareness and demand for travel to and around Tasmania by building a strong distinctive tourism brand, delivering highly differentiated marketing campaigns, and developing significant national and international cooperative partnerships. The Output also facilitates public relations activities that attract editorial coverage in domestic and international target markets.

The Output enables conversion opportunities for Tasmanian tourism operators through a range of distribution channels as a consequence of partnerships with wholesalers and retailers, and on-line distributors including *discovertasmania.com*.

The Output also supports strategies to encourage experiential tourism products that will build competitive advantage, assist in attracting visitors to the State and exceed visitor expectations. As well, the provision of learning and development opportunities designed to build industry capability, particularly with on-line marketing and distribution, are funded from this source. An important role undertaken is that of providing business intelligence and information on tourism trends and outlooks for existing operators and new business entrants, and working with potential investors in highlighting market gaps and opportunities.

3.2 Events

This Output plays a role in stimulating events growth in Tasmania. This is achieved through the attraction and retention of a diverse range of events, and through event development and support activities that deliver 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	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Market share					
International	%	2.9	2.5	2.9	2.7
Interstate	%	3.7	3.9	4.2	4.2
Domestic intention to travel to Tasmania in next 12 months	%	4.6	4.6	4.8	4.8
Prompted domestic advertising awareness	%	28.2	24.5	28.0	26.0
Unprompted domestic advertising awareness	%	16.2	15.5	17.0	17.0
Discovertasmania.com total visits	'000	1 450	1 601	1 550	2 080
On-line bookings via Tas e-Connect	\$'000	102	3 280	3 200	4 200
Equivalent advertising value of publicity generated					
International	\$ million	25.2	25.9	28.0	28.0
Domestic	\$ million	23.1	36.5	28.0	30.0
Local tourism strategies negotiated with local government	Number	8	4	9	15

Performance Information Comments

Following a strong quarter to September 2009, tourism performance in Tasmania has softened across the industry during 2010 on the back of declining demand for domestic holidays occasioned by the substantial growth in the strength of the Australian dollar. Domestic tourism growth forecasts have contracted as a consequence of strong demand by Australians to travel overseas while the range of natural disasters affecting Australian destinations in early 2011 has further challenged the domestic industry.

Tasmania's performance during 2010 and through the early part of 2011 has been patchy and while overall annual numbers as reported by the Tasmanian Visitor Survey for all visitors are steady, quarterly data highlights continued decline in holiday visitors and declining performance in some regional locations of Tasmania compared to the major population centres.

The 2011-12 performance data reflects a conservative approach to Tasmania's performance in a difficult market ahead. Despite these concerns with the state of the domestic Australian industry and the competition posed by outbound travel, the potential for the Tasmanian tourist sector to grow is strong. Tasmania's tourism brand is well recognised in the Australian context and the emergence of new five star boutique accommodation products and new attractions of international standing with the Museum of Old and New Art (MONA) lending weight to the sector's growth prospects.

Output Group 4: Arts

Table 2.9 provides financial information for each Output under Output Group 4. A description of the Outputs follows the table.

Table 2.9: Summary Financial Information - Output Group 4

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Arts					
Expenses by Output					
4.1 Tasmanian Museum and Art Gallery	6 198	6 722	6 742	6 818	6 901
4.2 Arts Industry Development	7 348	7 112	7 260	7 317	7 115
4.3 Screen Industry Development ¹	1 183	1 587	1 458	1 332	1 368
	14 729	15 421	15 460	15 467	15 384
Retained Revenue	698	698	700	700	700
Net Cost of Output Group	14 031	14 723	14 760	14 767	14 684
Appropriation	14 034	14 266	14 416	14 533	14 450

Note:

1. The increase in the Screen Industry Development Output in 2011-12 is due to a transfer of funds between Output Groups to reflect the full cost of Screen Tasmania's operations.

4.1 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, invites participation in the State's collection, and offers a stimulating museum and art environment.

4.2 Arts Industry Development

This Output focuses on providing support to Tasmanian artists and their representative 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. This is achieved by providing funding to individual artists, arts organisations and major Tasmanian cultural institutions to assist their planning and realisation of projects, as well as to attract and encourage new work. The Output also includes grant funding to Tasmanian museums, arts galleries and heritage organisations as a key part of the Government's ongoing support for the preservation of the State's cultural heritage.

4.3 Screen Industry Development

This Output aims to build sustainability in the sector through increased screen production generated by Tasmanians. It provides support for professional, project and enterprise development and seeks to promote Tasmanian talent and stories to a world-wide audience. This Output also aims to position Tasmania as a centre for the creation and development of quality content in the digital media environment.

Table 2.10: Performance Information - Output Group 4

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Tasmanian Museum and Art Gallery					
TMAG Total Visitors ¹	Number	880/day	800/day	700/day	700/day
Arts Industry Development					
Attendance at selected cultural venues	'000	810	758	800	815
Contribution to Gross State Product of selected arts industries ²	\$ million	47.1 ³	50.1	46.3	47.6
Employment in selected cultural and leisure activities ⁴	Number	20 300	...	20 300	20 400

Notes:

1. The decrease in the 2010-11 and 2011-12 Targets is due to anticipated constraints on visitor access due to the redevelopment program.
2. Data used has been affected by National Accounts data reclassification undertaken by the Australian Bureau of Statistics (ABS). A replacement benchmark has been developed using the new Arts and Recreation Services subdivision of the National Accounts. Libraries, motion picture, radio and television service and music and other sound recording activities are not included in the Arts subdivision, therefore the contribution by selected 'arts' industries to Gross State Product is significantly lower than the previously measured contribution by selected 'cultural' industries. Using the new classification system, data has been recast back to 2000 to produce a time series that can be used. Targets have been recast on the basis of this new performance indicator, which is significantly lower than the previous measure.

3. The 2008-09 actuals have been revised upwards by the Australian Bureau of Statistics (ABS).
4. Data for this measure has previously been gained from the Work in Selected Cultural and Leisure Activities (Cat. No. 6281.0) publication, released by the Australian Bureau of Statistics approximately every three years. This publication has been discontinued, and the ABS has advised that replacement data will be available in 'Participation in Selected Cultural Activities' which is scheduled for release in February 2012.

SPECIAL CAPITAL INVESTMENT FUNDS

Table 2.11 identifies expenditure by the Department from the Government's Special Capital Investment Funds.

Table 2.11: Special Capital Investment Fund (SCIF) Allocations

	Estimated Total Cost	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Economic and Social Infrastructure Fund					
<i>Minister for the Arts</i>					
Tasmanian Museum and Art Gallery	30 000	9 000	11 294	....	....
		9 000	11 294	....	....
<i>Minister for Economic Development</i>					
Industry Assistance Program	4 000	600	....	....	....
		600	....	....	....
<i>Minister for Sport and Recreation</i>					
AFL Arrangement - Hawthorn Football Club ¹	16 746	1 427	....	....	....
		1 427	....	....	....
Total SCIF Allocations		11 027	11 294	....	....

Note:

1. Funding for the new AFL Arrangement with the Hawthorn Football Club is provided in Output 2.1 Sport and Recreation.

Economic and Social Infrastructure Fund

Tasmanian Museum and Art Gallery

This project provides for a major redevelopment of the Hobart TMAG site. The complete redevelopment will include preservation of heritage buildings, archaeology, new buildings and exhibitions. In 2010-11, the full Architectural Concept Design was completed and detailed architectural design was completed for Stage One. In 2011-12, construction for Stage One will commence and will be completed by early 2013.

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.

AFL Arrangement – Hawthorn Football Club

In 2007, the Government entered into a five-year agreement with the Hawthorn Football Club to play AFL matches 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. A new agreement was entered into with the Hawthorn Football Club in 2010. This agreement is funded through Output 2.1 Sport and Recreation.

DETAILED BUDGET STATEMENTS

Table 2.12: Income Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	112 915	98 666	98 456	84 335	85 803
Interest Revenue	2 900	2 862	2 720	2 630	2 630
Grants ²	15 335	12 986	13 283	1 989	2 149
Sales of Goods and Services	2 031	2 021	2 038	2 048	2 058
Other Revenue ³	1 029	1 310	1 340	1 370	1 370
	134 210	117 845	117 837	92 372	94 010
Less Expenses					
Employee Entitlements ⁴	31 219	34 168	33 153	32 759	33 376
Superannuation ⁵	3 275	3 766	3 633	3 553	3 623
Depreciation and Amortisation	1 611	1 535	1 635	1 635	1 635
Borrowing Costs ⁶	2 323	1 793	1 843	1 918	2 043
Grants and Transfer Payments ⁷	56 603	37 417	36 365	21 932	22 253
Supplies and Consumables ⁸	37 163	29 240	27 767	28 196	28 438
Other Expenses ⁹	1 619	2 314	2 237	2 193	2 228
	133 813	110 233	106 633	92 186	93 596
Plus Gains/(Losses)					
Gain/(Loss) on Sale of Non-Financial Assets ¹⁰	700	....	....	....	....
Other/Gains(losses)	(50)	(50)	....	....	....
	650	(50)	....	....	....
Equals OPERATING RESULT	1 047	7 562	11 204	186	414
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	10 651	10 952	10 557	10 574	10 574
Other Non-Owner Movements in Equity	....	....	....	....	....
	10 651	10 952	10 557	10 574	10 574
Equals COMPREHENSIVE INCOME	11 698	18 514	21 761	10 760	10 988

Notes:

1. The decrease in Revenue from Appropriation in 2011-12 is primarily due to the completion of funding for several 2010 Election commitments and the Budget Savings Strategies. The decrease in 2013-14 is due to the completion of the Menzies Centre redevelopment.
2. The decrease in Grants reflects a decrease in Special Capital Investment Fund allocations as projects are completed (refer to Table 2.11).

3. The increase in Other Revenue in 2011-12 reflects a revised estimate based on the 2009-10 actual results.
4. The increase in Employee Entitlements reflects a revised estimate including the full effect of award translations and wage agreement increases.
5. The increase in Superannuation reflects a revised estimate based on employee entitlement expenditure.
6. The decrease in Borrowing Costs in 2011-12 reflects the estimate of loans advanced by the Department under the Tasmania Development and Resources Loan, Property and Equity Portfolio which are to be financed through debt.
7. The decrease in Grants and Transfer Payments in 2011-12 is primarily due to the completion of several 2010 Election commitments as well as a decrease in Special Capital Investment Fund allocations.
8. The decrease in Supplies and Consumables in 2011-12 is primarily due to the Budget Savings announced in the *2010-11 Mid-Year Financial Report*, which include the Renewable Energy Loan Fund, Digital Pavilion experience centre and the Events Attraction Program. The decrease also reflects a reallocation of funding from Supplies and Consumables to Employee Entitlements and Superannuation expenses.
9. The increase in Other Expenses in 2011-12 reflects a revised estimate for payroll tax based on the revised employee entitlement expenditure.
10. The decrease in Gain/(Loss) on Sale of Non-Financial Assets in 2011-12 reflects the estimated one-off gain on the proposed sale of land and buildings in 2010-11.

Table 2.13: Revenue from Appropriation

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent ¹	112 526	97 016	98 456	84 335	85 803
Appropriation Carried Forward²	389	1 650	....	....	....
Total Revenue from Appropriation	112 915	98 666	98 456	84 335	85 803

Notes:

1. The decrease in Recurrent Annual Appropriation in 2011-12 is primarily due to the completion of funding for several 2010 Election commitments and the Budget Savings Strategies. The decrease in 2013-14 is due to the completion of the Menzies Centre redevelopment.
2. The increase in Appropriation Carried Forward relates to the Gas to Ulverstone, Project Tasmania and the Food and Agriculture Innovation projects.

Table 2.14: Income Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation	3 850	3 891	3 951	3 975	4 001
	3 850	3 891	3 951	3 975	4 001
Less Expenses					
Grants and Transfer Payments	3 850	3 891	3 951	3 975	4 001
	3 850	3 891	3 951	3 975	4 001
Equals OPERATING RESULT	....	....	....	....	....
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	....	....	....	....	....
Other Non-Owner Movements in Equity	....	....	....	....	....
Equals COMPREHENSIVE INCOME	....	....	....	....	....

Table 2.15: Administered Expenses

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Ten Days on the Island	1 229	1 229	1 254	1 278	1 304
Government Contribution to the Tasmanian Symphony Orchestra	1 449	1 484	1 519	1 519	1 519
Tasmanian Icon Program	1 000	1 000	1 000	1 000	1 000
Theatre Royal	172	178	178	178	178
Total Administered Expenses	3 850	3 891	3 951	3 975	4 001

Ten Days On The Island

Ten Days On The Island is Tasmania's premier cultural event. A biennial event that commenced in 2001, Ten Days On The Island has continually attracted the highest quality local and international artists from island nations around the world to celebrate our unique island culture. The seventh edition of Ten Days will be held in 2013 under the artistic directorship of Jo Duffy and will continue to lead the way in the presentation of outstanding Tasmanian, Australian and international performance.

Government Contribution to Tasmanian Symphony Orchestra

The Tasmanian Symphony Orchestra (TSO), one of the world's finest small orchestras, will continue to receive State Government support. The TSO plays to audiences throughout the State and its award-winning recordings are heard throughout the world. A versatile orchestra, the TSO is renowned for its expertise in music of the Classical and early Romantic periods, and is recognised internationally as a champion of Australian music.

Tasmanian Icon Program

The Tasmanian Icon 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, and the State Cricket Team, the Tassie Tigers.

Theatre Royal

The Theatre Royal is Australia's oldest continually operating theatre. The Government's commitment in funding the Theatre Royal recognises the Theatre not just as a significant piece of Tasmania's history, but a living centre for the performing arts.

Table 2.16: Balance Sheet as at 30 June

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	25 124	27 497	30 909	31 786	33 498
Investments ²	52 828	33 569	31 309	34 769	37 269
Other Equity Investments ³	5 460	216	416	716	1 016
Receivables ⁴	571	810	805	800	795
Other Financial Assets ⁴	2 404	3 687	3 753	3 400	3 400
	86 387	65 779	67 192	71 471	75 978
Non-Financial Assets					
Land and Buildings ⁵	56 118	77 838	88 028	86 924	85 820
Plant and Equipment ⁶	3 959	3 541	3 154	2 767	2 380
Heritage and Cultural Assets ⁷	412 709	505 570	515 660	525 800	535 940
Investment Property ⁸	9 654	12 094	12 511	12 945	13 379
Intangibles	1 100	1 146	1 102	1 058	1 014
Other Non-Financial Assets ⁹	1 472	455	535	625	715
	485 012	600 644	620 990	630 119	639 248
Total Assets	571 399	666 423	688 182	701 590	715 226
Liabilities					
Borrowings ¹⁰	45 021	28 021	28 021	30 521	33 021
Employee Entitlements	7 852	7 318	7 298	7 328	7 358
Payables ¹¹	2 839	934	939	1 044	1 149
Other Liabilities	4 160	3 796	3 809	3 822	3 835
Total Liabilities	59 872	40 069	40 067	42 715	45 363
NET ASSETS	511 527	626 354	648 115	658 875	669 863
Equity					
Accumulated Funds	456 041	504 147	515 351	515 537	515 951
Asset Revaluation Reserve ¹²	55 486	122 207	132 764	143 338	153 912
Total Equity	511 527	626 354	648 115	658 875	669 863

Notes:

1. The movement in Cash and Deposits primarily reflects the estimate of loans advanced by the Department under the Tasmania Development and Resources Loan, Property and Equity Portfolio which have not been financed through debt.
2. The movement in Investments reflects the estimate of loans advanced by the Department under the Tasmania Development and Resources Loan, Property and Equity Portfolio.
3. The decrease in Other Equity Investments in 2012 reflects revised estimates based on the 2009-10 actual results.

4. The increase in Receivables and Other Financial Assets in 2012 reflects revised estimates based on the 2009-10 actual results.
5. The increase in Land and Buildings reflects the inclusion of the Tasmanian Museum and Art Gallery and Arts Tasmania in the Department. The increase also includes estimates for the revaluation of the Department's other land and buildings.
6. The decrease in Plant and Equipment reflects the impact of depreciation.
7. The increase in Heritage and Cultural Assets in 2012 is due to the revaluation of Heritage and Cultural Assets based on the 2009-10 actual results.
8. The increase in Investment Property in 2012 relates to a revised estimate due to the sale of properties not proceeding in 2011.
9. The decrease in Other Non-Financial Assets in 2012 reflects revised estimates based on the 2009-10 actual results.
10. The decrease in Borrowings reflects the estimate of loans advanced by the Department under the Tasmania Development and Resources Loan, Property and Equity Portfolio which are to be financed through debt.
11. The decrease in Payables in 2012 reflects revised estimates based on the 2009-10 actual results.
12. The increase in Asset Revaluation Reserve in 2012 reflects revised estimates based on the 2009-10 actual results.

Table 2.17: Cash Flow Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	112 526	97 016	98 456	84 335	85 803
Interest Received	2 900	2 862	2 720	2 630	2 630
Grants ²	15 335	12 986	13 283	1 989	2 149
Sales of Goods and Services	2 021	2 031	2 043	2 053	2 063
GST Receipts	6 500	6 500	6 500	6 500	6 500
Other Receipts ³	1 029	1 310	1 340	1 370	1 370
	140 311	122 705	124 342	98 877	100 515
Cash Paid					
Employee Entitlements ⁴	(31 033)	(34 068)	(33 173)	(32 726)	(33 343)
Superannuation ⁵	(3 275)	(3 766)	(3 633)	(3 556)	(3 626)
Borrowing Costs ⁶	(2 293)	(1 793)	(1 893)	(1 968)	(2 093)
Grants and Transfer Payments ⁷	(56 503)	(37 417)	(36 465)	(22 132)	(22 453)
Supplies and Consumables ⁸	(37 205)	(29 335)	(27 795)	(27 815)	(28 410)
GST Payments	(6 500)	(6 500)	(6 500)	(6 500)	(6 500)
Other Payments ⁹	(1 619)	(2 314)	(2 237)	(2 193)	(2 228)
	(138 428)	(115 193)	(111 696)	(96 890)	(98 653)
Net Cash Flows from Operating Activities	1 883	7 512	12 646	1 987	1 862
Cash Flows from Investing Activities					
Sale of Fixed Assets ¹⁰	3 000	....	....	....	....
Purchase of Fixed Assets ¹¹	(6 650)	(9 150)	(11 444)	(150)	(150)
Net Purchase of Investments	600	1 000	....	....	....
Net Customer Loans (Granted)/Repaid ¹²	(14 396)	3 150	2 210	(3 460)	(2 500)
Net Cash Flows from Investing Activities	(17 446)	(5 000)	(9 234)	(3 610)	(2 650)
Cash Flows from Financing Activities					
Net Borrowings ¹³	10 000	(7 000)	....	2 500	2 500
Net Cash Flows from Financing Activities	10 000	(7 000)	....	2 500	2 500
Net Increase/(Decrease) in Cash Held	(5 563)	(4 488)	3 412	877	1 712
Cash at the Beginning of the Year	30 687	31 985	27 497	30 909	31 786
Cash at the End of the Year	25 124	27 497	30 909	31 786	33 498

Notes:

1. The decrease in Appropriation in 2011-12 is primarily due to the completion of several 2010 Election commitments and the Budget Savings Strategies. The decrease in 2013-14 is due to the completion of the Menzies Centre redevelopment.
2. The decrease in Grants reflects a decrease in Special Capital Investment Fund allocations as projects are completed.
3. The increase in Other Receipts in 2011-12 reflects a revised estimate based on the 2009-10 actual results.
4. The increase in Employee Entitlements reflects a revised estimate including the full effect of award translations and wage agreement increases.
5. The increase in Superannuation reflects a revised estimate based on employee entitlement expenditure.
6. The decrease in Borrowing Costs in 2011-12 reflects the estimate of loans advanced by the Department under the Tasmania Development and Resources Loan, Property and Equity Portfolio which are to be financed through debt.
7. The decrease in Grants and Transfer Payments in 2011-12 is primarily due to the completion of several 2010 Election commitments as well as a decrease in Special Capital Investment Fund allocations.
8. The decrease in Supplies and Consumables in 2011-12 is primarily due to the Budget Savings announced in the *2010-11 Mid-Year Financial Report*, which include the Renewable Energy Loan Fund, Digital Pavilion experience centre and the Events Attraction Program. The decrease also reflects a reallocation of funding from Supplies and Consumables to Employee Entitlements and Superannuation expenses.
9. The increase in Other Payments in 2011-12 reflects a revised estimate for payroll tax based on the revised employee entitlement expenditure.
10. The decrease in Sale of Fixed Assets in 2011-12 reflects the estimated one-off sale of land and buildings in 2010-11.
11. The movement in Purchase of Fixed Assets reflects the expenditure for the Tasmanian Museum and Art Gallery Redevelopment program.
12. The movement in Net Customer Loans (Granted)/Repaid reflects the estimate of loans advanced by the Department under the Tasmania Development and Resources Loan, Property and Equity Portfolio.
13. The movement of Net Borrowings reflects the estimate of borrowings required to fund the loans advanced by the Department under the Tasmania Development and Resources Loan, Property and Equity Portfolio.

Table 2.18: Cash Flow Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation	3 850	3 891	3 951	3 975	4 001
	3 850	3 891	3 951	3 975	4 001
Cash Paid					
Grants and Transfer Payments	(3 850)	(3 891)	(3 951)	(3 975)	(4 001)
	(3 850)	(3 891)	(3 951)	(3 975)	(4 001)
Net Cash Flows from Operating Activities	....	....	....	....	....
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 education training and community services through three major arms: Birth to 18 years; Training and Skills; and Library and Information Network Centres (LINC Tasmania).

The Department is responsible to the Minister for Education and Skills, Hon Nick McKim MP, and the Minister for Children, Hon Michelle O'Byrne MP.

The Department delivers its services to more than 61 400 school aged students attending 200 schools, eight colleges or the Tasmanian Polytechnic. Pre-compulsory schooling is provided through programs and in the newly established Child and Family Centres that are built and administered by the Department of Education.

LINC Tasmania brings together the services of Adult Education, the State Library of Tasmania, online access centres and the Tasmanian Archive and Heritage Office into a network of LINC's, including the Virtual LINC, and services across regional and urban Tasmania. LINC Tasmania's focus is on lifelong learning for all Tasmanians, ensuring access to Tasmania's cultural and documentary heritage and to deliver information, education and training, literacy support and other community services across the State.

Skills Tasmania provides training opportunities and funding through the Tasmanian Polytechnic, Tasmanian Skills Institute and private training services each year.

Another major function performed by the Department of Education includes the licensing and regulation of child care.

The service delivery areas are centrally supported by business units responsible for corporate support, policy development, regulation and assessment and review.

Learning Services (four regions) support the implementation of programs at a local level and provide support for schools to initiate and promote system requirements and directions. They are led by General Managers with accountability and responsibility for the delivery of a high quality service. The development of networks of schools to enhance leadership, sharing of resources and ideas and promoting government schooling will be an important change strategy applied over the period of this Budget.

The central strategy supporting and guiding the Department's direction is the 2011-2014 Learner at the Centre strategic improvement document.

Priorities for the Department of Education include:

- Early Years;
- Literacy and Numeracy; and
- Post Year 10.

In 2010, the Post Year 10 Reforms that had been operating since 2009 were revised. With effect from the start of 2011, the Tasmanian Polytechnic and the Tasmanian Academy were established as entities within the Department of Education, following the dissolution of their respective Boards. The Tasmanian Skills Institute is continuing as a statutory authority and retains its role in technical and further education skills development for apprentices and trainees. The 2011-12 Budget includes the Tasmanian Academy and the Tasmanian Polytechnic as part of the Department of Education.

This chapter provides the Department's financial information for 2011-12 and over the Forward Estimates period (2012-13 to 2014-15). 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 major initiatives.

Table 3.1: Major Initiatives Statement

	2011-12	2012-13	2013-14	2014-15
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Breakfast Program	100	100	100	100
Caring for Children				
Campbell Town Child Care Centre	900	....	....	....
Child and Family Centres				
Construction costs	25 371	....	....	....
Operational expenditure	2 421	2 703	2 757	2 918
Giving Tasmania's Students the Opportunities they Deserve				
Innovative Education	1 625	1 625	1 625	1 625
Learning and Information Network Centre Operations	825	1 280	1 640	1 640
Literacy and Numeracy				
Early Years	2 000	2 000	2 000	2 000
Raising the Bar Closing the Gap	5 000	5 000	5 000	5 000
Port Sorell Primary School	2 500	7 000	3 000	....
Safe and Secure Schools	910	410	410	410
Tasmanian Adult Literacy Action Plan	2 810	2 870	2 930	2 930
Tasmanian Centre for Global Learning	50	50	50	....

Breakfast Program

Funding of \$100 000 per annum has been provided for schools to work with local communities and non-government organisations to establish new or extend current breakfast programs. Students in areas of highest need will be supported through this program.

Caring for Children

Campbell Town Child Care Centre - In 2011-12, \$900 000 will be provided to complete a small long day care centre adjacent to the kindergarten at the Campbell Town District High School.

Child and Family Centres – In 2011-12, \$25.4 million in capital funding will enable the completion of construction of the 11 Stage 1 and Stage 2 Child and Family Centres. With Beaconsfield already having been completed, the remaining projects at Queenstown, East Devonport, Ravenswood, Clarence Plains, Risdon Cove, Chigwell, George Town, St Helens, Derwent Valley and Burnie will be undertaken.

Additional funding of \$1.4 million has also been included in the Budget in 2011-12 to support the employment of new staff to manage and operate the services of these Child and Family Centres. This increases funding for CFC operational expenditure to \$2.4 million in 2011-12.

Staff will work collaboratively with families, service providers, the local community, and government and non-government organisations to provide quality, accessible and integrated programs and services for children, their families and communities.

Giving Tasmania's Students the Opportunities they Deserve

Innovative Education – In 2011-12, funding for this initiative will increase from \$525 000 to \$1.6 million per annum. The funding will support 15 non-government organisations which are working with local schools to provide innovative alternative education strategies that are aimed at encouraging more students to remain engaged with education and to further build their knowledge and skills.

Learning and Information Network Centre Operations

In 2011-12, additional funding of \$825 000 has been provided to support the operating costs of the newly established LINC. Funding for LINC will increase to \$1.6 million by 2014-15.

Literacy and Numeracy

Early Years - Improving literacy and numeracy will continue to be a major focus of the Department as it further targets support for the early years and Launching into Learning initiatives through the school system with additional funding of \$2.0 million per annum.

Raising the Bar Closing the Gap - In 2011-12, funding of \$3.0 million per annum will continue the implementation of the successful *Raising the Bar Closing the Gap 7 Up* initiative into 13 secondary schools. In this Budget, a further \$2.0 million will be allocated to further support the *Raising the Bar Closing the Gap 7 Up* initiative in more secondary schools to improve student outcomes in literacy and numeracy.

Port Sorell Primary School

Commencing in 2010-11, funding of \$13.0 million was provided over four years to construct a new modern primary school at Port Sorell with state of the art facilities for up to 350 students from kindergarten to Grade 6. Design and planning was undertaken during 2010-11, with the project to be tendered in July 2011. In 2011-12, \$2.5 million will be spent on construction works which are due to commence in August 2011. The new school will be completed in late 2012 and will welcome its first students in February 2013.

Safe and Secure Schools

The Safe and Secure Schools initiative commenced in 2010-11, with \$410 000 per annum allocated to employ additional school psychologists. The school psychologists, as members of multi-disciplinary

Learning Service Support Teams, provide child and adolescent psychological services to support those students experiencing difficulties that impede their learning.

In 2011-12, additional one-off funding of \$500 000 is provided for the development of a Student Support Module to assist schools in their current efforts to address student behaviour. This initiative is supported by the implementation of the revised Tasmanian Safe Schools Framework and National Safe Schools Framework.

Tasmanian Adult Literacy Action Plan

Funding of \$2.8 million will be spent in 2011-12 to continue the implementation of the Tasmanian Adult Literacy Action Plan. The Plan contains three major strategies:

- the establishment of an informal community and workplace network of adult literacy support;
- the establishment of a state-wide team of coordinators, supported by a pool of trained volunteers to drive the Adult Literacy Network; and
- the development of key indicators to measure improvements in adult literacy support and outcomes.

The Action Plan is being jointly implemented by Skills Tasmania and the LINC Tasmania.

Processes to support community and workplace adult literacy were established in 2010-11, with grants awarded to community groups, workplaces and the LINC Tasmania network to progress a range of programs.

The appointment of a state-wide team of coordinators was finalised in 2010-11, with 23.5 full time equivalent literacy coordinators working with over 250 qualified literacy volunteer tutors to support adults with literacy needs. Additional volunteers are undergoing training in 2011 to further support Tasmanian communities.

Tasmanian Centre for Global Learning

An annual grant of \$50 000 will continue to be provided until 2014-15 to the Tasmanian Centre for Global Learning. Funding will support the Centre's work in providing assistance to disadvantaged schools by provision of programs such as the Are You Making A Difference (ruMAD) Program which aims to enhance student engagement with their wider community.

OTHER INITIATIVES

Learning Services

A Learning Service currently supports schools in each of the North-West, North, South and South-East areas of the State. During 2011-12, the model will be modified to establish three Learning Services, with the current South and South East services being amalgamated, to establish a state-wide service delivery structure consistent with other major State agencies with state-wide responsibilities. The development of networks of schools will further enhance opportunities for schools to work together and with other agencies to meet students' needs.

Qualifications and Skills

In partnership with the Australian Government, \$16.7 million will be provided in 2011-12 to support the continuation of the highly successful Productivity Places Program, giving the opportunity for over 3 500 people to enter the workforce or obtain the qualifications and skills they need to progress in their jobs.

Tasmanian businesses will benefit by getting new workers with the right qualifications and from a more productive workforce. The program will continue to make a significant contribution to the State's economic base across all sectors of the economy, from aged care and children's services to food processing, mining and mineral processing. Through the Productivity Places Program, industry will continue to benefit from a major investment in business management and leadership skills.

Renewing our Education System

School infrastructure in Tasmania must be both viable and appropriate for present and future educational and demographic needs. The current school infrastructure profile is more a historic legacy than a strategic plan for sustainable future provision.

Tasmania has a number of very small and under occupied schools, and projected demographic data for 2011-2020 indicates expected population decline or negligible growth in the 0-19 age group for most areas of the State.

To ensure educational resources and program delivery are maximised, a process of school closures, amalgamations and other forms of school reorganisation and networking is required. This initiative will enable more equitable, efficient and sustainable provision of educational resources into the future.

A sequential plan will be implemented by the Department from the beginning of the 2012 school year, with initial school closures commencing at the end of the 2011 school year.

AGENCY SAVINGS STRATEGIES

In accordance with the Government's objective to return the Budget to a sustainable position, the Department is implementing a number of savings strategies to achieve savings of \$45.9 million in 2011-12, \$56.0 million in 2012-13, \$49.0 million in 2013-14 and \$38.9 million by 2014-15. Savings strategies will include:

- implementing the Renewing our Education System process;
- extending the Voluntary Workforce Renewal program;
- deferring the full roll-out of the new Child and Family Centres;
- establishing a single corporate services model;
- ceasing targeted funding allocated to reduce class sizes;
- reducing the level of non-government general educational grant funding;
- gaining efficiencies through revised organisational and operational structures;
- deferring some capital investment projects; and
- gaining efficiencies in post year 10 activities and learning services.

The impact of these strategies is reflected in the financial information provided in this chapter.

OUTPUT RESTRUCTURE

Since the 2010-11 Budget, Output Group 3 – Community Knowledge Network has been renamed LINC Tasmania.

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 – Post-Compulsory Education and Skills Development; and
- Output Group 3 – LINC Tasmania.

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

Table 3.2: Output Group Expense Summary

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Education and Skills					
Output Group 1 - Pre-Compulsory and Compulsory Education					
1.1 In School Education ¹	726 865	764 036	776 189	781 151	784 808
1.2 Learning Services ²	16 710	15 563	15 734	16 007	16 288
1.3 Education Performance Services ³	2 051	983	978	982	987
1.5 Grants and Financial Assistance ⁴	8 588	7 568	7 253	7 064	7 064
	754 214	788 150	800 154	805 204	809 147
Output Group 2 - Post-Compulsory Education and Skills Development					
2.1 Skills Development Contestable Funding ⁵	48 228	68 641	56 529	42 337	43 237
2.2 Tasmanian Polytechnic ⁶	87 331	92 737	93 061	93 679	94 393
2.3 Tasmanian Academy ⁷	36 264	78 365	79 957	82 155	84 098
2.4 Post-Compulsory Education in Schools ⁸	15 450	3 958	3 643	3 712	3 751
2.5 Skills Tasmania	7 594	7 582	7 629	7 748	7 924
2.6 Tasmanian Qualifications Authority	3 849	3 778	4 022	4 109	4 208
2.7 Grants and Financial Assistance ⁹	2 494	2 188	2 174	2 174	2 174
	201 210	257 249	247 015	235 914	239 785
Output Group 3 - LINC Tasmania					
3.1 Information Services and Community Learning	32 666	33 590	34 422	35 107	35 833
3.2 Tasmanian Archives and Heritage Office	2 830	3 095	3 152	3 216	3 295
	35 496	36 685	37 574	38 323	39 128
Grants and Subsidies	241 233	220 896	229 033	229 333	229 333
Capital Investment Program	850	850	850	850	850

Table 3.2: Output Group Expense Summary (continued)

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Children					
Output Group 1 - Pre-Compulsory and Compulsory					
Education					
1.4 Early Years ¹⁰	2 743	4 503	4 593	4 704	4 864
	2 743	4 503	4 593	4 704	4 864
Capital Investment Program	127	....	....	....	....
TOTAL	1 235 873	1 308 333	1 319 219	1 314 328	1 323 107

Notes:

1. The increase in the In School Education Output primarily reflects additional expenditure to support educational services, increased expenditure for the National Partnership Agreement on Low Socio-Economic Status School Communities, and increased depreciation expense as a result of the Department's significant Capital Investment Program in recent years. These increases have been partly offset by the impact of the Budget Savings Strategies.
2. The decrease in the Learning Services Output in 2011-12 reflects the impact of the Budget Savings Strategies.
3. The decrease in the Education Performance Services Output in 2011-12 reflects the impact of the Budget Savings Strategies, particularly savings to be realised on the operation of Boards.
4. The decrease in the Grants and Financial Assistance Output reflects the finalisation of the Water Orientation and Streets Alive program, and the impact of the Budget Savings Strategies.
5. The increase in the Skills Development Contestable Funding Output in 2011-12 is primarily due to additional expenditure relating to the National Partnership agreement between the Department and the Australian Government on Productivity Places.
6. The increase in the Tasmanian Polytechnic Output reflects the impact of the amalgamation of the Tasmanian Polytechnic with the Department of Education as at 1 January 2011. The increase in this Output also reflects the recognition of expenditure associated with the contestable activities undertaken by the Tasmanian Polytechnic and the Government Education and Training International Group. These increases are partly offset by a reclassification of entitlement enrolments into the Tasmanian Academy Output and the transfer of expenditure associated with the National Partnership Agreement between the Department and the Australian Government for Trade Training Centres in Schools to the Capital Investment Program.
7. The increase in the Tasmanian Academy Output reflects the impact of the amalgamation of the Tasmanian Academy with the Department of Education as at 1 January 2011, and the reclassification of entitlement enrolments from the Tasmanian Polytechnic Output to the Tasmanian Academy Output.
8. The decrease in the Post-Compulsory Education in Schools Output in 2011-12 reflects the transfer of the remaining colleges into the Tasmanian Academy Output. The remaining expenditure in this Output reflects expenditure by District High Schools for senior secondary activities.
9. The decrease in the Grants and Financial Assistance Output reflects the impact of the Budget Savings Strategies.
10. The increase in the Early Years Output reflects additional expenditure for operational expenditure associated with the Child and Family Centres.

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

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Pre-Compulsory and Compulsory Education					
Expenses by Output					
1.1 In School Education ¹	726 865	764 036	776 189	781 151	784 808
1.2 Learning Services ²	16 710	15 563	15 734	16 007	16 288
1.3 Education Performance Services ³	2 051	983	978	982	987
1.4 Early Years ⁴	2 743	4 503	4 593	4 704	4 864
1.5 Grants and Financial Assistance ⁵	8 588	7 568	7 253	7 064	7 064
	756 957	792 653	804 747	809 908	814 011
Retained Revenue⁶	53 495	46 846	48 140	49 176	50 269
Net Cost of Output Group	703 462	745 807	756 607	760 732	763 742
Appropriation	658 132	691 439	697 243	703 187	714 408

Notes:

1. The increase in the In School Education Output primarily reflects additional expenditure to support educational services, increased expenditure for the National Partnership Agreement on Low Socio-Economic Status School Communities and increased depreciation expense as a result of the Department's significant Capital Investment Program in recent years. These increases have been partly offset by the impact of the Budget Savings Strategies.
2. The decrease in the Learning Services Output in 2011-12 reflects the impact of the Budget Savings Strategies.
3. The decrease in the Education Performance Services Output in 2011-12 reflects the impact of the Budget Savings Strategies, particularly savings to be realised on the operation of Boards.
4. The increase in the Early Years Output reflects additional expenditure for operational expenditure associated with the Child and Family Centres.
5. The decrease in the Grants and Financial Assistance Output reflects the finalisation of the Water Orientation and Streets Alive program and the impact of the Budget Savings Strategies.
6. The decrease in Retained Revenue primarily reflects revised forecasts for balances of accounts in the Special Deposits and Trust Fund.

1.1 In School Education

The services provided under this Output focus on the delivery of education to students in schools enrolled in classes from kindergarten up to Year 10. The purpose of this 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 Learner at the Centre.

1.2 Learning Services

A Learning Service currently supports schools in each of the North-West, North, South and South-East areas of the State. During 2011-12, the model will be modified to establish three Learning Services, with the current South and South East services being amalgamated, to establish a state-wide service delivery structure consistent with other major State agencies with state-wide responsibilities. The Learning Services work collaboratively with schools on issues including professional learning in 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 monitors and measures student outcomes in the pre-compulsory and compulsory years of schooling including achievement in literacy and numeracy. It also provides state-wide programs for assessment and statistical moderation against the standards of the Tasmanian Curriculum as it is being progressively implemented by schools. It is directed towards Tasmanian compliance with national assessment program requirements, national reporting for the schooling sector to the end of Year 12 and monitoring and reporting on the educational accountability information required for specific purpose programs. It is also responsible for corporate reporting and facilitating the collection, storage and utilisation of student and school data, particularly for the purposes of publishing the annual Tasmanian Education Performance Report and individual school improvement reports.

1.4 Early Years

This Output provides assistance and advice to 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. The Output also includes operational expenditure for Child and Family Centres.

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	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Reading					
Reading rates against national minimum standard (NMS) Year 3	% of students at or above the NMS	93.3	93.8	94.0	94.0
Reading rates against national minimum standard (NMS) Year 5	%	90.3	90.7	92.0	92.0
Reading rates against national minimum standard (NMS) Year 7	%	92.6	94.3	94.0	95.0
Reading rates against national minimum standard (NMS) Year 9	%	91.2	90.2	93.0	93.0
Numeracy					
Numeracy rates against national minimum standard (NMS) Year 3	% of students at or above the NMS	93.9	94.6	95.0	95.0
Numeracy rates against national minimum standard (NMS) Year 5	%	93.2	93.2	95.0	95.0
Numeracy rates against national minimum standard (NMS) Year 7	%	93.0	94.2	95.0	95.0
Numeracy rates against national minimum standard (NMS) Year 9	%	93.7	92.4	95.0	94.0
Aboriginal Students¹					
	Educational				
Year 3 reading	outcome gap %	6.6	6.6	2.5	4.2
Year 5 reading	%	12.8	7.2	4.0	5.7
Year 7 reading	%	11.2	8.9	3.0	5.0
Year 9 reading	%	13.3	12.0	2.0	2.6
	Educational				
Year 3 numeracy	outcome gap %	6.7	6.1	1.5	2.1
Year 5 numeracy	%	8.4	7.5	3.0	4.7
Year 7 numeracy	%	11.0	7.5	2.0	2.8
Year 9 numeracy	%	9.8	8.7	3.0	4.2
Other					
Licensed child care services ²	Number	282	278	290	278
Percentage of children meeting the Kindergarten Development Check	%	76.8	76.0	80.0	80.0
Percentage of Prep students achieving:					
expected literacy outcomes	%	85.1	85.7	87.0	87.0
expected numeracy outcomes	%	84.6	84.5	87.0	87.0

Sources: National Assessment Program: Literacy and Numeracy: Achievement in Reading, Writing, Language Conventions and Numeracy 2008, 2009; *Report on Government Services 2010*; Department of Education Annual Report 2009; and *Tasmanian Education Performance Report 2007, 2008*.

Notes:

1. This measure represents the difference between the achievement for all Tasmanian students and the achievement of Aboriginal students and has been established to meet the Council of Australian Government's goal of halving the educational outcome gap between Aboriginal and non-Aboriginal students in ten years.
2. The target for 2011-12 includes more than 200 child care services that will change from being state 'licensed' services to being 'approved' services under the National Quality Framework commencing on 1 January 2012.

Output Group 2: Post-Compulsory Education and 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

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Post-Compulsory Education and Skills Development					
Expenses by Output					
2.1 Skills Development Contestable Funding ¹	48 228	68 641	56 529	42 337	43 237
2.2 Tasmanian Polytechnic ²	87 331	92 737	93 061	93 679	94 393
2.3 Tasmanian Academy ³	36 264	78 365	79 957	82 155	84 098
2.4 Post-Compulsory Education in Schools ⁴	15 450	3 958	3 643	3 712	3 751
2.5 Skills Tasmania	7 594	7 582	7 629	7 748	7 924
2.6 Tasmanian Qualifications Authority	3 849	3 778	4 022	4 109	4 208
2.7 Grants and Financial Assistance ⁵	2 494	2 188	2 174	2 174	2 174
	201 210	257 249	247 015	235 914	239 785
Retained Revenue⁶	1 786	24 723	24 176	23 453	20 671
Net Cost of Output Group	199 424	232 526	222 839	212 461	219 114
Appropriation	197 388	220 670	210 132	199 029	203 482

Notes:

1. The increase in the Skills Development Contestable Funding Output is primarily due to additional expenditure relating to the National Partnership agreement between the Department and the Australian Government on Productivity Places.
2. The increase in the Tasmanian Polytechnic Output reflects the impact of the amalgamation of the Tasmanian Polytechnic with the Department of Education as at 1 January 2011. The increase in this Output also reflects the recognition of expenditure associated with the contestable activities undertaken by the Tasmanian Polytechnic and the Government Education and Training International Group. These increases are offset by a reclassification of entitlement enrolments into the Tasmanian Academy Output and the transfer of expenditure associated with the National Partnership Agreement between the Department and the Australian Government for Trade Training Centres in Schools to the Capital Investment Program.
3. The increase in the Tasmanian Academy Output reflects the impact of the amalgamation of the Tasmanian Academy with the Department of Education as at 1 January 2011, and reclassification of entitlement enrolments from the Tasmanian Polytechnic Output to the Tasmanian Academy Output.

4. The decrease in the Post-Compulsory Education in Schools Output in 2011-12 reflects the transfer of the remaining colleges into the Tasmanian Academy Output. The remaining expenditure in this Output reflects expenditure by District High Schools for senior secondary activities.
5. The decrease in the Grants and Financial Assistance Output reflects the impact of the Budget Savings Strategies.
6. The increase in Retained Revenue reflects the recognition of revenue received by the Tasmanian Polytechnic through its contestable and Government Education and Training International operations.

On 7 June 2010, the former Minister for Education and Skills, Hon Lin Thorp MLC, announced changes to the current model for Post Year 10 education and training. The revised model transfers the responsibility of the Tasmanian Academy and the Tasmanian Polytechnic to the Department of Education following the dissolution of these Statutory Authorities. The changes are reflected for the first time in the 2011-12 Budget Papers. Separate 2011-12 Budget and Forward Estimates are presented for the Tasmanian Skills Institute in Chapter 25 *Tasmanian Skills Institute* of this Budget Paper, as the Tasmanian Skills Institute remains as a Statutory Authority.

2.1 Skills Development Contestable Funding

This Output focuses on delivering training to develop knowledge and skills across a wide range of occupations to support the workforce needs of enterprises and provide career development opportunities for individual Tasmanians. Training priorities take into account, among other things, skill shortages in key industries and occupations. This Output includes funding for training of apprentices and trainees with the Skills Institute and a range of other Registered Training Organisations (RTOs). It also supports competitively tendered programs aimed at meeting specific industry needs and provides targeted programs for students who are disadvantaged in accessing training programs.

2.2 Tasmanian Polytechnic

The focus of this Output is the provision of education and training services by the Tasmanian Polytechnic. The Tasmanian Polytechnic aims to deliver practical learning opportunities with a vocational pathway for both Years 11 and 12 students and mature age students seeking employment outcomes or entry into university programs.

2.3 Tasmanian Academy

This Output provides for the provision of education services by the eight colleges of the Tasmanian Academy, which focuses on both academic and vocational learning, with a strong focus on curriculum and academic pathways for Years 11 and 12 students seeking university entrance.

2.4 Post-Compulsory Education in Schools

This Output focuses on delivery of senior secondary education to students in district high schools. 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.

2.5 Skills Tasmania

Skills Tasmania is responsible for developing strategy and policy relating to skills and workforce development in Tasmania and for purchasing vocational education and training from the Tasmanian Polytechnic, the Tasmanian Skills Institute and other Registered Training Organisations (RTOs) to support the skill development needs of Tasmanian enterprises and individuals. Skills Tasmania also manages the regulation of apprenticeships and traineeships, provides support services to RTOs and other service providers, and is generally responsible for the development, regulation and administration of the training system in Tasmania.

2.6 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.

2.7 Grants and Financial Assistance

This Output manages grants and financial assistance for apprentices and trainees and for Industry Training Advice.

Table 3.6: Performance Information - Output Group 2

Performance Measure	Unit of Measure	2008-09 Actual¹	2009-10 Actual¹	2010-11 Target	2011-12 Target
Attainment Measures for 15 – 19 year olds, achieving:					
120 credit points in education and training	Number	3 796	3 931	3 937	4 196
Some vocational education and training	Number	4 727	4 952	4 876	5 072
A Tasmanian Certificate of Education	Number	2 667	2 825	2 782	2 894
A Tertiary Entrance Rank	Number	2 076	2 235	2 201	2 289
NSSC Census ²	Number	7 500	8 002	8 000	8 000
Apparent retention rate Years 10-12 (TT) ³	%	62.2	73.0	67.0	69.0
Full year training equivalents ⁴	Number	12 300	13 800	13 500	13 500
Training Participation rate ⁴	%	13.0	14.8	14.0	14.0
Student Satisfaction – Graduates ⁵	%	90.5	89.8	90.0	90.0
Student Satisfaction – Module Completers ⁵	%	83.9	82.2	87.0	87.0

Sources: Tasmanian Qualifications Authority, National Schools Statistics Collection (NSSC), Australian Bureau of Statistics (ABS) Schools, Australia (cat. no. 4221.0), Skills Tasmania's Provider Collection, ABS Population by Age and Sex, Australian States and Territories (cat. no. 3201.0) National Centre for Vocational Education Research (NCVER) Student Outcomes Survey.

Notes:

- Actual performance measures are based on calendar years. The measures for 2008-09 Actual are based on the 2009 calendar year, while the measures for 2009-10 Actual are based on the 2010 calendar year. Completion and participation rates are affected by economic circumstances and targets assume these circumstances, especially youth employment opportunities, will remain stable over this period.
- While Tasmanian education underwent a significant restructure of Post Year 10 education in 2009, processes were undertaken by the Department to ensure that data provided fully complied with collection definitions. Actuals are full-time equivalent Post Year 10 students regardless of age, as at the Mid-Year Census.
- Apparent retention rate is a measure of the number of school students in a designated year of education expressed as a percentage of their respective cohort group in a base year. Figures relate to Government school students. The increase in the 2010 rate is due to a combination of many factors, most notably students studying longer, new entrants to the Post Year 10 system who had not previously been enrolled in a Tasmanian government school and adults returning to the sector after breaks in education. Target setting has taken this into account.
- Participation (age 15-64) in all publicly funded VET and commercial activity by government providers. Participation rates are derived by calculating student numbers in the age group as a percentage of the estimated residential population in the corresponding age groups. Figures are based on ABS population figures, catalogue number 3201.0.
- Student satisfaction is the percentage of students satisfied with the overall quality of training. These results are based on a survey of a sample of students and therefore are not 'actual' figures but rather estimates with a 95 per cent confidence level. Each estimate is the mid-point of a range; the range is the 95.0 per cent confidence interval (if the survey covered all students then there is a 95.0 per cent chance that the actual results would fall within that range). The difference between the 2008-09 and 2009-10 figures is not statistically significant.

Output Group 3: LINC Tasmania

Table 3.7 provides financial information for each Output under Output Group 3. A description of the Outputs is included below.

Table 3.7: Summary Financial Information - Output Group 3

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
LINC Tasmania					
Expenses by Output					
3.1 Information Services and Community Learning	32 666	33 590	34 422	35 107	35 833
3.2 Tasmanian Archives and Heritage Office	2 830	3 095	3 152	3 216	3 295
	35 496	36 685	37 574	38 323	39 128
Retained Revenue	3 750	3 510	3 750	3 750	3 750
Net Cost of Output Group	31 746	33 175	33 824	34 573	35 378
Appropriation	30 726	32 343	32 877	33 626	34 431

3.1 Information Services and Community Learning

This Output provides for the life long learning of all Tasmanians through the delivery of information, education and training, literacy support and other community services through the Learning and Information Network Centre network.

3.2 Tasmanian Archives and Heritage Office

This Output focuses on the provision of Tasmanian Information Services and the management of Tasmania's Archival and Heritage Collection.

Table 3.8: Performance Information - Output Group 3

Performance Measure	Unit of Measure	2008-09 Actual¹	2009-10 Actual	2010-11 Target	2011-12 Target
In-person visits	Number	na	3 273 328	3 250 000	3 350 000
Online visits to the Virtual LINC	Number	na	2 563 979	2 000 000	3 000 000
Library items borrowed	Number	5 171 196	5 002 129	5 100 000	4 800 000
Community education enrolments ²					
Work and Life Skills program enrolments ²	Number	na	5 625	7 000	7 500
Leisure and Lifestyle program enrolments ^{2,3}	Number	na	19 881	19 500	12 800
People accessing literacy support services	Number	na	262	760	1005
Volunteer hours	Number	na	92 376	90 000	92 000
Tasmanian publications added to the State record	Number	37 488	48 929	30 000	40 000
Significant items conserved (TT)	%	70.0	70.0	73.0	73.0
Heritage documents and artefacts publicly available in digital format (TT)	Number	50 693	172 022	190 000	210 000

Notes:

1. A number of new measures were introduced in the 2010-11 Budget. As a result, comparative measures are not available for 2008-09.
2. The former measure has been dissected to present a more accurate representation of the active enrolments for community education.
3. The decline in the 2011-12 Target reflects expectations of reduced registrations when full cost recovery principles are applied to leisure and lifestyle program enrolments.

CAPITAL INVESTMENT PROGRAM

Table 3.9 provides financial information for the Department's Capital Investment Program. Further information on the Capital Investment Program is provided in Chapter 8 of Budget Paper No 1 *The Budget*.

Table 3.9: Capital Investment Program

	Estimated Total Cost	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Children					
Bridgewater Child and Family Centre	8 000	4 004	1 180	1 502	432
Campbell Town Child Care Centre	1 000	900	....	....	....
Child and Family Centres	34 493	25 371	....	....	....
Total		30 275	1 180	1 502	432
Minister for Education and Skills					
Albuera Street Primary School	2 032	500	....	....	....
Bridgewater and Southern Midlands Educational Renewal Project	30 000	6 850	....	....	....
Building Education Revolution	331 939	4 769	....	....	....
Community Knowledge Network - Learning and Information Network Centres	11 000	1 500	6 350	....	....
Learning and Information Network Centre (LINC)	3 568	3 200	....	....	....
Local Schools Working Together	2 500	1 790	....	....	....
Port Sorell Primary School	13 000	2 500	7 000	3 000	....
Post Year 10 Reforms	7 800	2 400	....	....	....
Post Year 10 Reforms - Infrastructure Support	Ongoing	850	850	850	850
Renewing our Education System	1 165	1 165	....	....	....
School Amalgamations Burnie	7 700	750	....	....	....
Trade Training Centres	13 745	7 612	6 133	....	....
Total		33 886	20 333	3 850	850
Total CIP Allocations		64 161	21 513	5 352	1 282

For the last two years the Department's significant CIP program has been influenced heavily by the focus of both the State and Australian Government's on capital programs as economic stimulus activities following the global financial crisis, in particular the Building the Education Revolution Program. This program will be completed early in 2011-12 and consequently, the capital program is significantly reduced from 2011-12.

Capital Investment Program projects in 2011-12 include:

- *Campbell Town Child Care Centre* – \$900 000 will be expended in 2011-12 towards the construction of a new Child Care Centre at Campbell Town;
- *Child and Family Centres (CFCs)* – \$25.4 million will be spent in 2011-12 towards the construction of a further 10 CFCs around Tasmania. These centres will be located at Queenstown, East Devonport, Ravenswood, Clarence Plains, Risdon Cove, Chigwell, George Town, St Helens, Derwent Valley and Burnie;
- *Albuera Street Primary School* – \$500 000 has been allocated in 2011-12 to complete the redevelopment of existing learning areas and associated facilities;
- *Community Knowledge Network (Learning and Information Network Centres)* – Funding of \$1.5 million has been provided in 2011-12 towards the establishment of Learning and Information Network Centres (LINC)s at Queenstown, Scottsdale, Bridgewater and George Town. This allocation is in addition to a \$3.6 million provision under the Building for the Future Infrastructure Package;
- *Port Sorell Primary School* – \$2.5 million will be expended in 2011-12 towards a four year \$13.0 million development to establish a state of the art primary school at Port Sorell;
- *Post Year 10 Reforms* - \$2.4 million will be spent in 2011-12, which is the final year of a three year project totalling \$7.8 million to enable work to improve and upgrade facilities used by the Tasmanian Polytechnic and Tasmanian Academy;
- *Renewing our Education System* – \$1.2 million will be allocated in 2011-12 to support capital costs arising from the strategy to amalgamate schools;
- *School Amalgamations Burnie* – \$750 000 will be expended in 2011-12 to complete a \$7.7 million project to facilitate the amalgamation of three schools in the Burnie area. Acton Primary School, Brooklyn Primary School and Upper Burnie Primary School will amalgamate to form Romaine Park Primary School in 2011; and
- *Trade Training Centres* - funding of \$13.7 million has been secured from the Australian Government funded National Partnership on Trade Training Centres in Schools with \$7.6 million to be expended in 2011-12. This will see the completion of three more Trade Training Centres to be used by schools in the Break O'Day, Huon Valley and Circular Head municipalities adding to the three Trade Training Centres that are already operational in the Bridgewater, Dorset and George Town municipalities.

DETAILED BUDGET STATEMENTS

Table 3.10: Income Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	1 113 490	1 008 613	961 765	941 194	953 603
Interest Revenue ²	2 528	1 467	1 257	1 070	957
Grants ³	13 176	488	971	970	970
Sales of Goods and Services ⁴	30 386	49 914	49 028	49 483	47 565
Other Revenue	25 147	23 210	24 810	24 856	25 198
	1 184 727	1 083 692	1 037 831	1 017 573	1 028 293
Less Expenses					
Employee Entitlements ^{5,10}	555 033	577 546	588 461	604 027	612 027
Superannuation ^{5,10}	61 825	70 672	72 339	74 089	75 316
Depreciation and Amortisation ⁶	44 537	65 901	68 215	67 984	62 009
Grants and Transfer Payments ^{7,10}	115 674	132 427	120 011	106 416	109 048
Supplies and Consumables ^{8,10}	174 159	193 034	192 963	183 246	185 475
Other Expenses ^{9,10}	43 412	47 857	48 197	49 233	49 899
	994 640	1 087 437	1 090 186	1 084 995	1 093 774
Plus Gains/(Losses)					
Gain/(Loss) on Sale of Non-Financial Assets	(1 027)	(179)	(80)	(1 249)	(815)
	(1 027)	(179)	(80)	(1 249)	(815)
Equals OPERATING RESULT	189 060	(3 924)	(52 435)	(68 671)	(66 296)
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets ¹¹	19 214	12 163	109 399	108 531	92 070
Other Non-Owner Movements in Equity	(15 268)	....	....	....	....
	3 946	12 163	109 399	108 531	92 070
Equals COMPREHENSIVE INCOME	193 006	8 239	56 964	39 860	25 774

Notes:

1. The decrease in Revenue from Appropriation reflects the impact of a reduced Capital Investment Program and the Budget Savings Strategies, offset by additional funding provided to support educational services; and increased Australian Government funding for the National Partnership Agreements between the Department and the Australian Government on Low Socio-Economic Status School Communities and Productivity Places.
2. The decrease in Interest Revenue reflects the impact of reducing Departmental operating account cash balances.
3. The decrease in Grants reflects the completion of funding from the Tasmanian Risk Management Fund in 2010-11 for the Bridgewater and Southern Midlands Renewal project of \$8.2 million and Burnie High School fire project of \$4.0 million.

4. The movement in Sales of Goods and Services primarily reflects the additional revenue recognised as a result of the Tasmanian Polytechnic amalgamating with the Department.
5. The increase in Employee Entitlements and Superannuation primarily reflects the additional expenditure to support educational services, and additional expenditure recognised as a result of the Tasmanian Polytechnic amalgamating with the Department.
6. The increase in Depreciation and Amortisation reflects the impact of the Department's significant Capital Investment Program in recent years.
7. The increase in Grants and Transfer Payments reflects increased expenditure relating to the National Partnership Agreement between the Department and the Australian Government on Productivity Places. This is offset by the impact of the Budget Savings Strategies.
8. The movement in Supplies and Consumables primarily reflects the additional expenditure recognised as a result of the Tasmanian Polytechnic amalgamating with the Department; increased expenditure relating to National Partnership agreements between the Department and the Australian Government; offset by reductions from the implementation of the Budget Savings Strategies.
9. The increase in Other Expenses reflects the increase in workers compensation premiums.
10. Expenditure associated with the Tasmanian Polytechnic that historically has been recorded as Grants and Transfer Payments is yet to be redistributed by the Department amongst the appropriate expense items. This will occur during the course of 2011-12.
11. The movement in Revaluation of Non-Financial Assets in 2011-12 and over the Forward Estimates reflects a change in accounting policy to revalue Land and Buildings as at 30 June, rather than 1 July. This requires accumulated depreciation being written back to the Asset Revaluation Reserve. In 2011-12, an increase resulting from the change in accounting policy is offset by the reversal of the transfer of three colleges to the Tasmanian Academy.

Table 3.11: Revenue from Appropriation

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent	886 246	944 452	940 252	935 842	952 321
Works and Services ¹	212 926	61 111	21 513	5 352	1 282
	1 099 172	1 005 563	961 765	941 194	953 603
Appropriation Carried Forward	14 318	3 050	....	....	....
Total Revenue from Appropriation	1 113 490	1 008 613	961 765	941 194	953 603

Note:

1. The decrease in Works and Services primarily reflects the completion of the Australian Government funded Building the Education Revolution program.

Table 3.12: Income Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	241 233	220 896	229 033	229 333	229 333
Grants ²	1 200	474	569	....	....
Sales of Goods and Services	329	336	343	351	360
	242 762	221 706	229 945	229 684	229 693
Less Expenses					
Grants and Transfer Payments	241 233	220 896	229 033	229 333	229 333
Transfer to the Consolidated Fund	1 529	810	912	351	360
	242 762	221 706	229 945	229 684	229 693
Equals OPERATING RESULT	....	....	....	....	....
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	....	....	....	....	....
Other Non-Owner Movements in Equity	....	....	....	....	....
Equals COMPREHENSIVE INCOME	....	....	....	....	....

Notes:

1. The decrease in Revenue from Appropriation in 2011-12 reflects a reduction in Australian Government Grants to Non-Government Schools.
2. The movement in Grants revenue reflects the cessation of Australian Government funding for the Raising the Bar Closing the Gap (RTBCTG) program, and the commencement of funding from the Australian Government under the Indigenous Education Targeted Assistance Literacy and Numeracy Project Agreement 2010 – RTBCTG.

Table 3.13: Administered Revenue

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue Collected on Behalf of the Consolidated Fund					
Commonwealth Recurrent Grants ¹	1 200	474	569	....	....
Other Sales of Services	329	336	343	351	360
	1 529	810	912	351	360
Revenue from Appropriation					
Annual Appropriation	241 233	220 896	229 033	229 333	229 333
Total Administered Revenue	242 762	221 706	229 945	229 684	229 693

Note:

1. The movements in Commonwealth Recurrent Grants reflects the cessation of Australian Government funding for the Raising the Bar Closing the Gap (RTBCTG) program, and the commencement of funding from the Australian Government under the Indigenous Education Targeted Assistance Literacy and Numeracy Project Agreement 2010 – RTBCTG.

Table 3.14: Administered Expenses

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Commonwealth Grants to Non-Government Schools ¹	191 164	168 665	176 502	176 502	176 502
Non-Government Schools: Capital Assistance	1 050	1 050	1 050	1 050	1 050
Non-Government Schools: Grants ²	48 633	50 795	51 095	51 395	51 395
Non-Government Schools: Student Assistance	386	386	386	386	386
	241 233	220 896	229 033	229 333	229 333
Transfer to the Consolidated Fund	1 529	810	912	351	360
Total Administered Expenses	242 762	221 706	229 945	229 684	229 693

Notes:

1. The decrease in Commonwealth Grants to Non-Government Schools in 2011-12 reflects the completion of the Australian Government funded Building the Education Revolution program, partly offset by increases in other Australian Government funding commitments. Further Australian Government funding increases are also expected in 2012-13.
2. The increase in Non-Government Schools: Grants reflects an increase in funding to Non-Government schools resulting from a change in the allocation methodology offset by the impact of the Budget Savings Strategies.

Commonwealth Grants to Non-Government Schools

This item has decreased by \$22.5 million in 2011-12 primarily due to the completion of the Australian Government funded Building the Education Revolution initiative. Other increases in this Output reflect increased Australian Government funding of \$11.9 million 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*.

Non-Government Schools: Grants

The 2011-12 allocation is based on projections of variations in State Government expenditure and 2010 enrolments in the non-government sector that are made well in advance of the availability of actual figures. Accordingly, there is 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

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	63 688	29 341	25 145	21 398	19 135
Receivables ²	5 544	6 657	6 281	5 305	4 498
Other Financial Assets ³	4 025	7 540	7 556	7 572	7 597
	73 257	43 538	38 982	34 275	31 230
Non-Financial Assets					
Land and Buildings ⁴	1 231 167	1 545 105	1 610 780	1 660 496	1 694 044
Plant and Equipment ³	19 629	26 628	27 272	27 903	28 922
Heritage and Cultural Assets ⁵	47 614	61 292	62 824	64 394	66 003
Assets Held for Sale	4 519	7 700	5 115	4 512	3 548
Other Non-Financial Assets ³	....	223	229	235	250
	1 302 929	1 640 948	1 706 220	1 757 540	1 792 767
Total Assets	1 376 186	1 684 486	1 745 202	1 791 815	1 823 997
Liabilities					
Employee Entitlements ³	123 214	150 173	153 492	159 701	166 418
Payables	6 392	7 458	7 619	7 781	7 117
Other Liabilities	12 630	14 930	15 202	15 584	15 939
Total Liabilities	142 236	172 561	176 313	183 066	189 474
NET ASSETS	1 233 950	1 511 925	1 568 889	1 608 749	1 634 523
Equity					
Accumulated Funds	1 072 887	1 012 118	959 763	892 341	826 860
Asset Revaluation Reserve	161 063	268 231	377 630	486 161	578 231
Other Equity ³	....	231 576	231 496	230 247	229 432
Total Equity	1 233 950	1 511 925	1 568 889	1 608 749	1 634 523

Notes:

1. The decrease in Cash and Deposits in 2012 reflects a more accurate estimate based on the 2009-10 actual result and expenditure on the Capital Investment Program.
2. The movement in Receivables reflects a more accurate estimate based on the 2009-10 actual result and the recognition of receivables for the Tasmanian Polytechnic and Tasmanian Academy resulting from their amalgamation with the Department.
3. The increases in these Balance Sheet items primarily reflects the amalgamation of the Department with the Tasmanian Polytechnic and Tasmanian Academy effective from 1 January 2011, resulting in the consolidation of the Balance Sheets of the three entities.
4. The increase in Land and Buildings reflects the Department's significant Capital Investment Program, primarily resulting from the Building the Education Revolution program and the transfer of Land and Buildings from the Tasmanian Polytechnic.
5. The increase in Heritage and Cultural Assets reflects the independent revaluation of this asset class at fair value.

Table 3.16: Balance Sheet as at 30 June – Administered

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	218	....	....	....	....
	218	....	....	....	....
Total Assets	218	....	....	....	....
NET ASSETS	218	....	....	....	....
Equity					
Accumulated Funds	218	....	....	....	....
Total Equity	218	....	....	....	....

Note:

1. The decrease in Administered Cash and Deposits reflects Administered capital payments that were fully expended by the end of 2010-11.

Table 3.17: Cash Flow Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	1 099 172	1 005 563	961 765	941 194	953 603
Interest Received ²	2 528	1 467	1 257	1 070	957
Grants ³	13 176	488	971	970	970
Sales of Goods and Services ⁴	30 641	51 623	50 160	51 923	53 039
GST Receipts	43 000	49 016	48 574	48 621	48 621
Other Receipts	25 146	23 208	24 808	24 854	25 196
	1 213 663	1 131 365	1 087 535	1 068 632	1 082 386
Cash Paid					
Employee Entitlements ⁵	(549 664)	(575 006)	(580 794)	(593 789)	(603 904)
Superannuation ⁵	(62 098)	(70 512)	(71 497)	(73 080)	(74 472)
Grants and Transfer Payments ⁶	(115 674)	(132 427)	(120 011)	(106 416)	(109 048)
Supplies and Consumables ⁷	(174 077)	(203 776)	(198 378)	(193 189)	(194 617)
GST Payments	(43 000)	(49 018)	(48 578)	(48 625)	(48 625)
Other Payments ⁸	(42 942)	(47 095)	(47 631)	(48 566)	(49 339)
	(987 455)	(1 077 834)	(1 066 889)	(1 063 665)	(1 080 005)
Net Cash Flows from Operating Activities	226 208	53 531	20 646	4 967	2 381
Cash Flows from Investing Activities					
Purchase of Fixed Assets ⁹	(249 603)	(67 455)	(24 842)	(8 714)	(4 644)
Net Cash Flows from Investing Activities	(249 603)	(67 455)	(24 842)	(8 714)	(4 644)
Net Increase/(Decrease) in Cash Held	(23 395)	(13 924)	(4 196)	(3 747)	(2 263)
Cash at the Beginning of the Year	87 083	43 265	29 341	25 145	21 398
Cash at the End of the Year	63 688	29 341	25 145	21 398	19 135

Notes:

1. The decrease in Appropriation reflects the impact of a reduced Capital Investment Program and the Budget Savings Strategies, offset by additional funding provided to support educational services, and increased Australian Government funding for the National Partnership Agreements between the Department and the Australian Government on Low Socio-Economic Status School Communities and Productivity Places.
2. The decrease in Interest Received reflects the impact of reducing Departmental Operating Account cash balances.
3. The decrease in Grants reflects the completion of funding from the Tasmanian Risk Management Fund in 2010-11 for the Bridgewater and Southern Midlands Renewal project of \$8.2 million and Burnie High School fire project of \$4.0 million.
4. The movement in Sales of Goods and Services primarily reflects the additional expenditure recognised as a result of the Tasmanian Polytechnic amalgamating with the Department.
5. The increase in Employee Entitlements and Superannuation primarily reflects the additional expenditure to support educational services, and additional expenditure recognised as a result of the Tasmanian Polytechnic amalgamating with the Department.

6. The increase in Grants and Transfer Payments reflects increased expenditure relating to the National Partnership Agreement between the Department and the Australian Government on Productivity Places. This is offset by the impact of the Budget Savings Strategies.
7. The movement in Supplies and Consumables primarily reflects the additional expenditure recognised as a result of the Tasmanian Polytechnic amalgamating with the Department; increased expenditure relating to National Partnership agreements between the Department and the Australian Government; offset by reductions from the implementation of the Budget Savings Strategies.
8. The increase in Other Payments reflects the increase in workers' compensation premiums.
9. The decrease in Purchase of Fixed Assets primarily reflects the completion of the Australian Government funded Building the Education Revolution program.

Table 3.18: Cash Flow Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	241 233	220 896	229 033	229 333	229 333
Grants ²	1 200	474	569	....	....
Sales of Goods and Services	329	336	343	351	360
	242 762	221 706	229 945	229 684	229 693
Cash Paid					
Grants and Transfer Payments	(241 233)	(220 896)	(229 033)	(229 333)	(229 333)
Transfers to the Consolidated Fund	(1 529)	(810)	(912)	(351)	(360)
	(242 762)	(221 706)	(229 945)	(229 684)	(229 693)
Net Cash Flows from Operating Activities	....	....	....	....	....
Net Increase/(Decrease) In Cash Held	....	....	....	....	....
Cash at the Beginning of the Year	218	....	....	....	....
Cash at the End of the Year	218	....	....	....	....

Notes:

1. The decrease in Appropriation in 2011-12 reflects a reduction in Australian Government Grants to Non-Government Schools.
2. The movement in Grants revenue reflects the cessation of Australian Government funding for the Raising the Bar Closing the Gap (RTBCTG) program, and the commencement of funding from the Australian Government under the Indigenous Education Targeted Assistance Literacy and Numeracy Project Agreement 2010 – RTBCTG.

4 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, administration of the Tasmanian Risk Management Fund, management of the Government's light vehicle fleet and property portfolio, and payments to Government businesses.

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. Further information on the Government's superannuation liabilities and administration of the Tasmanian Risk Management Fund is provided in Budget Paper No 1 *The Budget*, Chapter 7 Assets and Liabilities.

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 4.1 provides an Output Group Expense Summary for Finance-General.

Table 4.1: Output Group Expense Summary

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Treasurer					
Output Group 1 - Debt Servicing and Management					
1.1 Debt Servicing	4 614	2 275	1 267	397	442
1.2 Interest on Sundry Deposits	6 595	5 263	5 242	5 378	5 092
1.3 Debt Management	9 913	9 622	9 326	9 023	8 710
	21 122	17 160	15 835	14 798	14 244
Output Group 2 - Employee Related Costs					
2.1 Superannuation and Pensions	338 804	343 518	342 062	338 021	338 133
2.2 Targeted Voluntary Redundancy Program	6 000	....	....	....	....
	344 804	343 518	342 062	338 021	338 133
Output Group 3 - Government Businesses					
3.1 Forestry Tasmania	3 146	3 182	2 000	2 000	2 000
3.2 State Fire Commission	3 890	2 846	2 584	2 321	2 321
3.4 Government Businesses	335	766	2 050	2 490	2 961
	7 371	6 794	6 634	6 811	7 282
Output Group 4 - Miscellaneous					
4.2 Treasurer's Reserve	20 000	20 000	20 000	20 000	20 000
4.3 Miscellaneous	33 687	9 362	6 608	15 057	17 932
4.4 Payment to Australian Tax Office: GST Administration	14 700	14 600	14 600	14 600	14 600
4.5 Tasmanian Risk Management Fund	60 841	49 072	45 821	48 499	51 287
4.6 Fleet Management Services	19 900	20 020	19 134	18 417	17 919
4.7 Property Management Services	22 384	25 231	28 386	52 726	47 246
4.8 Infrastructure Investment Project Planning	1 000	1 500	2 000	2 000	2 000
	172 512	139 785	136 549	171 299	170 984
Grants and Subsidies	109 117	116 767	115 887	118 652	123 355
Special Capital Investment Funds	101 608	122 606	37 862	8 443	10 000
TOTAL	756 534	746 630	654 829	658 024	663 998

Output Group 1: Debt Servicing and Management

Table 4.2 presents financial information for each Output under Output Group 1. A description of the Outputs follows the Table.

Table 4.2: Summary Financial Information - Output Group 1

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Debt Servicing and Management					
Expenses by Output					
1.1 Debt Servicing ¹	4 614	2 275	1 267	397	442
1.2 Interest on Sundry Deposits ²	6 595	5 263	5 242	5 378	5 092
1.3 Debt Management	9 913	9 622	9 326	9 023	8 710
	21 122	17 160	15 835	14 798	14 244
Retained Revenue³	10 012	9 721	9 425	9 122	8 809
Net Cost of Output Group	11 110	7 439	6 410	5 676	5 435
Appropriation⁴	88 695	98 341	157 224	116 133	122 951

Notes:

1. The decrease in the Debt Servicing Output is due to the repayment of maturing debt.
2. The decrease in the Interest on Sundry Deposits Output in 2011-12 primarily reflects a reduction in 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 2011-12 Appropriation of \$98.3 million for this Output Group represents external debt servicing costs of \$2.3 million and interest payments on accounts in the Special Deposits and Trust Fund of \$96.1 million. In 2011-12, interest payments include \$90.9 million (\$77.5 million in 2010-11) for the payment of interest on balances held by Finance-General in the Special Deposits and Trust Fund and \$5.3 million (\$6.6 million in 2010-11) for the payment of interest on balances held by other agencies and trust funds. Interest on Finance-General accounts is comprised of interest on the Superannuation Provision Account of \$81.2 million (\$70.3 million in 2010-11) and the Tasmanian Risk Management Fund Account of \$9.6 million (\$7.1 million in 2010-11). The increase in Appropriation in 2012-13 reflects payments to the Finance-General Temporary Debt Repayment Account. 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 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 gross 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 2012, debt managed within Finance-General will be \$13.0 million (\$48.1 million in 2010-11) in borrowings through Tascorp and \$209.8 million (\$216.6 million in 2010-11) 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.

1.3 Debt Management

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

The expense of \$9.6 million in 2011-12 (\$9.9 million in 2010-11) in this Output represents interest payments to the Australian Government on debt incurred under various CSHAs.

Principal repayments by Housing Tasmania of \$6.8 million in 2011-12 (\$6.7 million in 2010-11), 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

Table 4.3 presents financial information for each Output under Output Group 2. A description of the Outputs follows the Table.

Table 4.3: Summary Financial Information - Output Group 2

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Employee Related Costs					
Expenses by Output					
2.1 Superannuation and Pensions ¹	338 804	343 518	342 062	338 021	338 133
2.2 Targeted Voluntary Redundancy Program ²	6 000	....	....	....	....
	344 804	343 518	342 062	338 021	338 133
Retained Revenue³	99 118	99 800	100 422	101 024	101 579
Net Cost of Output Group	245 686	243 718	241 640	236 997	236 554
Appropriation⁴	111 704	121 137	126 865	122 896	129 188

Notes:

1. The increase in 2011-12 reflects actuarial projections of movements in the Superannuation liability.
2. This Output represents a provision to fund agencies for certain employee expenses associated with implementing the Budget Management Strategies that were announced in the 2009-10 Budget. The changed Budget presentation from 2011-12 reflects a change in the accounting treatment to reflect the nature of these transactions. In the 2010-11 Budget, these estimates were included as salary expenses. From 2011-12, the estimated transactions are included as loans to, and repayments from, agencies. As Balance Sheet transactions, these transactions are, therefore, not included in the expenses of Output 2.2 or in the Income Statement, but are reflected within Investments in the Balance Sheet and included under Cash Flows from Investing Activities in the Cash Flow Statement. Further information on the estimated transactions is provided in Table 4.4.
3. The 2011-12 retained revenue estimate of \$99.8 million (\$99.1 million in 2010-11) reflects agency contributions to the Superannuation Provision Account in the Special Deposits and Trust Fund of \$99.8 million (\$99.1 million in 2010-11) and employer contributions from the Department of Justice in relation to the *Judges' Contributory Pensions Act 1968* of \$40 000 (\$38 000 in 2010-11).
4. The 2011-12 Appropriation for this Output of \$121.1 million includes \$104.4 million Reserved by Law Appropriation relating to the Government's obligations for superannuation payments (\$99.0 million in 2010-11). In accordance with the requirements of the *Retirement Benefits (Parliamentary Superannuation) Regulations 2002*, \$1.4 million is included in the 2011-12 Reserved by Law Appropriation to meet the emerging cost of the Parliamentary Superannuation Fund and the Parliamentary Retiring Benefits Fund (\$1.4 million in 2010-11). The Reserved by Law Appropriation also includes pensions payable under the *Solicitor-General Act 1983* of \$226 000 (\$215 000 in 2010-11), pensions payable under the *Judges' Contributory Pensions Act 1968* of \$1.7 million (\$1.7 million in 2010-11) and pensions payable under the *Governor of Tasmania Act 1982* of \$84 000 (\$80 000 in 2010-11). In addition, this Appropriation includes a contribution of \$101.0 million (\$95.7 million in 2010-11) 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 Budget Paper No 1 *The Budget*, Chapter 7 Assets and Liabilities. The \$16.7 million remaining Appropriation represents an appropriation of \$10 million to the Targeted Voluntary Redundancy Program; a contribution to the Payroll Provision Account in the Special Deposits and Trust Fund of \$6.5 million (\$6.5 million in 2010-11); and a payment in respect of the State's share of higher education superannuation costs of \$200 000 (\$200 000 in 2010-11). 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 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 the expenses of 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.

In 2011-12, superannuation and pension expenses are estimated to total \$343.5 million, an anticipated increase of \$4.7 million in comparison with the budgeted cost in 2010-11 of \$338.8 million. The 2011-12 estimate includes cash pension and lump sum payments of \$184.3 million (\$175.3 million in 2010-11). The estimated superannuation liability as at 30 June 2012 is \$5 155.1 million (excluding the Housing Tasmania pre-July 1994 superannuation liability reflected in the estimates of the Department of Health and Human Services, which it is estimated will be \$15.0 million at 30 June 2012 and the State Fire Commission component which it is estimated will be \$5.5 million at 30 June 2012). This is an increase of \$828.3 million from the 2010-11 estimate of the liability as at 30 June 2011. The projected value of the liability reflects the most recent actuarial assessment of the liability.

Further information in relation to the State's superannuation liability can be found in Budget Paper No 1 *The Budget*, Chapter 7 Assets and Liabilities.

2.2 Targeted Voluntary Redundancy Program

In 2010-11, this Output represented a provision to fund agencies for certain employee expenses associated with implementing reduction programs. The 2011-12 Budget and Forward Estimates contain a provision for a Targeted Voluntary Redundancy Program of \$10.0 million per annum in 2011-12 and 2012-13, to be administered through Finance-General.

Under the Program, agencies may apply to use funds to manage the initial cost of redundancy payments. Agencies will later be required to repay these funds from savings achieved through employee management strategies.

Table 4.4 presents financial information for the Targeted Voluntary Redundancy Program.

Table 4.4: 2011-12 Targeted Voluntary Redundancy Program

	2011-12	2012-13	2013-14	2014-15	2015-16
	Budget	Forward Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Loans to Agencies ¹	10 000	10 000	....	....	....
Repayments from Agencies ¹	....	3 400	6 800	6 800	3 000

Note:

- The estimated redundancy transactions are included as loans to, and repayments from, agencies. As Balance Sheet transactions, these transactions are, therefore, not included in the expenses of Output 2.2 or in the Income Statement, but are reflected within Investments in the Balance Sheet and included under Cash Flows from Investing Activities in the Cash Flow Statement.

Output Group 3: Government Businesses

Table 4.5 presents financial information for each Output under Output Group 3. A description of the Outputs follows the Table.

Table 4.5: Summary Financial Information – Output Group 3

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Government Businesses					
Expenses by Output					
3.1 Forestry Tasmania ¹	3 146	3 182	2 000	2 000	2 000
3.2 State Fire Commission ²	3 890	2 846	2 584	2 321	2 321
3.4 Government Businesses ³	335	766	2 050	2 490	2 961
	7 371	6 794	6 634	6 811	7 282
Net Cost of Output Group	7 371	6 794	6 634	6 811	7 282
Appropriation⁴	11 125	6 112	6 634	6 811	7 282

Notes:

- The decrease over the Forward Estimates period reflects an anticipated reduction in the funds drawn down by Forestry Tasmania under the Helsham Agreement. It is anticipated that the balance of the Helsham Account will be fully drawn down by Forestry Tasmania by 30 June 2012. The 2011-12 Budget estimate includes one-off funding of \$500 000 for expenditure associated with the review of Forestry Tasmania.
- The decrease in the expenses for the State Fire Commission reflects a reduction of \$1 million per annum in the State funding contribution.

3. The expenditure in 2011-12 and the Forward Estimates period represents funding of the Government's agreement to reimburse Tasracing Pty Ltd the costs (including principal where necessary) associated with a \$40.0 million debt facility with Tascorp.
4. The decrease in the 2011-12 Appropriation primarily reflects the conclusion in 2010-11 of the Consolidated Fund allocation of \$4.9 million for equity contributions to Aurora Energy Pty Ltd in support of the Government's strategic partnership agreement with Aurora for the operation of the Optic Fibre Network, and the reduction of \$1.0 million per annum in the State funding contribution to the State Fire Commission.

3.1 Forestry Tasmania

A provision of \$2 million has been made in 2011-12 (\$2 million in 2010-11) for excess fire fighting costs incurred by Forestry Tasmania. This funding will be used in the event of a high cost 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. The 2011-12 Budget includes the estimated cost of \$500 000 for the review of Forestry Tasmania.

3.2 State Fire Commission

A provision has been made for funding of \$2.8 million for the State Fire Commission in 2011-12 (\$3.9 million in 2010-11). Of this amount, \$240 000 has been appropriated as a contingent provision for funding excess fire fighting costs, \$525 000 is to develop and implement community protection plans and \$275 000 represents funding provided by the Australian Government through the National Partnership Payments arrangements for the Bushfire Mitigation Program. The remaining \$1.8 million represents the State Government's annual funding contribution to the Commission in accordance with section 101 of the *Fire Service Act 1979*.

3.4 Government Businesses

This Output provides for expenses arising from the Government's ownership interests in Government businesses. The expenditure in 2011-12 and the Forward Estimates period represents funding of the Government's agreement to reimburse Tasracing Pty Ltd the costs (including principal where necessary) associated with a \$40 million debt facility with Tascorp, where Tasracing cannot meet those costs.

Output Group 4: Miscellaneous

Table 4.6 presents financial information for each Output under Output Group 4. A description of the Outputs follows the Table.

Table 4.6: Summary Financial Information - Output Group 4

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Miscellaneous					
Expenses by Output					
4.2 Treasurer's Reserve	20 000	20 000	20 000	20 000	20 000
4.3 Miscellaneous ¹	33 687	9 362	6 608	15 057	17 932
4.4 Payment to Australian Tax Office: GST Administration	14 700	14 600	14 600	14 600	14 600
4.5 Tasmanian Risk Management Fund ²	60 841	49 072	45 821	48 499	51 287
4.6 Fleet Management Services	19 900	20 020	19 134	18 417	17 919
4.7 Property Management Services ³	22 384	25 231	28 386	52 726	47 246
4.8 Infrastructure Investment Project Planning	1 000	1 500	2 000	2 000	2 000
	172 512	139 785	136 549	171 299	170 984
Retained Revenue⁴	80 648	80 270	82 669	85 753	91 481
Net Cost of Output Group	91 864	59 515	53 880	85 546	79 503
Appropriation⁵	82 747	53 671	53 762	85 751	80 686

Notes:

- The decrease in the Miscellaneous Output in 2011-12 of \$24.3 million is primarily due to the reduced subsidy to the water and sewerage corporations in 2011-12 and revised cash flows associated with the Mobile Radio Network Implementation. Further funding has been provided for Natural Disaster Relief to meet costs associated with floods in Northern Tasmania in early 2011.
- The decrease in the Tasmanian Risk Management Fund expenses relates to cash flows associated with replacement of Bridgewater High School, which was partially completed in 2010-11 (\$15.8 million in 2010-11) with remaining expenditure of \$3.0 million in 2011-12.
- The increase in Property Management Services in 2011-12 and the Forward Estimates period is due to changes in the timing of cash flows for fit out costs, rent and other costs associated with the *parliament square* Project.
- Retained Revenue of \$80.3 million in 2011-12 is comprised of agency contributions to the Tasmanian Risk Management Fund of \$41.6 million (\$41.7 million in 2010-11), property lease and rental receipts of \$16.4 million (\$15 million in 2010-11) and vehicle lease and management payments received from agencies of \$22.1 million (\$23.9 million in 2010-11).
- The 2011-12 Appropriation of \$53.7 million for this Output Group includes: an amount of \$10.0 million contingently appropriated to the Treasurer's Reserve under section 11(2)(b) of the *Public Account Act 1986* (\$10.0 million in 2010-11); a Reserved by Law statutory provision of \$10 million (\$10 million in 2010-11) 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 \$14.6 million (\$14.7 million in 2010-11); a \$4.9 million provision for subsidising a cap of five per cent on price increases for water and sewerage services (\$19.0 million in 2010-11); property management expenses of \$8.2 million (\$6.8 million in 2010-11); \$1.5 million (\$1.0 million in 2010-11) for Infrastructure Investment Project Planning; grants of \$2.0 million to local councils in

response to floods in Northern Tasmania and other miscellaneous payments of \$2.4 million (\$2.7 million in 2010-11). Further information about other payments is contained within the Output descriptions.

4.2 Treasurer's Reserve

An amount of \$20.0 million has been provided in the Treasurer's Reserve in 2011-12 (\$20.0 million in 2010-11) to meet expenditure that could not reasonably be foreseen at the time of developing the 2011-12 Budget and which is essential for efficient financial management.

4.3 Miscellaneous

Items of expenditure under this Output relate to revenue support to the water and sewerage corporations; pensioner concession assistance for water and sewerage charges; and a number of other miscellaneous payments.

Natural Disaster Relief

A limited Tasmanian Natural Disaster Relief scheme, administered by the Department of Premier and Cabinet, is funded from within Finance-General. This scheme provides for payments to local government authorities that face the eligible costs of restoring or replacing essential public assets, that have been damaged as a direct result of a disaster, to a pre-disaster standard. Disasters for which relief is available are determined at the national level 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 \$2.0 million (\$532 000 in 2010-11) has been included in the 2011-12 Budget allocation for Finance-General for payments that may be made to local governments under the Natural Disaster Relief scheme, which includes funding for storm damage in Northern Tasmania.

Water and Sewerage Reform – Local Government Transition

A provision of \$383 000 has been included in 2011-12 to support the implementation of the reform of Tasmania's water and sewerage sector. Expenditure under this item represents payments to Southern Water, under an agreement between the Government, Southern Water and the Glamorgan-Spring Bay Council, as a contribution toward the debt servicing costs incurred by Southern Water for the construction of a new water supply and treatment plant for the town of Swansea. The Government's total contribution is fixed at \$1.92 million over six years: (\$100 000 in 2008-09; \$525 000 in 2009-10; \$548 000 in 2010-11; \$383 000 in 2011-12; \$262 000 in 2012-13; and \$102 000 in 2013-14).

Water and Sewerage Reform – Authority Subsidy Payments

The Government is providing funding to the water and sewerage corporations to assist their short-term financial viability and reduce pressure for price shocks from 1 July 2012. Payments from the Government to the water and sewerage entities is estimated as \$4.9 million in 2011-12, \$3.4 million in 2012-13 and \$1.9 million in 2013-14.

Further information regarding water and sewerage reform is provided in Chapter 4 Budget Savings Strategies of Budget Paper No 1 *The Budget*.

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 2011-12 is estimated at \$14.6 million (\$14.7 million in 2010-11).

4.5 Tasmanian Risk Management Fund

The estimated expenses of \$49.1 million in 2011-12 (\$60.8 million in 2010-11) represent anticipated administration and claims costs. This amount includes expenditure in 2011-12 of \$3.0 million associated with the replacement of Bridgewater High School. Of the original 2010-11 estimate of \$15.8 million for costs associated with the Bridgewater High School replacement, it is expected that \$13.3 million will be expended by 30 June 2011. The expenditure of the balance of funding is included in the 2011-12 estimate.

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 the Government's Fleet Manager of lease, registration and insurance payments by agencies, net of the fleet management fee.

Estimated expenses for this Output in 2011-12 of \$20.0 million (\$19.9 million in 2010-11) include motor vehicle registration expenses of \$1.4 million (\$1.5 million in 2010-11) and estimated depreciation on motor vehicles of \$18.6 million (\$18.4 million in 2010-11).

4.7 Property Management Services

It is estimated that 2011-12 expenditure for Property Management Services will amount to \$25.2 million (\$22.4 million in 2010-11), including property lease and rental payments of \$16.5 million (\$15.0 million in 2010-11); power and fuel expenses of \$890 000 (\$890 000 in 2010-11); rates payments of \$400 000 (\$380 000 in 2010-11); rent and other expenses of \$365 000 (\$88 000 in 2010-11) which includes additional tenancy costs associated with the *parliament square* Project fit out; estimated depreciation on government-owned office buildings of \$572 000 (\$572 000 in 2010-11); property maintenance expenses totalling \$3.1 million (\$3.9 million in 2010-11); and \$3.4 million for fit out costs associated with the *parliament square* Project (\$1.6 million in 2010-11).

4.8 Infrastructure Investment Project Planning

The Infrastructure Investment Project Planning Output provides funding for the early planning stages of major infrastructure projects.

SPECIAL CAPITAL INVESTMENT FUNDS

Within Finance-General, funds are held for investment in economic and social infrastructure. This section provides a description of the Funds, the balance of each Fund and the projects to be funded in 2011-12 and over the Forward Estimates period. Further details on capital expenditure from the Special Capital Investment Funds are provided in Budget Paper No 1 *The Budget*, Chapter 8 Infrastructure Investment.

Economic and Social Infrastructure Fund

The Economic and Social Infrastructure Fund (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 rural and agricultural related water infrastructure.

A summary of the projects to be funded from the ESIF is provided in Table 4.7.

Table 4.7: Economic and Social Infrastructure Fund

	Estimated Total Cost \$'000	2011-12 Budget \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Balance Brought Forward		20 112	12 794	....	....
Consolidated Fund:					
Appropriation		6 000	....	....	....
TOTAL SOURCE OF FUNDS		26 112	12 794	....	....
OUTFLOWS					
<i>Department of Economic Development, Tourism and the Arts</i>					
Minister for the Arts					
Tasmanian Museum and Art Gallery	30 000	9 000	11 294	....	....
		9 000	11 294	....	....
Minister for Economic Development					
Industry Assistance	4 000	600	....	....	....
		600	....	....	....
Minister for Tourism					
AFL Arrangement – Hawthorn Football Club ¹	16 746	1 427	....	....	....
		1 427	....	....	....

Table 4.7 Economic and Social Infrastructure Fund (continued)

	Estimated Total Cost	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Department of Health and Human Services					
Minister for Health					
Hospital Equipment Fund	25 000	2 291	1 500	....	....
		2 291	1 500	....	....
TOTAL OUTFLOWS		13 318	12 794	....	....
Closing Balance		12 794	....	....	....

Note:

1. A new sponsorship agreement was entered into with the Hawthorn Football Club in 2010. Funding for this agreement is provided in the Department of Economic Development, Tourism and the Arts Budget and Forward Estimates allocations.

Economic and Social Infrastructure Fund Projects

Funding allocated in 2011-12 to ESIF projects is as follows:

- Tasmanian Museum and Art Gallery (TMAG) - \$9.0 million of the \$30 million allocation is provided for the redevelopment of the TMAG;
- Industry Assistance - \$600 000 to be provided for grants, subsidies and development support projects to assist those businesses that can demonstrate a net economic benefit to the State;
- AFL Arrangement - Hawthorn Football Club - \$1.4 million for the Hawthorn Football Club to play AFL games in Tasmania and to promote the State through the Club's branding; and
- Hospital Equipment Fund – \$2.3 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.

For details on the capital expenditures from the ESIF, refer to Budget Paper No 1 *The Budget*, Chapter 8 Infrastructure Investment.

Hospitals Capital Fund

The Hospitals Capital Fund was established in 2007-08 to provide capital funding for hospitals across the State. In 2011-12, \$59.3 million has been allocated from the HCF for the construction of the Launceston General Hospital Car Park (\$8.3 million) and the redevelopment of the Royal Hobart Hospital (\$51.0 million).

The HCF will provide \$100 million to address the Royal Hobart Hospital's ageing buildings and infrastructure, and to improve and expand key services such as intensive care.

A summary of the projects to be funded from the Hospitals Capital Fund is provided in Table 4.8.

Table 4.8: Hospitals Capital Fund

	Estimated Total Cost	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance Brought Forward		36 609	4 185	....	....
Consolidated Fund:					
Appropriation		26 900	15 000	....	....
TOTAL SOURCE OF FUNDS		63 509	19 185	....	....
OUTFLOWS					
<i>Department of Health and Human Services</i>					
Minister for Health					
Launceston General Hospital Car Park	15 000	8 324	1 000	....	....
Mersey Hospital Upgrades	1 900	....	1 900	....	....
Royal Hobart Hospital	100 000	51 000	16 285	....	....
TOTAL OUTFLOWS		59 324	19 185	....	....
Closing Balance		4 185	....	....	....

Housing Fund

The Housing Fund was established in 2007-08, with an allocation of \$60.0 million for the purpose of increasing the supply of public housing. In 2011-12, it is anticipated that a further \$23.5 million will be expended from the Housing Fund on public housing projects.

Details of projects to be funded from the Housing Fund in 2011-12 are provided in Chapter 5 of this Budget Paper.

A summary of the projects to be funded from the Housing Fund is provided in Table 4.9.

Table 4.9: Housing Fund

	Estimated Total Cost \$'000	2011-12 Budget \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Balance Brought Forward		26 462	3 000	3 000	3 000
TOTAL SOURCE OF FUNDS		26 462	3 000	3 000	3000
OUTFLOWS					
<i>Department of Health and Human Services</i>					
Minister for Human Services					
Housing Fund ¹	60 000	23 462	....	....	3 000
TOTAL OUTFLOWS		23 462	....	....	3 000
Closing Balance		3 000	3 000	3 000	....

Note:

1. The Housing Fund will retain \$3.0 million until 2014-15 for the purpose of providing funding in a future round of the Australian Government's National Rental Housing Affordability Scheme (NRAS).

Infrastructure Tasmania Fund

The Infrastructure Tasmania Fund (ITF) was established in 2007-08, 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 the Water Infrastructure Fund administered by the Department of Primary Industries, Parks, Water and Environment and \$25 million was transferred to the Urban Renewal and Heritage Fund.

A summary of the projects to be funded from the ITF is provided in Table 4.10.

Table 4.10: Infrastructure Tasmania Fund

	Estimated Total Cost \$'000	2011-12 Budget \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Balance Brought Forward		53 866	29 500	23 617	15 174
TOTAL SOURCE OF FUNDS		53 866	29 500	23 617	15 174
OUTFLOWS					
<i>Department of Health and Human Services</i>					
Minister for Health					
Health Infrastructure	67 410	19 673	5 883	8 443	7 000
Health Information Technology	18 500	3 543	....	....	....
		23 216	5 883	8 443	7 000
<i>Department of Primary Industries, Parks, Water and Environment</i>					
Minister for Environment, Parks and Heritage					
Coastal Walk at Arthur River	400	200	....	....	....
Off Road Vehicle and Track Management	1 500	950	....	....	....
		1 150	....	....	....
TOTAL OUTFLOWS		24 366	5 883	8 443	7 000
Closing Balance		29 500	23 617	15 174	8 174

Infrastructure Tasmania Fund Projects

Funding allocated in 2011-12 to ITF projects is as follows:

- Health Infrastructure - \$19.7 million for infrastructure upgrades including: Clarence GP Superclinic and Integrated Care Centre (\$7.8 million); Flinders Island Multi Purpose Centre Upgrade (\$4.9 million); Glenorchy – Tier Three Community Health Services Facility (\$750 000); Launceston Integrated Care Centre (\$2 million); King Island Hospital and Health Care Upgrade (\$3.2 million); and Kingston – Tier Three Community Health Services Facility (\$1.0 million);
- Health Information Technology - \$3.5 million for the implementation of information technology projects including: LAN and Infrastructure Upgrade (\$1.0 million); Medical Imaging Project (\$965 000); Mental Health Services Electronic Client Management and Reporting System (\$1.1 million); and Messaging and Identifier Systems (\$500 000);

- Coastal Walk at Arthur River – \$200 000 towards a new walk at Arthur River. The walk will be developed in close consultation with the Aboriginal community and will complement the works to protect Aboriginal heritage being done through the off-road vehicle project; and
- Off Road Vehicle and Track Management – \$950 000 for the Arthur Pieman conservation area, including upgrades to the track network, works to protect Aboriginal heritage, the development of a new recreational vehicle permit system, education and interpretation material and other infrastructure required to enable effective recreational vehicle management.

Urban Renewal and Heritage Fund

The Urban Renewal and Heritage Fund (URHF) was established in 2008-09 with a \$25.0 million allocation for the conservation and restoration of heritage assets and the renewal of urban areas in communities throughout Tasmania.

A summary of the projects to be funded from the URHF is provided in Table 4.11.

Table 4.11: Urban Renewal and Heritage Fund

	Estimated Total Cost	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance Brought Forward		2 136	....	....	....
TOTAL SOURCE OF FUNDS		2 136	....	....	....
OUTFLOWS					
Finance-General					
Treasurer					
Princes Wharf Redevelopment	12 000	1 300	....	....	....
		1 300	....	....	....
Department of Primary Industries, Parks, Water and Environment					
Minister for Environment, Parks and Heritage					
Coles Bay Jetty Replacement	980	36	....	....	....
Low Head Infrastructure Maintenance	990	400	....	....	....
North East Camping Infrastructure	835	400	....	....	....
		836	....	....	....
TOTAL OUTFLOWS		2 136	....	....	....
Closing Balance		....	....	....	....

Urban Renewal and Heritage Fund Projects

Funding allocated in 2011-12 to URHF projects is as follows:

- Princes Wharf Redevelopment – \$1.3 million to finalise the renewal of Princes Wharf Shed No 1, which will enhance access and public usage of the asset, provide greater opportunity for tourism facilities and improve the physical infrastructure;
- Coles Bay Jetty Replacement – \$36 000 to complete the replacement of the existing jetty with a cantilevered jetty;
- Low Head Infrastructure Maintenance and Site Improvement – \$400 000 to provide essential maintenance and site improvements to the Low Head Maritime Site; and
- North East Tasmania Coastal Camping Infrastructure - \$400 000 to replace/repair toilets and improve/repair camping areas at 10 different sites across North East Tasmania.

DETAILED BUDGET STATEMENTS

Table 4.12: Income Statement - Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	409 129	433 679	476 322	450 516	463 462
Taxation ²	916 090	941 560	983 054	1 023 099	1 063 799
Interest Revenue ³	201 531	247 598	272 248	267 174	306 010
Grants	2 870 718	2 795 105	2 879 701	2 826 017	2 770 274
Sales of Goods and Services	80 713	80 337	82 738	85 824	91 552
Other Revenue	99 736	100 382	101 004	101 606	102 161
	4 577 917	4 598 661	4 795 067	4 754 236	4 797 258
Less Expenses					
Employee Entitlements	6 000	....	....	....	....
Superannuation	338 804	343 518	342 062	338 021	338 133
Depreciation and Amortisation	18 958	19 198	18 422	17 710	17 193
Borrowing Costs ⁴	21 577	17 615	16 290	15 253	14 699
Grants and Transfer Payments ⁵	232 045	252 955	166 299	148 271	157 877
Supplies and Consumables ⁶	142 425	113 244	111 756	138 769	136 096
Transfer to the Consolidated Fund ⁷	4 295 801	4 217 747	4 262 993	4 140 150	4 135 918
Other Expenses	(3 275)	100	....	....	....
	5 052 335	4 964 377	4 917 822	4 798 174	4 799 916
Plus Gains/(Losses)					
Gain/(Loss) on Investments in GBEs and SOCs ⁸	238 609	316 458	163 929	230 356	236 030
Other Gains/(losses) ⁹	11 955	(188)	(6 110)	(8 568)	(8 914)
	250 564	316 270	157 819	221 788	227 116
Equals OPERATING RESULT	(223 854)	(49 446)	35 064	177 850	224 458
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	....	....	....	....	....
Other Non-Owner Movements in Equity ¹⁰	(1)	(3)	(1)	(2)	(2)
	(1)	(3)	(1)	(2)	(2)
Equals COMPREHENSIVE INCOME	(223 855)	(49 449)	35 063	177 848	224 456

Notes:

1. Explanations of significant variations in Revenue from Appropriation can be found in the Output Group variance explanations.
2. Further information regarding the increase in Taxation Revenue in 2011-12 can be found in Budget Paper No 1 *The Budget*, Chapter 5 Revenue.
3. Interest Revenue includes interest on investments, and dividend and income tax equivalent receipts from Government businesses. The increase in estimated Interest Revenue largely reflects anticipated increased returns from Government businesses due to a combination of forecast increases in profitability and the Government's decision to increase the dividend payout ratios for Hydro Tasmania, Aurora Energy Pty Ltd and Transend Networks Pty Ltd. Further information on returns from Government businesses can be found in Budget Paper No 1 *The Budget*, Chapter 5 Revenue.
4. Borrowing Costs includes interest payable 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 estimated decrease in 2011-12 and the Forward Estimates period primarily reflects the repayment of maturing debt, decreasing interest payments on CSHA debt and a reduction in interest bearing accounts held by agencies.
5. Grants and Transfer payments have increased for 2011-12 due to funding from the Hospitals Capital Fund associated with the Royal Hobart Hospital redevelopment being brought forward from 2013-14. This has been partially offset by a decrease in estimates associated with the subsidy to the water and sewerage corporations, as well as savings achieved by reducing the Low Alcohol Cider Subsidy and revised estimates for the new Employee Payroll Tax Incentive Scheme.
6. The decrease in Supplies and Consumables is principally due to revised cash flows associated with the Mobile Radio Network Implementation, a decrease in the Urban Renewal Heritage Fund expenditure of \$5.8 million and a decrease in Tasmanian Risk Management Fund expenditure of \$15 million due to the near completion of the Bridgewater High School project in 2010-11.
7. 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 payments and interest income.
8. Gain/(Loss) on investments in GBEs and SOCs represents the estimated movement in the value of net assets of Government-owned businesses, excluding any equity contributions, between 1 July and 30 June each year.
9. Other Gains/(Losses) reflect revaluation decreases/(increases) related to the Tasmanian Risk Management Fund liability.
10. Other Non-Owner Movements in Equity reflect system rounding.

Table 4.13: Revenue from Appropriation - Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent	281 335	277 854	326 039	308 544	314 510
Works and Services ¹	1 000	26 900	15 000	....	....
	282 335	304 754	341 039	308 544	314 510
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 the Superannuation Provision Account (<i>Retirements Benefits Act 1993</i>) ²	95 690	100 950	106 500	112 358	118 538
Financial Assistance under the <i>Rosetta Landslip Act 1991</i> ³	18	....	....	....	....
Payments to Municipalities under the <i>Local Government (Rates and Charges Remissions) Act 1991</i> ⁴	12 149	14 498	15 129	15 788	16 476
Payments under the <i>Retirement Benefits (Parliamentary Superannuation) Regulations 2002</i>	1 369	1 437	1 508	1 584	1 584
Superannuation Benefits Payable under the <i>Governor of Tasmania Act 1982</i>	80	84	88	92	97
Superannuation Benefits Payable under the <i>Judges' Contributory Pensions Act 1968</i>	1 650	1 730	1 820	1 900	1 995
Superannuation Benefits Payable under the <i>Solicitor-General Act 1983</i>	215	226	238	250	262
Tasmanian Community Fund (<i>Tasmanian Community Fund Act 2005</i>) ⁵	5 623	....	....	....	....
	126 794	128 925	135 283	141 972	148 952
Total Revenue from Appropriation - Administered	409 129	433 679	476 322	450 516	463 462

Notes:

1. The movement in the Annual Appropriation for Works and Services reflects the contribution to the Hospitals Capital Fund that has been brought forward from 2013-14.
2. The increase in contribution to the Superannuation Provision Account reflects annual indexation.
3. Contributions under the *Rosetta Landslip Act 1991* are not currently required as the Rosetta Landslip Account in the Special Deposits and Trust Fund has sufficient funds to meet expected future costs.
4. The increase in payments to municipalities in 2011-12 reflects the most recent estimate of rates remission concessions, for the Budget and Forward Estimates period, based on actual payments made in 2010-11.
5. Administration of the Tasmanian Community Fund has been transferred to the Department of Premier and Cabinet in accordance with the *Administrative Arrangements Order (No. 2) 2010*.

Table 4.14: Administered Expenses

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Business Land Tax Relief Rebates ¹	1 300	....	....	....	....
Australian Government Contribution for Extension of Pensioner Concessions	475	475	475	475	475
Equalisation Payments and Subsidies ²	735	....	....	....	....
First Home Owners Scheme ³	19 320	16 037	17 087	17 759	22 442
Launceston Flood Levee	5 750	5 750	....	....	....
Local Government Grants ⁴	49 574	68 226	71 315	73 970	73 970
Other Grants and Subsidies ⁵	93	2	2	1	....
Payments under <i>Local Government (Rates and Charges Remissions) Act 1991</i>	12 149	14 498	15 129	15 788	16 476
Payments under the <i>Duties Act 2001</i> ⁶	250	....	....	....	....
Payroll Tax Assistance ⁷	6 440	3 300	2 700	1 200	....
Support for Local Government Infrastructure Investment	583	971	921	375	....
Tasmanian Community Fund ⁸	5 623	....	....	....	....
Water and Sewerage Community Service Obligations Concession Payments ⁹	6 825	7 508	8 258	9 084	9 992
	109 117	116 767	115 887	118 652	123 355
Transfer to the Consolidated Fund	4 295 801	4 217 747	4 262 993	4 140 150	4 135 918
Other Administered Expenses	647 417	629 863	538 942	539 372	540 643
Total Administered Expenses	5 052 335	4 964 377	4 917 822	4 798 174	4 799 916

Notes:

1. Applications for the Business Land Tax Relief Rebates closed in May 2010. Land tax relief measures announced by the Government in December 2009 have been incorporated in legislative amendments, and the financial impact is now reflected in revised Land Tax revenue estimates.
2. The Low Alcohol Cider Subsidy ceases as of 1 July 2011.
3. The decrease in the State funded First Home Owners Scheme grants of \$3.3 million in 2011-12 is due to a decrease in applications. Demand is expected to recover over the Forward Estimates period.
4. The increase in expected payments under Local Government Grants is due to 25 per cent of 2010-11 Budget funding having been paid in advance during 2009-10.
5. The decrease in Other Grants and Subsidies reflects an estimated payment associated with the *Rosetta Landslip Act 1991* during 2010-11.
6. The decrease in Payments under the *Duties Act 2001* reflects the cessation of the First Home Buyer Duty Concession scheme.
7. The decrease in Payroll Tax Assistance reflects the cessation of the Tasmanian Trainee and Apprentice Incentive Scheme as of 1 July 2011. A new Employee Incentive Scheme Payroll Tax Rebate has been created.
8. Administration of the Tasmanian Community Fund was transferred to the Department of Premier and Cabinet in accordance with *Administrative Arrangements Order (No. 2) 2010*.

9. The Water and Sewerage Community Service Obligation Concession Payments represent payments to the water and sewerage corporations in accordance with the Government's agreement to relieve councils as owners of the businesses of the need to fully fund this cost to those corporations, in terms of revenue foregone, as per the *Water and Sewerage Industry (Community Service Obligation) Act 2009*.

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 from 1 April 1993 of eligibility for the Pensioner Concession Card.

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 on newly constructed and existing houses. The FHOG scheme commenced on 1 July 2000. First home purchasers who meet the eligibility criteria are entitled to a \$7 000 grant.

Launceston Flood Protection

The Launceston Flood Protection relates to funding provided for grants to the Launceston City Council toward the cost of upgrading flood levees to protect Launceston from major flooding and to tackle sedimentation in the Tamar River. This payment concludes in 2011-12.

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 funds to the states for on-passing as general purpose grants to local government.

Other Grants and Subsidies

An amount of \$2 000 (\$2 000 in 2010-11) has been provided for a subsidy to the Municipality of Sorell on interest costs on borrowings under the *Midway Point Improvement Act 1975*.

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*, the pensioner rates remission scheme provides a remission of 30 per cent off council rates and charges, up to a defined maximum annual amount for eligible pensioners. The maximum remission is indexed annually to ensure that rate relief increases in line with inflation.

Prior to 1 July 2009, as councils' rates and charges included water and sewerage charges in addition to the general rates, the rates remission calculation included remissions on both general rates and water and sewerage charges components.

With the introduction of the water and sewerage reforms, from 1 July 2009, water and sewerage services and charges applicable became the responsibility of separate water and sewerage corporations. A separate concession on water and sewerages charges is offered by the State Government through the regional water

and sewerage corporations to eligible card holders. This concession effectively replaces the previous water and sewerage charges remission component under the pensioner rates remission scheme.

For 2011-12, the maximum pensioner rate remission concession will be capped at \$270 for those pensioners who are customers of a water and sewerage corporation, and will be \$397 for those pensioners who are not customers.

Payroll Tax Assistance

The purpose of this grant is to provide financial assistance to organisations, subject to various eligibility criteria being met. Some organisations receive assistance by way of grants equivalent to their payroll tax liability and are entitled to assistance when their payroll expenditure exceeds the threshold limit, currently \$1.01 million per annum.

Employee Payroll Tax Relief

Payroll tax relief is made available to employers liable for payroll tax, by way of rebate for the payroll tax payable for any new positions created and maintained during the period from 16 June 2011 to 30 June 2012, provided these positions are maintained continuously until 30 June 2013. The *Employment Incentive Scheme (Payroll Tax Rebate) Act 2009* was given Royal Assent on 21 July 2009 giving effect to this payroll tax relief initiative.

The allocation for 2011-12 is \$2.8 million (\$2.4 million in 2010-11).

Support for Local Government Infrastructure Investment

This Output provides for the Government's initiative to promote local government infrastructure investment through the provision of targeted subsidies to councils to offset loan interest costs.

Water and Sewerage Community Service Obligations Concession Payments

Under the *Water and Sewerage Industry (Community Service Obligation) Act 2009* concessions are made available to eligible low income earners and pensioners to assist them in meeting the cost of services provided by the water and sewerage corporations. Payments are made to the corporations which pass the benefit on to concession card holders as lower service charges. Persons eligible for the concession are current holders of a Health Care Card, Pensioner Concession Card, Department of Veterans' Affairs Repatriation Health Gold Card.

Table 4.15: Balance Sheet as at 30 June – Administered

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	488 749	174 903	162 141	247 191	367 520
Investments	227 222	228 746	228 210	214 238	200 039
Equity Investment in PNFC & PFC Sectors ²	6 264 711	6 352 541	6 516 470	6 746 826	6 982 856
Receivables ³	70 338	76 758	76 758	76 758	76 758
Other Financial Assets	4 543	4 954	5 587	6 220	6 853
	7 055 563	6 837 902	6 989 166	7 291 233	7 634 026
Non-Financial Assets					
Land and Buildings ⁴	30 661	57 586	57 014	56 442	55 870
Plant and Equipment	65 763	66 196	65 211	65 911	67 128
Assets Held for Sale ⁵	793	1 237	1 237	1 237	1 237
	97 217	125 019	123 462	123 590	124 235
Total Assets	7 152 780	6 962 921	7 112 628	7 414 823	7 758 261
Liabilities					
Borrowings ⁶	490 365	404 873	369 362	351 974	339 181
Superannuation ⁷	4 326 838	5 155 087	5 299 254	5 432 416	5 555 299
Payables	3 638	7 546	7 546	7 546	7 546
Other Liabilities ⁸	145 315	154 625	160 613	169 186	178 078
Total Liabilities	4 966 156	5 722 131	5 836 775	5 961 122	6 080 104
NET ASSETS	2 186 624	1 240 790	1 275 853	1 453 701	1 678 157
Equity					
Accumulated Funds	2 171 429	400 835	435 898	613 746	838 202
Asset Revaluation Reserve	15 070	21 517	21 517	21 517	21 517
Other Equity	125	818 438	818 438	818 438	818 438
Total Equity	2 186 624	1 240 790	1 275 853	1 453 701	1 678 157

Notes:

1. The decrease of \$313.8 million in Cash and Deposits in 2011-12 primarily reflects expenditure of Australian Government funding on capital projects and the utilisation of cash on infrastructure investment and maintaining government services.
2. Equity Investments represents the Government's equity interest in Government owned businesses measured as the consolidated value of their net assets. Equity Investments are estimated to be \$6 352.5 million, an increase of \$87.8 million above the 2010-11 Budget of \$6 264.7 million. The projected increase in the value of equity investments primarily reflects: increases in the value of equity investments of electricity entities; offset by the decrease in equity investments as a result of the write-down of forest estate assets.
3. The increase in Receivables of \$6.5 million reflects the expected outstanding State taxation receipts.

4. The increase in Land and Buildings for 2011-12 is primarily due to the revaluation conducted by the Valuer-General as at 30 June 2010.
5. Assets held for sale represents the estimated value of motor vehicles held for sale by Finance-General at 30 June each year. Vehicles held for sale are anticipated to increase in 2011-12 due to the timing of vehicle auctions.
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 2011-12 and the Forward Estimates period are primarily due to movements in cash held on behalf of agencies. The budgeted cash holding of agencies at 30 June 2012 is \$182.1 million.
7. The movement in the Superannuation liability reflects the most recently available actuarial projections of the liability. Further information on Superannuation is included in Budget Paper No 1 *The Budget*, Chapter 7 Assets and Liabilities.
8. Other Liabilities is principally comprised of the Tasmanian Risk Management Fund liabilities. The movements in this Balance Sheet item reflect the movements in the estimated TRMF liabilities. Further information on the TRMF is included in Budget Paper No 1 *The Budget*, Chapter 7 Assets and Liabilities.

Table 4.16: Cash Flow Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation	282 335	304 754	341 039	308 544	314 510
Reserved by Law	126 794	128 925	135 283	141 972	148 952
Taxation	916 090	941 560	983 054	1 023 099	1 063 799
Interest Received	51 908	28 605	17 495	20 833	27 134
Grants	2 870 718	2 795 105	2 879 701	2 826 017	2 770 274
Sales of Goods and Services	80 713	80 337	82 738	85 824	91 552
GST Receipts	13 500	13 500	13 500	13 500	13 500
Other Receipts	248 586	318 596	354 959	347 073	380 302
	4 590 644	4 611 382	4 807 769	4 766 862	4 810 023
Cash Paid					
Employee Entitlements	(6 000)	....	....	....	....
Superannuation	(178 824)	(187 997)	(197 895)	(204 859)	(215 250)
Borrowing Costs	(21 107)	(17 090)	(15 957)	(14 793)	(14 266)
Grants and Transfer Payments	(232 045)	(252 955)	(166 299)	(148 271)	(157 877)
Supplies and Consumables	(142 880)	(113 699)	(112 211)	(139 224)	(136 551)
Transfers to the Consolidated Fund	(4 295 801)	(4 217 747)	(4 262 993)	(4 140 150)	(4 135 918)
GST Payments	(13 500)	(13 500)	(13 500)	(13 500)	(13 500)
Other Payments	(200)	(100)	....	....	....
	(4 890 357)	(4 803 088)	(4 768 855)	(4 660 797)	(4 673 362)
Net Cash Flows From Operating Activities	(299 713)	(191 706)	38 914	106 065	136 661
Cash Flows From Investing Activities					
Sale of Fixed Assets	24 684	25 000	25 650	24 675	24 675
Purchase of Fixed Assets	(45 576)	(42 515)	(42 516)	(42 514)	(42 514)
Net Purchase of Investments	(4 900)	....	....	....	....
Net Customer Loans (Granted)/Repaid	6 884	(2 666)	701	14 213	14 301
Net Cash From Investing Activities	(18 908)	(20 181)	(16 165)	(3 626)	(3 538)

Table 4.16 Cash Flow Statement - Administered (continued)

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Financing Activities					
Net Borrowings	(135 308)	(57 189)	(35 511)	(17 389)	(12 794)
Net Cash Flows from Financing Activities	(135 308)	(57 189)	(35 511)	(17 389)	(12 794)
Net Increase/(Decrease) In Cash Held	(453 929)	(269 076)	(12 762)	85 050	120 329
Cash at the Beginning of the Year	942 678	443 979	174 903	162 141	247 191
Cash at the End of the Year	488 749	174 903	162 141	247 191	367 520

5 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 Tasmanians.

The Department coordinates the delivery of its services across Tasmania through a network of facilities, community services and home-based care; it reports to the Minister for Health and Minister for Children, Hon Michelle O'Byrne MP; and the Minister for Human Services, Hon Cassy O'Connor MP.

The principal responsibilities of the Department include the delivery of:

- high quality, safe 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 abuse 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 2011-12 and over the Forward Estimates period (2012-13 to 2014-15). Further information about the Department is provided at <http://www.dhhs.tas.gov.au>.

MAJOR INITIATIVES

Table 5.1 provides a summary of the Budget and Forward Estimate allocations for major initiatives.

Table 5.1: Major Initiatives Statement

	2011-12	2012-13	2013-14	2014-15
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Community Equipment Fund	1 000	1 000	1 000	1 000
Disability Gateway	2 000	2 000	2 000	2 000
Disability Services - Reform Transition	2 070	....	....	....
Energy Efficiency	1 000	2 500	2 500	....
Health Information Technology	3 543	....	....	....
Inner City Affordable Housing	7 500	....	....	....
Integrated Care Centres/Community Health Services Facilities	18 474	4 500	8 443	7 000
Launceston General Hospital Car Park	8 324	1 000	....	....
National Health and Hospitals Network Reforms:				
Elective Surgery	9 400	2 700	2 600	....
Four Hour National Access Target	3 400	3 300	4 400	....
Sub-Acute Beds	9 700	11 000	14 600	....
Neighbourhood Houses	825	825	825	825
North West Regional Hospital Car Park	4 000	1 200	....	....
Palliative Care for the North	500	750	1 000	1 000
Royal Hobart Hospital				
Hospitals Capital Fund	51 000	16 285	....	....
Royal Hobart Hospital Redevelopment	20 000	43 600	75 000	145 000
Royal Hobart Hospital Women's and Children's Hospital	10 000	40 000	40 000	10 000
Staffing the Launceston General Hospital	10 000	20 000	26 000	26 000
State-wide Cancer Services	17 127	8 044	....	....

Community Equipment Fund

Commencing from 2010-11, \$1.0 million per annum was allocated to the Community Equipment Fund to provide Tasmanians with equipment and assistive technology, and assist the scheme to meet current and future needs. The reform of the Community Equipment Scheme follows the findings of the 2008 Joint Standing Committee on Community Development report on *The Provision of Assistive Technologies for People with Disabilities*.

Disability Gateway

As part of the Government's disability reform agenda, \$2.0 million per annum has been provided for the Disability Gateway service. The Gateway will be the intake and referral point for people to access specialist disability services. The Gateway will coordinate services and assist in transitioning for people living in the

community through local area coordination and active monitoring. The initiative commenced with a \$2.6 million allocation in 2010-11.

Disability Services - Reform Transition

Funding of \$7.6 million over two years was provided in the 2010-11 Budget to meet the costs of implementing the new disability services delivery model as part of the Government's broader reform of disability services. During 2010-11, \$3.0 million of reform expenditure was brought forward from 2011-12 to 2010-11, with final expenditure of \$2.1 million allocated in 2011-12.

Energy Efficiency

This 2011-12 Budget priority will provide \$1.0 million in 2011-12, and \$2.5 million in both 2012-13 and 2013-14, to fund improvements in energy efficiency for low-income Tasmanians. In 2011-12, the additional funding will be provided to tenants to provide energy efficient outcomes. In subsequent years, Housing Tasmania will use the new funding to improve energy efficiency across the public housing portfolio.

Health Information Technology

A further \$3.5 million will be expended in 2011-12 for improvements in health information technology. Funding from the Infrastructure Tasmania Fund will be used to support the development of integrated health information systems, including upgrades to the Local Area Network infrastructure, medical imaging systems and dental health client management systems.

Inner City Affordable Housing

A further \$7.5 million has been provided from the Housing Fund in 2011-12, for the construction of 35 one and two bedroom units on Brisbane Street in Hobart. The units will provide exceptional amenity, will be energy efficient and provide tenants with reduced costs of living, and be close to services including employment and education opportunities.

Integrated Care Centres/Community Health Services Facilities

The Government will continue its investment in new models of care, including the better integration of services from existing facilities into a single access point. The Government will be investing almost \$70.0 million dollars in Integrated Care Centres at Launceston and Clarence and Community Health Services Facilities at Kingston and Glenorchy, with some \$38.4 million to be spent over the next four years.

Launceston General Car Park

Construction will continue on the \$15.0 million car park at the Launceston General Hospital. This will provide much needed additional car parking and improve access and security for patients, staff and visitors.

National Health and Hospitals Network Reforms

The Australian Government, under the National Health and Hospitals Network Reform program, will provide an additional \$63.1 million funding over four years from 2010-11 to Tasmania to improve access to elective surgery in public hospitals, create a new Four Hour National Access Target, and to deliver and operate new sub-acute care beds. The new Four Hour National Access Target is for patients presenting to a public hospital emergency department to be admitted, referred for treatment or discharged within four hours, where it is clinically appropriate to do so. Sub-acute care includes rehabilitation, palliative care, mental health and

geriatric services, in both hospitals and the community. Sub-acute care can significantly improve patients' health and quality of life by restoring their independence, allowing them to live with as much comfort and dignity as possible.

Neighbourhood Houses

Neighbourhood houses work as community operated organisations, building community capacity in socially isolated and disadvantaged local areas or neighbourhoods. Additional funding of \$825 000 per annum from 2011-12 will support neighbourhood houses throughout Tasmania.

North West Regional Hospital Car Park

In 2011-12, \$4.0 million is provided for a major expansion of car parking at the North West Regional Hospital, enabling the construction of around 200 additional parking places in a two-deck redevelopment of part of the existing public hospital car park. The total cost of the project, due for completion in 2012-13, will be \$5.5 million.

Palliative Care for the North

Commencing in 2010-11, funding was provided for flexible improvements in the Northern Area Health Service to best meet the needs of patients requiring palliative care. Funding will phase in to reach \$1.0 million per annum from 2013-14. This will provide the capacity to establish more dedicated palliative care beds if required and also to have the flexibility to respond to local needs such as more allied health services and an expansion of its hospice without walls service.

Royal Hobart Hospital Redevelopment

Total funding of \$565.0 million has been provided for the redevelopment of the Royal Hobart Hospital. Funding for this project is provided for three different elements:

- Hospitals Capital Fund – in 2011-12, \$51.0 million will be spent from the State Government's \$100.0 million Hospitals Capital Fund allocation to the Royal Hobart Hospital to address ageing buildings and infrastructure, and to improve and expand key services. Current State funding is being used for urgent works: upgrading electrical supply; additional ICU beds; upgrades of medical imaging, including the commissioning of a PET scanner; a new production kitchen; and leasing of off-site space. These projects are required to assure the Hospital's continued safe operation and to prepare the way for the redevelopment. The projects are being managed as an integrated package in the overall Royal Hobart Hospital Redevelopment program of works;
- Royal Hobart Hospital Redevelopment - funding for a major redevelopment of the Royal Hobart Hospital has been secured following an application in late 2010 to the Board of the Health and Hospitals Fund (HHF). The \$365.0 million commitment to redevelop the RHH is a combined Australian and State Government project, with \$240.0 million being provided by the Australian Government and \$125.0 million provided by the State Government. Initial works in 2011-12 from the HHF funding source complement current State funded works and will focus on preparatory work such as scoping and schematic design, strategic redevelopment planning and the demolition of part of 'B' Block, in readiness for a major new building that will commence construction in 2012. Overall, the project will build the capacity to deliver an extra 195 overnight beds and 12 new operating and procedure rooms; and

- Royal Hobart Hospital Women's and Children's Hospital - \$100.0 million has been provided by the Australian Government to fund the construction of a Women's and Children's Hospital within the broader redevelopment program of the Royal Hobart Hospital. In 2011-12, \$10.0 million will be invested in planning the inclusion of the Women's and Children's precinct in the greater redevelopment to ensure the effective integration of services across areas of surgery, imaging and other whole-of-hospital services while delivering an identifiable precinct. The completion of this project will deliver a contemporary specialist facility for women's and children's health, including a dedicated adolescent ward of 17 beds.

Staffing the Launceston General Hospital

Funding of \$10.0 million in 2011-12, increasing to \$26.0 million from 2013-14 was allocated in the 2010-11 Budget to support the provision of medical and support staff to complement the significant capital development which has occurred at the Launceston General Hospital, encompassing the Integrated Care Centre and Acute Medical and Surgical Unit. The additional infrastructure and supporting staff will result in improved access to elective surgery, emergency services and medical services.

State-wide Cancer Services

Funding for cancer services at the Royal Hobart Hospital, the Launceston General Hospital, and for a state-wide IT system has been secured to build specialist Cancer Centres within those hospital precincts. The total commitment is \$31.2 million, with \$13.9 million from the Australian Government, \$16.1 million from the State and notable donated contributions from the Menzies Centre (\$600 000) and the Cancer Council (\$600 000). In 2011-12 funding of \$17.1 million will be provided.

North West Cancer Services are an integral part of the State-wide Cancer Services Plan established in partnership with the Australian Government and significant Tasmanian cancer support stakeholder groups. The Government expects to receive the report of the clinical expert panel established to advise on the commencement date for the delivery of safe and sustainable radiation oncology at Burnie. Subject to the finalisation of the submission to the Health and Hospitals Fund, it is expected that on-site construction will commence in the second half of 2011.

OTHER INITIATIVES

Health and Wellbeing Strategy

The Health and Wellbeing Strategy will be a coordinated and integrated approach to health and wellbeing, bringing together key organisations and government agencies that are well placed to support Tasmanians to have healthy lives. The Strategy will acknowledge and address the social determinants of health and wellbeing, to best support those who are most in need. With over \$15.0 million per annum currently committed to prevention and health protection programs run through Population Health within the Department of Health and Human Services, the Strategy will focus on establishing an evidence base for decision-making, working with communities to put in place relevant place-based strategies and bringing together key partners to invest well in ill-health prevention in our State. This strategy will recognise that health and wellbeing is not only an issue for the health sector, but is shared across the community. Development and implementation of the strategy in 2011-12 will utilise existing resources.

Agenda for Children and Young People

The Agenda for Children and Young People aims to improve the health, education, protection and wellbeing of Tasmania's children and young people so that they may achieve their full potential. It is a whole-of-government 10 year action plan that initially focuses on 15 action areas, within and across agencies and sectors, to deliver tangible outcomes for children and young people from before their birth to their transition to adulthood at age 18 years.

AGENCY SAVINGS STRATEGIES

The Department of Health and Human Services will have a challenging budget to manage over the course of the Forward Estimates period. The Department is committed to taking strong decisions which reduce expenditure and improve efficiency. Savings strategies will focus on improving productivity and performance, and to the greatest extent possible minimising the impact on services to the most in need.

The Department will achieve savings of \$100.2 million in 2011-12 increasing to \$150.0 million by 2014-15. Savings strategies will include:

- establishing a Business Control Team to ensure there is an appropriate governance framework in place to achieve the required level of savings and deliver an efficient and sustainable future whilst maintaining safe quality care;
- establishing a Business Process Redesign Team to undertake systematic evaluation of business efficiency and productivity, and identify opportunities for improvement;
- changing the culture in the system, focusing the attention of all employees on the savings requirement and implementing efficiencies that reduce costs and resources for the longer term;
- pursuing health and hospital reforms, including organisational change, commissioning, preparing the system for activity-based funding, and reducing costs in line with national efficient benchmarks;
- achieving the benefits and efficiencies from the implementation of new systems such as rostering and radiology;
- a range of administrative savings from more carefully managing expenditure on motor vehicles, conferences and travel, and procurement;
- reviewing the allocation of grant funding managed by the Department;
- reviewing the delivery of services across the organisation to reduce duplication;
- reviewing the level and collection of service charges; and
- using tools to reduce the number of employees without impacting on service delivery and the quality of care, including the Voluntary Workforce Renewal program.

The impact of these strategies is reflected in the financial information provided in this chapter.

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 5.2 provides an Output Group Expense Summary for the Department.

Table 5.2: Output Group Expense Summary¹

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Health					
Output Group 1 - Acute Health Services					
1.1 Clinical Support Services ²	41 902	45 871	46 927	46 097	45 467
1.2 Medical Services ³	346 691	381 003	383 397	399 524	401 945
1.3 Surgical Services ³	233 444	238 311	235 391	245 207	246 439
1.4 Women's and Children Services	104 394	109 454	108 711	110 368	110 672
1.5 Diagnostic and Pharmacy Services ⁴	114 027	135 483	136 043	138 267	140 297
1.6 Ambulance Services	57 126	57 770	59 101	57 719	58 161
1.7 Forensic Medicine Services	1 948	2 354	2 345	2 324	2 346
	899 532	970 246	971 915	999 506	1 005 327
Output Group 2 - Community Health Services					
2.1 Primary Health Services ⁵	182 328	191 260	196 274	195 956	183 455
2.2 Oral Health Services	25 000	26 317	26 047	25 548	25 962
2.3 Population Health Services	37 794	39 600	39 753	39 385	39 800
2.4 Mental Health Services ⁶	140 301	149 440	147 261	135 848	137 196
	385 423	406 617	409 335	396 737	386 413
Capital Investment Program	....	480	....	....	....
Special Capital Investment Funds	3 650	2 036	....	....	....

Table 5.2: Output Group Expense Summary (continued)

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Human Services					
Output Group 3 - Human Services					
3.3 Disability Services ⁷	156 116	163 152	163 282	172 506	173 134
3.4 Housing Services ⁸	156 745	151 477	157 643	160 254	161 869
	312 861	314 629	320 925	332 760	335 003
Grants and Subsidies⁹	32 845	24 957	25 700	26 340	26 996
Capital Investment Program	3 307	2 377	1 883	1 883	1 883
Special Capital Investment Funds¹⁰	588	11 213	....	....	3 000
Minister for Children					
Output Group 3 - Human Services					
3.1 Children and Family Services ¹¹	96 048	96 075	92 265	89 794	90 995
3.2 Youth Justice Services	14 235	14 762	14 798	14 450	14 762
	110 283	110 837	107 063	104 244	105 757
Output Group 4 - Independent Children's Review Services					
4.1 Office of the Commissioner for Children ¹²	697	764	767	763	782
	697	764	767	763	782
Grants and Subsidies¹³	4 800	....	....	....	....
TOTAL	1 753 986	1 844 156	1 837 588	1 862 233	1 865 161

Notes:

1. The Output Expense Summary reflects the impact of the Budget Savings Strategies.
2. The increase in Clinical Support Services in 2011-12 primarily reflects salary and non-salary indexation and additional Australian Government funding.
3. The increase in Medical Services and Surgical Services in 2011-12 primarily reflects salary and non-salary indexation, additional State Government funding and changes in the timing of *National Health and Hospital Network Reform* expenditure.
4. The increase in Diagnostic and Pharmacy Services in 2011-12 primarily reflects a reclassification of Highly Specialised Drugs from other Acute Health Services Outputs, salary and non-salary indexation, and additional Australian Government funding.
5. The increase in Primary Health Services in 2011-12 primarily reflects salary and non-salary indexation and additional Australian Government funding. The decrease in Primary Health Services in 2014-15 reflects the conclusion of the sub-acute component of *National Health and Hospital Network Reform* expenditure.

6. The increase in Mental Health Services in 2011-12 primarily reflects salary and non-salary indexation and additional Australian Government funding. The decrease in Mental Health Services in 2013-14 primarily reflects the end of the Reviews and Reforms initiative in the area of Alcohol, Tobacco and Other Drugs and the finalisation in 2012-13 of expenditure relating to previous Australian Government funded programs. Recently announced Australian Government funding for Mental Health is yet to be factored into the Forward Estimates.
7. The increase in Disability Services in 2011-12 primarily reflects increased funding under the *National Disability Agreement* and indexation of grants.
8. The decrease in Housing Services in 2011-12 primarily reflects a strategic reprioritisation of asset-related expenses and a partial return of funds relating to Tasmanian Affordable Housing Ltd to the Consolidated Fund.
9. The decrease in Grants and Subsidies reflects one-off funding in 2010-11 for the Electricity Price Concession initiative.
10. The increase in Special Capital Investment Funds in 2011-12 reflects the reclassification of expenditure under the National Rental Affordability Scheme from capital expenditure to grant expenses.
11. The decrease in Children and Family Services in 2012-13 primarily reflects the completion of the Family Services Reviews and Reforms.
12. The increase in Office of the Commissioner for Children in 2011-12 is due to additional funding to support the Commissioner.
13. The decrease in Grants and Subsidies reflects the winding down of the Children Abused in Care scheme.

Output Group 1: Acute Health Services

Table 5.3 presents financial information for each Output under Output Group 1. A description of the Outputs follows the table.

Table 5.3: Summary Financial Information - Output Group 1¹

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Acute Health Services					
Expenses by Output					
1.1 Clinical Support Services ²	41 902	45 871	46 927	46 097	45 467
1.2 Medical Services ³	346 691	381 003	383 397	399 524	401 945
1.3 Surgical Services ³	233 444	238 311	235 391	245 207	246 439
1.4 Women's and Children Services	104 394	109 454	108 711	110 368	110 672
1.5 Diagnostic and Pharmacy Services ⁴	114 027	135 483	136 043	138 267	140 297
1.6 Ambulance Services	57 126	57 770	59 101	57 719	58 161
1.7 Forensic Medicine Services	1 948	2 354	2 345	2 324	2 346
	899 532	970 246	971 915	999 506	1 005 327
Retained Revenue	148 629	159 930	161 122	163 766	167 178
Net Cost of Output Group	750 903	810 316	810 793	835 740	838 149
Appropriation	719 280	784 186	779 361	802 409	804 803

Notes:

1. The Output expenses reflect the impact of the Budget Savings Strategies.
2. The increase in Clinical Support Services in 2011-12 primarily reflects salary and non-salary indexation and additional Australian Government funding.

3. The increase in Medical Services and Surgical Services in 2011-12 primarily reflects salary and non-salary indexation, additional State Government funding and changes in the timing of *National Health and Hospital Network Reform* expenditure.
4. The increase in Diagnostic and Pharmacy Services in 2011-12 primarily reflects a reclassification of Highly Specialised Drugs from other Acute Health Services Outputs, salary and non-salary indexation, and additional Australian Government funding.

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 5.4: Performance Information - Output Group 1

Performance Measure	Unit of measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Acute Hospitals					
Admitted patients – weighted separations – all hospitals ¹	Number	101 508	101 286	105 000	107 000
Department of Emergency Medicine (DEM) presentations – all hospitals ¹	Number	125 954	141 967	150 000	153 600
Patients seen within the recommended time – all hospitals:					
DEM Australian Triage Scale ²					
Category 1 (immediate)	%	98.6	99.0	100.0	100.0
Category 2 (10 minutes)	%	76.9	73.0	80.0	80.0
Elective surgery patients ³					
Category 1 admitted within 30 days	%	73.0	77.0	80.0	71.7
Category 2 admitted within 90 days ⁴	%	na	na	na	60.2
Category 3 admitted within 365 days ⁴	%	na	na	na	85.0
Median waiting times for elective patients admitted from the waiting list – all hospitals (TT)					
	Days	46	34	48	37
Waiting list – all hospitals	Number	7 742	7 680	7 500	8 914
Salaried medical officers per 1 000 people: public hospitals	Number	1.6	1.8	1.6	1.6
Nurses per 1 000 people: public hospitals	Number	5.2	5.3	5.2	5.2
Recurrent expenditure per person (public hospitals)	\$	1 260	1 653	1 596	1 791
Recurrent cost per case mix adjusted separation (including depreciation)	\$	4 801	5 474	5 527	5 932
Ambulance Tasmania					
Total Ambulance responses ¹	Number	65 057	69 899	72 500	76 600
Emergency Ambulance responses ¹	Number	32 630	38 306	40 000	46 500
Satisfaction with Ambulance Services	%	98.0	98.0	97.0	97.5
Emergency response times (state-wide)	Minutes	10.9	11.0	10.5	11.4
Emergency response times (Hobart)	Minutes	10.0	10.2	9.5	10.6
Emergency response times (Launceston)	Minutes	9.7	9.6	9.5	10.0
Emergency response times (Devonport)	Minutes	8.6	8.6	8.5	9.3
Emergency response times (Burnie)	Minutes	8.6	9.1	8.5	9.4
Ambulance Service expenditure per person	\$	82.5	86.0	92.5	na

Notes:

1. 2011-12 Targets are projections.
2. Australian College of Emergency Medicine standard used for 2011-12 targets.
3. 2011-12 Targets are interim targets as per the *National Partnership Agreement on Improving Public Hospital Services - Interim Implementation Plan*. The targets are only through to 31 December 2011 and may be subject to change, depending on the findings of an expert panel, who are reviewing this indicator.
4. This indicator has not previously been reported.

Performance Information Comments

Acute Hospitals

Emergency Departments (EDs) state-wide experienced an increase in the number of presentations in 2009-10. Despite this increase, there were improvements in the proportion of patients seen within the recommended timeframes for category 1 patients and only a slight decrease in category 2 patients seen on time, when compared to 2008-09. The proportion of DEM Australian Triage Category 1 patients increased from 98.6 per cent to 99.0 per cent and Category 2 decreased from 76.9 per cent to 73.0 per cent. The construction of a new Emergency Department at the Launceston General Hospital, which is currently underway, is expected to improve the proportion of ED patients seen on time.

Through Tasmania's *Elective Surgery Improvement Plan*, the Tasmanian Government provided an additional \$8.4 million to improve elective surgery access in 2009 and 2010. The plan has delivered a broad range of initiatives across both policy and operational areas which have resulted in an improvement in elective surgery performance. In late 2009, the Tasmanian Government signed the National Partnership Agreement on the *Elective Surgery Waiting List Reduction Plan*. Under Stage 3 of this Plan, Tasmania received \$6.0 million facilitation funding, which was targeted at improving patient flow and reducing the number of patients who have waited longer than is clinically recommended. The Plan was completed at the end of 31 December 2010, with Tasmania achieving all but one performance target and receiving \$3.7 million in reward funding.

Tasmania signed the *National Partnership Agreement on Improving Public Hospital Services* (NPA) on 13 February 2011. Under the NPA, Tasmania will receive \$80.2 million Australian Government facilitation and capital funding for elective surgery, emergency departments and sub-acute care to work towards elective surgery and emergency department access targets. Tasmania submitted its NPA Interim Implementation Plan to the Australian Government on 31 March 2011. The 2011-12 target indicators for the percentage of elective surgery patients seen within the clinically recommended time are interim targets as per the NPA Interim Implementation Plan.

Ambulance Tasmania

Increasing ambulance activity is largely due to the ageing Tasmanian population and an increase in the number of people with chronic conditions who are cared for at home and who require transport to hospital for acute episodes. The total number of ambulance responses is likely to continue to increase in line with the ageing of Tasmania's population.

There is a direct relationship between median emergency response times and the number of emergency responses. Ambulance Tasmania performance data from 2009-10 illustrates this relationship. There continues to be pressure on ambulance response times due to the increased demand for Ambulance services.

Strategies to reduce the impact of demand are a focal point of Ambulance Tasmania operations, which include public education campaigns and community announcements, encouraging the public to save 000 for saving lives, and a reduction in ramping. Additionally a comprehensive internal continuous improvement programme called FOCUS has been initiated.

In 2010, 97.0 per cent of Tasmanian ambulance patients were satisfied or very satisfied with the ambulance service, just below the national average of 98.0 per cent.

Whilst this is one per cent less than the rate in 2009, it is still reflective of the high regard with which the public perceive ambulance services and is equal to two other ambulance jurisdictions. The results come from a comprehensive survey of more than 1 000 patients in each jurisdiction.

Output Group 2: Community Health Services

Table 5.5 presents financial information for each Output under Output Group 2. A description of the Outputs follows the table.

Table 5.5: Summary Financial Information - Output Group 2¹

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Community Health Services					
Expenses by Output					
2.1 Primary Health Services ²	182 328	191 260	196 274	195 956	183 455
2.2 Oral Health Services	25 000	26 317	26 047	25 548	25 962
2.3 Population Health Services	37 794	39 600	39 753	39 385	39 800
2.4 Mental Health Services ³	140 301	149 440	147 261	135 848	137 196
	385 423	406 617	409 335	396 737	386 413
Retained Revenue	21 044	18 658	19 188	19 524	20 024
Net Cost of Output Group	364 379	387 959	390 147	377 213	366 389
Appropriation	356 138	381 098	382 233	368 658	357 837

Notes:

1. The Output expenses reflect the impact of the Budget Savings Strategies.
2. The increase in Primary Health Services in 2011-12 primarily reflects salary and non-salary indexation and additional Australian Government funding. The decrease in Primary Health Services in 2014-15 reflects the conclusion of the sub-acute component of *National Health and Hospital Network Reform* expenditure.
3. The increase in Mental Health Services in 2011-12 primarily reflects salary and non-salary indexation and additional Australian Government funding. The decrease in Mental Health Services in 2013-14 primarily reflects the end of the Reviews and Reforms initiative in the area of Alcohol, Tobacco and Other Drugs and the finalisation in 2012-13 of expenditure relating to previous Australian Government funded programs. Recently announced Australian Government funding for Mental Health is yet to be factored into the Forward Estimates.

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 Tasmanian 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 health disorders. The service also provides crisis assessment and treatment, intensive support, community care, rehabilitation services, 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 the individual and population levels.

Table 5.6: Performance Information – Output Group 2

Performance Measure	Unit of measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Primary Health Services					
Rural Hospitals – separations ¹	Number	4 583	4 522	5 000	3 382
Rural Hospitals - occupancy rate ²	%	63.5	63.4	67.0	67.0
Community Nursing - occasions of service	Number	165 600	145 058	165 000	165 000
Residential Aged Care - occupancy rate	%	92.5	92.6	92.0	90.0
Aged Care Assessment Program - completed assessments	Number	5 610	4 882	5 205	4 800
Palliative Care - specialist community - clients accessing the service ³	Number	4 472	4 420	4 400	na
Mental Health Services					
Inpatient separations	Number	1 964	2 015	2 200	2 050
Community and Residential - active clients	Number	4 255	4 228	6 000	4 677
28-day readmission rate	%	8.0	12.0	9.5	16.0
Proportion of persons with a mental illness whose needs are met by the Tasmanian Mental Health Service (TT)	%	34.5	27.9	60.0	30.5
Average length of acute inpatient stay	Days	11.8	11.6	10.5	11.0

Table 5.6 Performance Information – Output Group 2 (continued)

Performance Measure	Unit of measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Alcohol and Drug Services					
Alcohol and Drug Services - closed episodes of treatment	Number	970	1 140	1 500	1 300
Pharmacotherapy Program - total active participants	Number	634	621	600	650
Withdrawal Unit - bed occupancy	%	45.0	47.0	80.0	65.0
Withdrawal Unit - average length of stay	Days	7.2	6.0	6.0	6.0
Population Health Services					
Vaccine coverage in children aged 12-15 months ⁴	%	90.3	92.7	91.3	92.5
Vaccine coverage in children aged 24-27 months ⁴	%	93.0	93.8	92.9	92.5
Health and Wellbeing - Oral Health Services					
Adults - occasions of service – general	Number	4 440	4 264	5 031	5 700
Adults - occasions of service – episodic	Number	21 877	22 233	26 339	26 195
Adults - occasions of service – dentures	Number	8 479	9 879	12 525	11 281
Children - occasions of service	Number	62 224	65 162	68 620	63 799
General (adults) waiting list	Number	8 479	9 659	14 735	16 723
Dentures - waiting list	Number	2 272	1 675	1 400	1 438
Health and Wellbeing - Cancer Screening					
Eligible women screened for breast cancer	Number	25 371	27 352	22 422	27 000
BreastScreen - percentage of clients assessed within 28 days of screening	%	30.8	71.2	90.0	90.0

Notes:

1. The 2011-12 Target cannot be compared to the 2010-11 Target due to changes in counting methodology.
2. 2009-10 Actual is for seven months to January 2010.
3. Due to inconsistency in classifying levels of care and data collection methods, the Department is in the process of removing this indicator, accordingly there will be no target for 2011-12.
4. This target is part of the *National Partnership Agreement – Essential Vaccines*.

Performance Information Comments

Primary Health Services

The decrease in rural hospital separations can be attributed to the introduction of a new patient management system (iPM) into the rural sites and changes in the methodology for counting activity. There is currently a process underway to review the use of iPM in the rural sites to ensure data integrity.

The rural hospital occupancy rate remains at 67.0 per cent. Rural hospital activity is affected by a shortage of General Practitioners (GPs) in rural areas who provide services in rural hospitals. In 2008-09, Tasmania had 75.6 full time workload equivalent GPs per 100 000 people in rural areas compared to 81.3 GPs per 100 000 in rural areas nationally.

Residential aged care is provided by the Department in rural communities where the population is too small to support a viable, non-government nursing home. The occupancy rate is projected to decrease from 92.0 per cent in 2009-10 to 90.0 per cent in 2010-11. Nursing home occupancy is affected by issues of rurality particularly in areas such as King and Flinders Island so occupancy figures will fluctuate over time.

Mental Health Services

State-wide and Mental Health Services continues to focus attention on processes in support of improved data quality as it moves towards implementation of an electronic clinical information system, commencing during 2011-12. This attention has resulted in indicators that more accurately reflect clinical activity across all care settings.

The number of people receiving care from Mental Health Services remained stable over 2008-09 and 2009-10 with a higher number projected for 2010-11. The target figure for 2011-12 is better aligned to historical trends than the 2010-11 Target and an accurate reflection of services provided in community and residential settings. The 2010-11 Target for the proportion of persons with a mental illness whose needs are met by the Tasmanian Mental Health Service was optimistic, with the 2011-12 Target being a more realistic target according to current budget and performance trends. It should be noted that many people may access mental health support through GPs or the private sector.

Inpatient average length of stay is expected to remain stable, though 28-day readmission rates are likely to be variable as new models of care that will better integrate inpatient and community care are bedded down and efforts continue to address data quality issues.

Alcohol and Drug Services

Alcohol and Drug Services continue to grow as the Future Directions program is implemented with the number of closed episodes increasing by 17.5 per cent between 2008-09 and 2009-10. While the targets for closed episodes and bed occupancy are lower in 2011-12 than 2010-11, actual figures show that there has been growth in these areas.

Overall activity levels in both Mental Health and Alcohol and Drug Services are forecast to remain at similar levels in line with current funding levels.

Population Health Services

Tasmania continues to record high rates of child immunisation in the 12-15 month and 24-27 month age cohorts and is ranked second nationally.

Health and Wellbeing - Oral Health Services

General care occasions of service is expected to increase in 2010-11 by approximately 17 per cent while episodic and prosthetic occasions of service have been maintained at similar levels to 2009-10. Investment in additional prosthetist staff and laboratory facilities has seen a reduction in the number of people on the dentures waiting list, addressing the extra demand that flowed from the General Care Tender. The upgrade of the laboratories necessitated a temporary reduction in service delivery, reducing the occasions of service that would otherwise have been provided in 2010-11 but the additional work achieved since the upgrades and commencement of additional staff has almost fully compensated for this.

There is expected to be a 4 per cent decrease in occasions of service for children receiving dental care in 2010-11 compared to 2009-10. This reflects a decline in workforce numbers. Dental care for children is provided by dental therapists. An ageing workforce and a growing national shortage of dental therapists are likely to continue to affect oral health services. Under the Government's Better Dental Care Package, a \$1.9 million education and service centre opened in Hobart in mid-2008. Ongoing partnerships with the University of Queensland and the University of Adelaide have resulted in successful dental student clinical placements.

The general care (adults) waiting list indicator shows the number of adults waiting for general care oral health services. Though demand has increased it must be noted that waiting time has stayed at 19 months throughout 2010-11 and is expected to stay steady.

The dentures waiting list indicator provides a measure of the number of people waiting for upper and/or lower dentures. Investment in prosthetic resources has seen the waiting list reduce consistently in the second half of 2010-11 and this is expected to continue.

Health and Wellbeing - Cancer Screening

Screening for breast cancer amongst the eligible population occurs biennially. Although the target population is all Tasmanian women aged between 50 and 69 years, all women aged over 40 years are eligible for screening services. Service performance is therefore best measured by comparing the screening numbers for any given period with the equivalent period two years earlier.

BreastScreen National Accreditation Standards require that all women who are recalled to assessment following screening attend an assessment clinic within 28 days of their screening visit. In 2009-10, 71.2 per cent of clients attending for assessment at BreastScreen Tasmania did so within 28 days of their screening visit, an improvement of 40.4 per cent from 2008-09.

Output Group 3: Human Services

Table 5.7 presents financial information for each Output under Output Group 3. A description of the Outputs follows the table.

Table 5.7: Summary Financial Information - Output Group 3¹

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Human Services					
Expenses by Output					
3.1 Children and Family Services ²	96 048	96 075	92 265	89 794	90 995
3.2 Youth Justice Services	14 235	14 762	14 798	14 450	14 762
3.3 Disability Services ³	156 116	163 152	163 282	172 506	173 134
3.4 Housing Services ⁴	156 745	151 477	157 643	160 254	161 869
	423 144	425 466	427 988	437 004	440 760
Retained Revenue	78 382	80 655	82 909	84 645	87 239
Net Cost of Output Group	344 762	344 811	345 079	352 359	353 521
Appropriation	321 528	322 124	321 911	328 548	330 227

Notes:

1. The Output expenses reflect the impact of the Budget Savings Strategies.
2. The decrease in Children and Family Services in 2012-13 primarily reflects the completion of the Family Services Reviews and Reforms.
3. The increase in Disability Services in 2011-12 primarily reflects increased funding under the *National Disability Agreement* and indexation of grants.
4. The decrease in Housing Services in 2011-12 primarily reflects a strategic reprioritisation of asset-related expenses and a partial return of funds relating to Tasmanian Affordable Housing Ltd to the Consolidated Fund.

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 5.8: Performance Information – Output Group 3

Performance Measure	Unit of measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Child and Family Services					
Parents enrolling their newborn with Child Health and Parenting Services (CHAPS)	Proportion %	96.2	96.3	97.0	96.0
People attending Child Health and Parenting Services at eight weeks who were exclusively breastfeeding ^{1,2}	%	50.8	49.3	50.0	50.0
Children in notifications (per 1 000 population) ³	Rate	63.1	60.9	30.0	55.0
Child protection notifications referred for investigation ²	%	23.8	18.6	18.0	20.0
Investigations finalised within 28 days of receipt of notification ⁴	Proportion %	18.5	24.4	80.0	45.0
Finalised child protection investigations that were substantiated ²	%	57.6	60.0	60.0	66.0
Children who were the subject of an investigation and a decision not to substantiate, who were the subject of a subsequent substantiation within the next 12 months ⁵	%	13.4	17.7	15.0	15.0
Children who were the subject of a substantiation during the previous year, who were the subject of a subsequent substantiation within 12 months ⁵	%	11.9	21.3	15.0	15.0
Child abuse or neglect: number of unallocated cases at 30 June ⁶	Number	26	....	na	na
Children on Care and Protection Orders (per 1 000 children) ^{2,7,8}	Rate	8.6	9.7	9.0	11.0
Children in out-of-home care at 30 June ^{2,7}	Number	808	896	900	1050
Children in out-of-home care who had 3+ placements during the previous 12 months ⁹	Proportion %	20.7	19.9	10.0	15.0

Table 5.8: Performance Information – Output Group 3 (continued)

Performance Measure	Unit of measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Youth Justice Services					
Ashley Youth Detention Centre ²					
Average daily number of young people on site	Number	28.7	27.6	28.3	27.0
Total number of active clients	Number	145	146	140	114
Community Youth Justice ²					
Average daily number of active clients	Number	661	685	707	625
Total number of active clients	Number	1 135	1 255	1 250	1 133
Community Service Orders ended before the statutory expiry date ¹⁰	Proportion %	na	na	na	85.0
Youth Justice Community Conferences that are held within six weeks of receipt of referral for conference ¹⁰	%	na	na	na	60.0
Disability Services					
Supported accommodation clients	Number	1 187	1 246	1 351	1 351
Day options clients	Number	1 508	1 527	1 602	1 609
Supported accommodation waiting list ¹¹	Number	33	41	35	31
Day options waiting list ¹¹	Number	74	94	140	145
Housing Tasmania					
Public Housing occupancy rate	%	99.0	98.7	98.0	98.0
Applicants housed	Number	883	1 067	1 200	1 100
New allocations to those in greatest need	%	89.6	95.6	90.0	90.0
Households assisted through the Private Rental Support Scheme					
Applicants on waitlist	Number	3 039	3 179	3 100	3 000
Average wait time for people who are housed	Weeks	23.2	42.1	41.0	41.5
Average time to house Category 1 applicants	Weeks	18.5	21.0	21.0	22.0
Net recurrent cost per dwelling	\$	7 498	7 656	7 500	8 500
Turnaround time	Days	26.7	27.4	28.0	28.0

Notes:

1. Data on rates of breastfeeding is not indicative of the true rate of breastfeeding in Tasmania because the use of Child Health and Parenting Services (CHAPS) is voluntary. From 1 July 2009, a new schedule for CHAPS assessments was introduced so breastfeeding activity is now recorded at eight rather than six weeks after birth.
2. Estimates for 2010-11 and 2011-12 are projections rather than targets.
3. The target for the rate of children in notifications has been set in anticipation of the positive effects of the Child Protection Reforms in diverting children away from the statutory system to the new Gateway and Integrated Family Support Services.
4. The 2011-12 Target for the proportion of investigations finalised within 28 days has been set to reflect an achievable result with regard to the timely conduct of investigations.
5. The reporting period for these indicators is defined by the date of notification rather than the date the investigation was finalised. Due to delays in finalising investigations the actual results for 2008-09 and 2009-10 may differ from those published.

6. Analysis of administrative data shows that business processes improvements have stabilised the allocation of cases within acceptable limits, obviating the need to include this indicator in future reporting.
7. All states and territories have experienced an upward trend in the number of children in care since 2005. The rise can partly be explained by the tendency for children admitted to remain in care. Factors such as low family income, parental substance abuse, mental health issues and family violence tend to lengthen the time these children remain in care.
8. The 2010-11 projection for this indicator has increased to cohere with updated activity projections and thus diverges from previously published *Tasmania Together* targets.
9. The 2011-12 Target for stability of placement has been set to reflect an achievable result with regard to stable placement.
10. This indicator has not previously been reported.
11. Waiting list figures are expressed as projections, as future population growth and funding levels may produce growth in these indicators. Waiting list data should be interpreted with caution due to the variability with which this data is reported across regions.

Performance Information Comments

Children and Family Services

Child Health and Parenting Services have a consistently high level of initial engagement with parents of newborn children, with 96.3 per cent of parents enrolling their newborn children in 2009-10. Child Health and Parenting Services also promote breastfeeding and during 2009-10 the proportion of attending mothers exclusively breastfeeding at eight weeks decreased marginally by 1.5 percentage points to 49.3 per cent. This figure is projected to remain at approximately 50.0 per cent during 2010-11.

Child Protection Services aim to finalise investigations of child abuse or neglect within 28 days of receipt of notification. The proportion of investigations finalised within 28 days increased from 18.5 per cent during 2008-09 to 24.4 per cent during 2009-10 and performance is continuing to improve state-wide.

The rate of re-substantiations and the rate of substantiations following a decision not to substantiate have continued to increase in 2009-10. This rise is, in part, due to an increased recognition of cumulative harm, where multiple adverse events in a child's life are no longer investigated in isolation, leading to a larger number of substantiations. The recent upward trend may suggest there is a need to better align the child protection response model with community based integrated family support services.

A reduction in the number of unallocated cases has been sustained, with a reduction from 26 as at 30 June 2008 to zero as at 30 June 2010.

Out-of-home care services provide care for children placed away from their parents for protective or other reasons related to family welfare. As has been the case nationally, there was an increase in the number of children in out-of-home care in Tasmania between 2008-09 and 2009-10 and based on current projections it is anticipated this number will continue to rise. Further refinement of new models for out-of-home care is expected to improve the capacity of the care system to better respond to the needs of children in placements.

The proportion of children in care with three or more placements within a 12 month period has been more than twice the target of 10.0 per cent since July 2007. During 2009-10, 19.9 per cent of children in care had three or more placements in the previous 12 months. Carer availability has been identified as a critical factor in improving stability for children in care. While it is anticipated that strategies to enhance the carer pool in all regions will deliver some improvement, a considerable increase in numbers will be required to achieve the target.

During 2011-12, Children and Family Services will develop and implement a quality and safety framework to support delivery of safe, high quality services that are client centred. As part of implementing a new approach to continuous quality improvement, revised models of care will be developed that involve:

- establishment of a standardised framework for the operation of all services;
- enhancement of workforce skills in the context of a performance management framework; and
- improved efficiencies in the delivery of services while ensuring better outcomes for clients.

A Model of Care Improvement Strategy outlining actions by which services will minimise risks, as well as build on strengths and opportunities, will provide a reference for the way forward.

Youth Justice Services

The average daily number of young people on site at Ashley Youth Detention Centre remained stable in 2009-10 and is expected to remain stable by the end of 2010-11. The average daily number of young people serviced in the community by Community Youth Justice has increased since the proclamation of the *Youth Justice Act 1997* in 2000, to a peak in 2009-10. However, in 2010-11 the average has decreased in the year to date.

Similarly, with the exception of 2008-09, the total number of individual young people serviced by both custodial and community based services has increased every year since proclamation of the Youth Justice Act in 2000. The final numbers for 2010-11 are projected to be significantly below 2009-10 levels, being more comparable with lower levels from 2008-09 or previous years.

The proportion of Community Service Orders ended before statutory expiration is a naturally variable indicator. 2009-10 had a lower percentage of Community Service Orders completed before expiry than 2008-09, a trend which has been continued in the 2010-11 year to date.

The proportion of Youth Justice Community Conferences that are held within six weeks of receipt of referral for conference is strongly influenced by a number of external factors, such as facilitator availability, the difficulty in coordinating multiple parties to attend a conference and the time taken to prepare a young person for conferencing given different levels of complexity. Performance against this indicator increased slightly in 2009-10 and is expected to continue increasing into 2010-11 and 2011-12.

Youth crime clearance rates by Tasmania Police, court diversion programs, successful prosecutions, and sentencing by the Courts are the drivers underpinning the demand for Youth Justice Services. Given the variables in the criminal justice system, the actual end of year values may vary from projections.

Disability Services

Disability Services continues to operate in an environment where demand for services outstrips supply. This increase in need for services is consistent with national trends and is evidenced in the apparent rise in the supported accommodation waiting list figure from 33 in 2008-09 to 41 in 2009-10.

In terms of services delivered, the number of supported accommodation clients increased modestly in 2009-10 and it is anticipated that the number of clients will remain relatively stable in 2010-11. Demand for Community Access Services also appears to be increasing with the waiting list figure increasing from 74 in 2008-09 to 94 in 2009-10.

The number of community access clients increased slightly in 2009-10. It should be noted that the waiting list figures are a point in time measurement, and over the course of a 12-month period people are provided a service and leave the waiting list while others are added to the list, there can be month to month variation in waiting list numbers.

Community Access Services provide activities which promote learning and skill development and enable access, participation and integration in the local community. Supported Accommodation Services provide assistance for people with a disability within a range of accommodation options, including smaller and larger residential settings, hostels and group homes. In addition to providing support for daily living these services also promote access, participation and integration into the community. Community Access and Supported Accommodation Services are provided by community-based organisations that are funded by the State Government.

Housing Tasmania

Housing Tasmania continues to operate in a very tight market segment, represented by high levels of client demand. Occupancy levels within the public housing portfolio remain extremely high and consistent, resulting in low levels of turnover. Occupancy was 98.7 per cent for 2009-10, and is expected to exceed the target of 98.0 per cent again for 2010-11 and remain around that level during 2011-12.

The number of applicants housed increased in 2009-10 to 1 067, up 184 from the prior year. A further increase is forecast during 2010-11, with actual results expected to show around 1 100 applicants housed. This measure is expected to remain stable through 2011-12, which recognises the finalisation of additional supply inputs from the Australian Government's *Nation Building - Economic Stimulus Program* (NBESP) and other programs, as well as an assumed continuation of current low levels of turnover within the portfolio. This measure does not capture all instances of assistance to people eligible for public housing.

The continuing low turnover in the public housing portfolio, coupled with client expectations around increased supply from the NBESP and other programs, has seen an increase in the number of applicants on the public housing wait list to the 30 June 2010 level of 3 179. The wait list is forecast to level out to around 3 000 in 2011-12 with the increasing availability of a range of alternate housing options. The low turnover in the public housing portfolio is expected to impact the average time to house both Category 1 and other clients, with these indicators forecast to slightly increase over 2010-11 and 2011-12. The proportion of new allocations to those in greatest need was also above target. For 2009-10, 95.6 per cent of new allocations met this definition, with results for 2010-11 also expected to be above the target level of 90.0 per cent.

The measure of net recurrent cost per dwelling for public housing showed a slight increase in 2009-10, with the increase expected to continue into 2010-11 and 2011-12. This is primarily caused by the dual effects of an increased investment of maintenance expenditure into the portfolio, coupled with a static or slightly decreasing portfolio size. This also represents a reduction in the level of deferred maintenance on the portfolio.

The number of clients assisted through the Private Rental Support Scheme remains fairly constant. High rental costs in the private market, together with fewer affordable rental options, have reduced the number of clients requesting assistance under these programs.

Output Group 4: Independent Children's Review Services

Table 5.9 presents financial information for the single Output under Output Group 4. A description of the Output follows the table.

Table 5.9: Summary Financial Information - Output Group 4

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Independent Children's Review Service</i>					
Expenses by Output					
4.1 Office of the Commissioner for Children	697	764	767	763	782
	697	764	767	763	782
Retained Revenue	4	4	4	4	4
Net Cost of Output Group	693	760	763	759	778
Appropriation	683	753	754	748	767

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 Comments

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 Commissioner's Annual Reports, which can be accessed from its website at <http://www.childcomm.tas.gov.au>.

SPECIAL CAPITAL INVESTMENT FUNDS

Table 5.10 identifies expenditure by the Department from the Government's Special Capital Investment Funds.

Table 5.10: Special Capital Investment Fund (SCIF) Allocations

	Estimated Total Cost	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Health					
Economic and Social Infrastructure Fund					
Hospital Equipment Fund	25 000	2 291	1 500	....	....
Hospitals Capital Fund					
Launceston General Hospital Car Park	15 000	8 324	1 000	....	....
Mersey Hospital Upgrade	1 900	....	1 900	....	....
Royal Hobart Hospital	100 000	51 000	16 285	....	....
		59 324	19 185	....	....
Infrastructure Tasmania Fund					
Health Information Technology					
LAN and Infrastructure Upgrade	4 000	1 000	....	....	....
Medical Imaging Project	3 700	965	....	....	....
Mental Health Services Electronic Client Management and Reporting System	1 600	1 078	....	....	....
Messaging and Identifier Systems	2 000	500	....	....	....
		3 543	....	....	....
Health Infrastructure					
Clarence GP Superclinic/ICC ¹	18 500	7 846	....	....	....
Flinders Island Multi Purpose Centre Upgrade	6 000	4 877	600	....	....
Glenorchy - Tier Three Community Health Services Facility	21 000	750	2 000	5 000	7 000
King Island Hospital and Health Centre Upgrade	5 000	3 200	783	....	....
Kingston - Tier Three Community Health Services Facility	6 500	1 000	2 000	3 443	....
Launceston Integrated Care Centre (ICC) ²	22 500	2 000	500	....	....
		19 673	5 883	8 443	7 000

Table 5.10: Special Capital Investment Fund (SCIF) Allocations (continued)

	Estimated Total Cost	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Human Services					
Housing Fund					
Housing Fund ³	60 000	23 462	....	....	3 000
Total SCIF Allocations		108 293	26 568	8 443	10 000

Notes:

1. Total funding for the Clarence GP Superclinic and Integrated Care Centre (ICC) is \$18.5 million, consisting of \$5.5 million from the Capital Investment Program and \$13.0 million from the Infrastructure Tasmania Fund.
2. Total funding for the Launceston Integrated Care Centre (ICC) is \$22.5 million, consisting of \$15.0 million from the Capital Investment Program, \$4.5 million from the University of Tasmania and \$3.0 million from the Infrastructure Tasmania Fund.
3. The cash flows from the Housing Fund reflect the timing of National Rental Affordability Scheme approval processes.

Hospital Equipment Fund

In 2006-07, a \$25.0 million fund was established for the purchase of hospital equipment throughout the State. Anticipated expenditure in 2011-12 is \$2.3 million, which will be allocated to clinically determined priorities for major medical equipment and information system investment to support better care delivery in hospitals and health services.

Hospitals Capital Fund

The Hospitals Capital Fund (HCF) was established in 2007-08 to provide capital funding for hospitals around the State. In 2011-12, \$59.3 million has been allocated from the HCF for the construction of the Launceston General Hospital Car Park (\$8.3 million); and the redevelopment of the Royal Hobart Hospital (\$51.0 million).

Infrastructure Tasmania Fund - Health Information Technology

In 2008-09, funding of \$18.5 million was 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. Expenditure in 2011-12 of \$3.5 million will include a LAN and infrastructure upgrade (\$1.0 million); completion of the Medical Imaging Project (\$965 000); a Mental Health Services Electronic Client Management and Reporting System (\$1.1 million); and messaging and identifier systems (\$500 000).

Infrastructure Tasmania Fund - Health Infrastructure

The Infrastructure Tasmania Fund – Health Infrastructure was established in 2008-09, to implement a series of capital investment projects. Expenditure in 2011-12 of \$19.7 million will include the Launceston Integrated Care Centre (\$2.0 million); the Clarence GP Superclinic and Integrated Care Centre (\$7.8 million); upgrading the Flinders Island Multi Purpose Centre (\$4.9 million); redevelopment of the Glenorchy Community Health Centre (\$750 000); upgrading the King Island Hospital and Health Centre (\$3.2 million); and redevelopment of the Kingston Community Health Centre (\$1.0 million).

Housing Fund

The Housing Fund was established in 2007-08 with an allocation of \$60.0 million for the purpose of increasing the supply of affordable housing. In 2011-12, it is anticipated that \$23.5 million will be spent from the Housing Fund on public projects.

Projects to be funded from the Housing Fund during 2011-12 include:

- construction of seven units at Spencer Park in Wynyard (\$700 000);
- the acquisition of land for the development of affordable housing sites (\$2.4 million);
- contributions towards the Campbell Street Hobart homelessness facility (\$1.5 million);
- construction of 35 units at Brisbane Street, Hobart (\$7.5 million); and
- the continuation of support for the National Rental Affordability Scheme (\$10.5 million).

CAPITAL INVESTMENT PROGRAM

Table 5.11 provides financial information for the Department's Capital Investment Program. Further information on the Capital Investment Program is provided in Chapter 8 Budget Paper No 1 *The Budget*.

Table 5.11: Capital Investment Program

	Estimated Total Cost	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Health					
Clarence GP Superclinic/ICC ¹	18 500	500	....	....	....
East Coast Health Infrastructure	40	40	....	....	....
Launceston General Hospital Acute Medical and Surgical Unit	40 000	15 931	4 485	....	....
Launceston General Hospital Emergency Department	12 000	6 251	....	....	....
Launceston Integrated Care Centre (ICC) ²	22 500	6 378	....	....	....
National Health and Hospitals Network Reforms:					
Elective Surgery	7 500	3 600	2 000	....	....
Emergency Department	9 700	3 900	2 900	1 000	....
Flexible Pool for Emergency Departments, Elective Surgery and Sub Acute Areas	8 600	3 200	1 500	1 200	....
North West Regional Hospital Car Park	5 500	4 000	1 200	....	....
Royal Hobart Hospital Redevelopment ³	365 000	20 000	43 600	75 000	145 000
Royal Hobart Hospital Women's and Children's Hospital ³	100 000	10 000	40 000	40 000	10 000
State-wide Cancer Services	31 180	17 127	8 044	....	....
Minister for Human Services					
Housing - New Projects	Ongoing	21 738	11 374	11 253	11 072
<i>Nation Building - Economic Stimulus Plan:</i>					
Housing - New Construction Stage 2	109 350	15 056	....	....	....
Non-Works Housing	Ongoing	7 327	6 968	7 147	7 328
Total CIP Allocations		135 048	122 071	135 600	173 400

Notes:

1. Total funding for the Clarence GP Superclinic and Integrated Care Centre (ICC) is \$18.5 million, consisting of \$5.5 million from the Capital Investment Program and \$13.0 million from the Infrastructure Tasmania Fund.
2. Total funding for the Launceston Integrated Care Centre (ICC) is \$22.5 million, consisting of \$15.0 million from the Capital Investment Program, \$4.5 million from the University of Tasmania and \$3.0 million from the Infrastructure Tasmania Fund.
3. Total funding for the Royal Hobart Hospital Redevelopment is \$565.0 million, consisting of \$100.0 million from the State Government's Hospital Capital Fund for urgent works, \$100.0 million from the Australian Government for the Royal Hobart Hospital Women's and Children's Hospital and \$365.0 million for the remaining redevelopment, funded

by \$240.0 million from the Australian Government's Health and Hospitals Fund and \$125.0 million from the State Government.

Clarence GP Superclinic and Integrated Care Centre (ICC)

Total funding of \$18.5 million has been provided for this project. The project will develop a GP Superclinic/ICC that 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 GP Superclinic/ICC will relieve demand pressures on acute health services and improve services for people with chronic disease. It is estimated that \$8.3 million will be spent in 2011-12, funded from a remaining Australian Government allocation of \$500 000 and an Infrastructure Tasmania Fund (Health Infrastructure) allocation of \$7.8 million. It is anticipated the project will be completed in 2012.

East Coast Health Infrastructure

Funding of \$40 000 has been provided in 2011-12 for infrastructure improvements to East Coast health facilities.

Launceston General Hospital Acute Medical and Surgical Unit

Total funding of \$40.0 million was provided in 2009-10 by the Australian Government over four years for the construction of a new Acute Medical Assessment Unit and the upgrade of the Surgical Services Unit and Intensive Care Unit. Services proposed include providing patient assessment, early treatment and care planning. It is estimated that \$15.9 million of the total \$40.0 million allocation will be spent during 2011-12, with the project expected to be completed by 2012-13.

Launceston General Hospital Emergency Department

Funding of \$12.0 million was allocated in 2009-10 for the redevelopment of the Department of Emergency Medicine including increasing available floor space, creating a short stay observation ward and a separate triage area. It is estimated that \$6.3 million will be spent during 2011-12, with the project expected to be completed during 2011-12.

Launceston Integrated Care Centre (ICC)

Funding of \$22.5 million is provided to develop a centralised Integrated Care Centre that 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 will focus 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. In 2011-12, the expenditure allocations are estimated to be \$6.4 million from the Capital Investment Program (including \$2.5 million from the University of Tasmania) and \$2.0 million from the Infrastructure Tasmania Fund. The project is expected to be completed by 2012.

National Health and Hospitals Network Reforms

Funding of \$25.7 million over four years from 2010-11 is provided for capital improvements relating to the National Health Reform initiatives: Elective Surgery and Emergency Department under the *National Partnership Agreement on Improving Public Hospital Services*. In addition, there is also funding provided for a Flexible Pool, which can be used to assist in achieving targets under the broader National Partnership

Agreement. Health and Human Services allocations for 2011-12 include \$3.6 million for Elective Surgery; \$3.9 million for Emergency Department; and \$3.2 million for the Flexible Pool.

North West Regional Hospital Car Park

In 2010-11, \$5.5 million was allocated to the redevelopment of the North West Regional Hospital Car Park. It is anticipated that \$4.0 million will be expended on this project in 2011-12.

Royal Hobart Hospital Redevelopment

Funding for a major redevelopment of the Royal Hobart Hospital has been secured following an application in late 2010 to the Board of the Health and Hospitals Fund. The \$365.0 million commitment to redevelop the RHH is a combined Australian Government/State venture, with \$240.0 million being provided by the Australian Government and \$125.0 million provided by the State. Initial works totalling \$20.0 million in 2011-12 from the HHF funding source complement current state funded works and will focus on preparatory work such as scoping and schematic design, strategic redevelopment planning and the demolition of part of B Block in readiness for a major new building that will commence construction in 2012. Overall, the project will build the capacity to deliver an extra 195 overnight beds and 12 new operating and procedure rooms.

Royal Hobart Hospital Women's and Children's Hospital

The Australian Government has provided \$100.0 million for the construction of a Women's and Children's Hospital within the broader redevelopment program of the Royal Hobart Hospital. In 2011-12, \$10.0 million will be invested in planning the inclusion of the Women's and Children's precinct in the greater redevelopment to ensure the effective integration of services across areas of surgery, imaging and other whole-of-hospital services while delivering an identifiable precinct. The completion of this project will deliver a modern, contemporary specialist facility for women's and children's health, including a dedicated adolescent ward of 17 beds.

State-wide Cancer Services

Funding for cancer services at the Royal Hobart Hospital, the Launceston General Hospital and for a state-wide IT system has been secured to build specialist Cancer Centres within those hospital precincts. The total commitment is \$31.2 million, with \$13.9 million from the Australian Government, \$16.1 million from the State and notable donated contributions from the Menzies Centre (\$600 000) and the Cancer Council (\$600 000). In 2011-12, funding of \$17.1 million will be provided. At the Launceston General Hospital, \$4.7 million will be utilised for expanding Medical Oncology, commencing work on the Patient Support Centre and Palliative Care areas. At the Royal Hobart Hospital, \$11.2 million will be spent on an additional (third) oncology bunker, a rehabilitation ward, improved day oncology facilities and a patient support centre. The development of supporting IT technology for the cancer centres will receive \$1.2 million in 2011-12.

As part of the State-wide Cancer Care Plan, the Government continues to progress new cancer care services for the North West. The clinical expert panel established to advise on a commencement date for the delivery of safe and sustainable radiation oncology at Burnie is due to report to the Government in June 2011. Following approval of the State's submission by the Health and Hospitals Fund for the provision of radiation therapy infrastructure and equipment, it is expected that construction will commence in the second half of 2011. It is expected the first stage of the North West Cancer Centre will be completed and clinical services for North West patients will commence in 2013.

Housing – New Projects

Funding of \$21.7 million is provided in 2011-12 for Housing Tasmania's capital program, including the purchase and construction of public housing. Further details of the Housing capital program are provided in Chapter 8 of Budget Paper No 1 *The Budget*.

Nation Building – Economic Stimulus Plan: Housing - New Construction Stage 2

The *Nation Building – Economic Stimulus Plan: Housing – New Construction Stage 2* seeks to provide for the construction of new social housing stock. It will provide a boost to public housing and housing administered by the not-for-profit community sector in the State and is designed to assist low income Tasmanians who are homeless or struggling in the private rental market. Total funding for social housing in Tasmania is \$135.0 million from 2008-09 to 2011-12. From the \$109.4 million allocated for Stage 2, \$15.1 million will be expended in 2011-12.

Non-Works Housing

A Non-Works Housing allocation of \$7.3 million is provided in 2011-12. This includes \$6.8 million in 2011-12 for the repayment of loans from the Australian Government under the former Commonwealth-State Housing Agreement and \$515 000 for information technology initiatives to support homelessness sector reform.

DETAILED BUDGET STATEMENTS

Table 5.12: Income Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	1 548 826	1 602 018	1 589 193	1 618 063	1 648 634
Interest Revenue	1 357	1 371	1 290	1 008	1 032
Grants ²	61 567	108 293	26 568	8 443	10 000
Sales of Goods and Services ³	220 855	240 942	241 548	245 596	249 049
Other Revenue ⁴	31 458	24 445	22 138	22 647	25 764
	1 864 063	1 977 069	1 880 737	1 895 757	1 934 479
Less Expenses					
Employee Entitlements ⁵	827 535	878 005	862 667	874 552	875 421
Superannuation	80 096	86 089	85 955	84 789	85 581
Depreciation and Amortisation	51 965	51 857	52 448	52 965	52 917
Borrowing Costs	9 923	9 623	9 326	9 022	8 710
Grants and Transfer Payments ⁶	237 756	275 588	277 697	261 313	259 483
Supplies and Consumables	443 293	446 807	449 984	480 169	484 681
Other Expenses	65 773	71 230	73 811	73 083	71 372
	1 716 341	1 819 199	1 811 888	1 835 893	1 838 165
Plus Gains/(Losses)					
Gain/(Loss) on Sale of Non-Financial Assets ⁷	5 520	9 225	8 923	10 121	10 621
	5 520	9 225	8 923	10 121	10 621
Equals OPERATING RESULT	153 242	167 095	77 772	69 985	106 935
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	53 398	53 436	53 474	53 474	53 474
Other Non-Owner Movements in Equity	....	....	....	....	....
	53 398	53 436	53 474	53 474	53 474
Equals COMPREHENSIVE INCOME	206 640	220 531	131 246	123 459	160 409

Notes:

1. The increase in Revenue from Appropriation primarily reflects additional funding for the Royal Hobart Hospital Redevelopment and additional State and Australian Government funding.
2. The increase in 2011-12 in Grants primarily reflects changes in the cash flows for projects funded from the Special Capital Investment Funds.
3. The increase in Sales of Goods and Services in 2011-12 includes an increase of \$5.0 million in Australian Government funding for Mersey Community Hospital and improved revenue strategies.

4. The decrease in Other Revenue in 2011-12 is due to a change in cash flow for the \$4.5 million contribution from the University of Tasmania for the Launceston Integrated Care Centre (ICC), and a more accurate reflection of the anticipated repayment of loans under the Home Ownership Assistance Program (HOAP).
5. The increase in Employee Entitlements in 2011-12 primarily relates to salary and non-salary indexation and additional State and Australian Government funding.
6. The increase in Grants and Transfer Payments primarily relates to payments to non-government organisations as part of the *National Disability Agreement*; payments under the National Rental Affordability Scheme (NRAS); and Out-of-Home Care payments.
7. The increase in Gain on Sale of Non-Financial Assets in 2011-12 reflects the impact of the HomeShare initiative, which is an initiative helping low to moderate income Tasmanians to buy their homes under a shared equity scheme.

Table 5.13: Revenue from Appropriation

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent	1 397 629	1 488 161	1 484 259	1 500 363	1 493 634
Works and Services	136 554	113 116	104 934	117 700	155 000
	1 534 183	1 601 277	1 589 193	1 618 063	1 648 634
Appropriation Carried Forward	14 643	741	....	....	....
Total Revenue from Appropriation	1 548 826	1 602 018	1 589 193	1 618 063	1 648 634

Table 5.14: Income Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	37 566	24 876	25 597	26 237	26 893
Grants ²	25 237	36 680	34 563	32 071	31 927
	62 803	61 556	60 160	58 308	58 820
Less Expenses					
Grants and Transfer Payments ¹	37 645	24 957	25 700	26 340	26 996
Transfer to the Consolidated Fund ²	25 161	36 600	34 479	31 983	31 927
	62 806	61 557	60 179	58 323	58 923
Equals OPERATING RESULT	(3)	(1)	(19)	(15)	(103)
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	....	....	....	....	....
Other Non-Owner Movements in Equity	....	....	....	....	....
Equals COMPREHENSIVE INCOME	(3)	(1)	(19)	(15)	(103)

Notes:

1. The decrease in 2011-12 in Revenue from Appropriation and Grants and Transfer Payments is due to the one-off allocation in 2010-11 for the Electricity Price Concession and the winding down of the Children Abused in Care scheme.
2. The increase in Grants and Transfer Payments to the Consolidated Fund is primarily due to increases in Australian Government funding for Commonwealth Own Purpose Expenditure items.

Table 5.15: Administered Revenue

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue Collected on Behalf of the Consolidated Fund					
Commonwealth Recurrent Grants ¹	25 161	36 600	34 479	31 983	31 927
Revenue from Appropriation					
Annual Appropriation ²	37 566	24 876	25 597	26 237	26 893
Other Revenue					
Commonwealth Capital Grants	76	80	84	88	....
Total Administered Revenue	62 803	61 556	60 160	58 308	58 820

Notes:

1. The increase in Commonwealth Recurrent Grants is due to additional funding for Commonwealth Own Purpose Expenditure.
2. The decrease in Annual Appropriation in 2011-12 reflects the one-off funding in 2010-11 for the Electricity Price Concession initiative and the winding down of the Children Abused in Care scheme.

Commonwealth Recurrent Grants

Commonwealth Recurrent Grants reflect Commonwealth Own Purpose Expenditure (COPE) payments. These payments are paid from the responsible Australian Government agency to the relevant State agency and received to the Consolidated Fund. Australian Government COPEs in 2011-12 include:

- Highly Specialised Drugs (\$16.6 million);
- Transitional Care Program (\$4.4 million);
- Regional Health Services Program (\$1.8 million);
- Medical Specialist Outreach Assistance Program (\$1.8 million);
- Extended Aged Care at Home and Community Aged Care Packages (\$1.1 million);
- Organ Transplant and Tissue Donation (\$1.1 million);
- Dementia Behaviour Management Advisory Services (\$769 000);
- Human Resources VET Program (\$53 000);
- Office of Aboriginal and Torres Strait Islander Health (\$177 000);
- Health Program Grant WP Holman Clinic (\$880 000);
- Advanced Specialist Training Posts in Rural Areas (\$170 000);
- Midlands Multipurpose Centre Aged Care Beds (\$757 000);

- Rural Interprofessional Clinical Education Training Centres (\$3.8 million);
- Specialist Training Program Support for Specialist International Medical Graduates (\$400 000); and
- National Respite for Carers Program (\$250 000).

Table 5.16: Administered Expenses

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Children Abused in Care ¹	4 800	....	....	....	....
Community Service Activity: Aurora Energy Pty Ltd - Pensioner Concessions ²	32 845	24 957	25 700	26 340	26 996
	37 645	24 957	25 700	26 340	26 996
Transfer to the Consolidated Fund	25 161	36 600	34 479	31 983	31 927
Total Administered Expenses	62 806	61 557	60 179	58 323	58 923

Notes:

1. The decrease in the Children Abused in Care payment reflects the completion of the Children Abused in Care ex-gratia payment scheme.
2. The decrease in Community Service Activity: Aurora Energy Pty Ltd – Pensioner Concessions reflects one-off funding in 2010-11 for the Electricity Price Concession initiative.

Community Service Activity: Aurora Energy Pty Ltd – Pensioner Concessions

Under arrangements with 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 5.17: Balance Sheet as at 30 June

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	40 988	56 169	53 982	48 309	45 625
Investments ²	11 444	5 500	4 400	3 500	3 059
Other Equity Investments ²	....	4 059	7 059	13 059	16 059
Receivables	28 522	23 663	25 112	26 561	28 010
Other Financial Assets ³	2 969	10 095	10 246	10 402	10 560
	83 923	99 486	100 799	101 831	103 313
Non-Financial Assets					
Land and Buildings ⁴	2 704 749	2 921 399	3 074 290	3 224 258	3 410 833
Plant and Equipment	69 848	69 997	65 123	57 256	47 205
Intangibles ⁵	7 416	11 384	9 105	6 826	6 826
Assets Held for Sale	6 947	6 839	7 204	7 587	7 587
Other Non-Financial Assets	12 209	13 062	13 700	14 338	14 976
	2 801 169	3 022 681	3 169 422	3 310 265	3 487 427
Total Assets	2 885 092	3 122 167	3 270 221	3 412 096	3 590 740
Liabilities					
Borrowings	216 619	209 808	202 840	195 693	188 365
Superannuation	17 942	15 036	14 993	14 950	14 907
Employee Entitlements	198 187	217 330	237 990	260 437	282 884
Payables ⁶	46 235	27 823	29 931	32 039	34 147
Other Liabilities ⁷	32 844	60 224	61 275	62 326	63 377
Total Liabilities	511 827	530 221	547 029	565 445	583 680
NET ASSETS	2 373 265	2 591 946	2 723 192	2 846 651	3 007 060
Equity					
Accumulated Funds	600 192	797 556	875 328	945 313	1 052 248
Asset Revaluation Reserve	1 766 979	1 788 296	1 841 770	1 895 244	1 948 718
Other Equity	6 094	6 094	6 094	6 094	6 094
Total Equity	2 373 265	2 591 946	2 723 192	2 846 651	3 007 060

Notes:

1. The increase in Cash and Deposits in 2012 is due to a more accurate estimate based on current projections.
2. The decrease in Investments and increase in Other Equity Investments relates to the reclassification of the equity held in properties under the HomeShare initiative.
3. The increase in Other Financial Assets reflects an increase in the opening balance of GST receivable.

4. The increase in Land and Buildings reflects investment in infrastructure and a revaluation of assets.
5. The increase in Intangibles relates primarily to the opening balance of work in progress for capital projects.
6. The decrease in Payables reflects a more accurate estimate of the liability based on the 2010 closing balance.
7. The increase in Other Liabilities reflects a higher than expected closing balance for 2010 in relation to PAYG and payroll tax, and revenue received in advance relating to capital projects.

Table 5.18: Balance Sheet as at 30 June – Administered

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Receivables ¹	1 417	2 489	2 573	2 661	2 661
	1 417	2 489	2 573	2 661	2 661
Total Assets	1 417	2 489	2 573	2 661	2 661
Liabilities					
Payables ²	8 891	6 036	6 139	6 242	6 345
Total Liabilities	8 891	6 036	6 139	6 242	6 345
NET ASSETS	(7 474)	(3 547)	(3 566)	(3 581)	(3 684)
Equity					
Accumulated Funds	(7 474)	(3 547)	(3 566)	(3 581)	(3 684)
Total Equity	(7 474)	(3 547)	(3 566)	(3 581)	(3 684)

Notes:

1. The increase in Receivables reflects a more accurate estimate based on the Department's 2009-10 financial statements.
2. The decrease in Payables is due to a more accurate estimate of the outstanding liability for Community Service Obligation payments.

Table 5.19: Cash Flow Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	1 534 183	1 601 277	1 589 193	1 618 063	1 648 634
Interest Received	1 357	1 371	1 290	1 008	1 032
Grants ²	61 567	108 293	26 568	8 443	10 000
Sales of Goods and Services ³	219 453	239 518	239 980	244 028	247 481
GST Receipts	60 061	60 061	61 413	62 802	64 238
Other Receipts ⁴	31 608	28 075	25 633	26 242	26 677
	1 908 229	2 038 595	1 944 077	1 960 586	1 998 062
Cash Paid					
Employee Entitlements ⁵	(807 766)	(855 505)	(842 058)	(852 156)	(853 025)
Superannuation	(79 752)	(86 172)	(85 947)	(84 781)	(85 573)
Borrowing Costs	(9 923)	(9 623)	(9 326)	(9 022)	(8 710)
Grants and Transfer Payments ⁶	(237 756)	(275 588)	(277 697)	(261 313)	(259 483)
Supplies and Consumables	(443 573)	(447 032)	(450 028)	(480 213)	(484 725)
GST Payments	(60 060)	(60 060)	(61 408)	(62 802)	(64 240)
Other Payments	(63 425)	(70 650)	(71 418)	(70 690)	(68 979)
	(1 702 255)	(1 804 630)	(1 797 882)	(1 820 977)	(1 824 735)
Net Cash Flows from Operating Activities	205 974	233 965	146 195	139 609	173 327
Cash Flows from Investing Activities					
Sale of Fixed Assets	11 549	15 640	15 338	16 536	17 036
Purchase of Fixed Assets ⁷	(233 373)	(238 463)	(151 552)	(146 171)	(182 442)
Net Purchase of Investments ⁸	....	(1 600)	(3 000)	(6 000)	(3 000)
Net Customer Loans (Granted)/Repaid	(900)	(1 800)	(2 200)	(2 500)	(277)
Net Cash Flows from Investing Activities	(222 724)	(226 223)	(141 414)	(138 135)	(168 683)
Cash Flows from Financing Activities					
Net Borrowings	(6 669)	(6 812)	(6 968)	(7 147)	(7 328)
Net Cash Flows from Financing Activities	(6 669)	(6 812)	(6 968)	(7 147)	(7 328)
Net Increase/(Decrease) in Cash Held	(23 419)	930	(2 187)	(5 673)	(2 684)
Cash at the Beginning of the Year	64 407	55 239	56 169	53 982	48 309
Cash at the End of the Year	40 988	56 169	53 982	48 309	45 625

Notes:

1. The increase in Appropriation primarily reflects additional funding for the Royal Hobart Hospital Redevelopment and additional State and Australian Government funding.
2. The increase in 2011-12 in Grants primarily reflects changes in the cash flows for projects funded from the Special Capital Investment Fund.
3. The increase in Sales of Goods and Services in 2011-12 includes an increase of \$5.0 million in Australian Government funding for Mersey Community Hospital and improved revenue strategies.
4. The decrease in Other Receipts in 2011-12 is due to changes in the cash flow for the \$4.5 million contribution from the University of Tasmania for the Launceston Integrated Care Centre (ICC).
5. The increase in Employee Entitlements in 2011-12 primarily relates to salary and non-salary indexation and additional State and Australian Government funding.
6. The increase in Grants and Transfer Payments primarily relates to payments to non-government organisations as part of the *National Disability Agreement*; payments to external service providers under the National Rental Affordability Scheme (NRAS); and out-of-home care reforms.
7. The decrease in Purchase of Fixed Assets in 2012-13 reflects the cash flows for capital projects.
8. Net Purchase of Investments includes equity contributions made by Housing Tasmania under the HomeShare initiative.

Table 5.20: Cash Flow Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	37 566	24 876	25 597	26 237	26 893
Grants ²	25 161	36 600	34 479	31 983	31 927
	62 727	61 476	60 076	58 220	58 820
Cash Paid					
Grants and Transfer Payments ¹	(37 566)	(24 876)	(25 597)	(26 237)	(26 893)
Transfers to the Consolidated Fund ²	(25 161)	(36 600)	(34 479)	(31 983)	(31 927)
	(62 727)	(61 476)	(60 076)	(58 220)	(58 820)
Net Cash Flows from Operating Activities	....	....	....	....	....
Net Increase/(Decrease) In Cash Held	....	....	....	....	....
Cash at the Beginning of the Year	....	....	....	....	....
Cash at the End of the Year	....	....	....	....	....

Notes:

1. The decrease in 2011-12 in Appropriation and Grants and Transfer Payments is due to the one-off allocation in 2010-11 for the Electricity Price Concession and the winding down of the Children Abused in Care scheme.
2. The increase in Grants and Transfers to the Consolidated Fund is primarily due to increases in Australian Government funding for Commonwealth Own Purpose Expenditure items.

6 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 David O'Byrne MP; the Minister for Energy and Resources and the Minister for Racing, Hon Bryan Green MP; and the Minister for Sustainable Transport, Hon Nick McKim MP.

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

- enhance infrastructure decision making across Government;
- facilitate a safe, sustainable and efficient transport system that enhances economic and social development, in the context of the challenges of climate change;
- 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 2011-12 and over the Forward Estimates period (2012-13 to 2014-15). Further information on the Department is provided at <http://www.dier.tas.gov.au>.

MAJOR INITIATIVES

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

Table 6.1: Major Initiatives Statement

	2011-12	2012-13	2013-14	2014-15
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Flinders Island Port Infrastructure	1 000	....	....	....
Forestry Transition Project	3 150	....	....	....
Geotrail Feasibility	50	....	....	....
Light Rail Business Case	80	....	....	....
Metro Pty Ltd Capital Contribution and 'Park and Ride' Facilities	4 530	3 900	3 900	3 900
Passenger Transport Innovation Program	4 650	....	....	....
Renewable Energy Fund – King and Flinders Islands	435	250	250	....
Road Planning Allocation	2 540	1 500	1 500	....
Road Safety Initiatives	1 560	1 240	1 240	1 240
Tasmanian Railway Pty Ltd Equity Contribution	44 496	30 401	19 880	....
Tasmanian Railway Pty Ltd Maintenance and Administration	18 775	16 288	16 304	16 304
West Coast Geosciences Project	300	600	600	....
Infrastructure Projects				
Asset Management	5 125	5 257	5 375	5 505
Bell Bay Intermodal Terminal	6 920	2 200	....	....
Brighton Bypass	19 000	13 540	....	....
Brighton Transport Hub	5 574	....	....	....
Brooker Highway	2 704	3 893	....	....
Community Roads Projects	16 115	31 360	31 260	3 000
Environmental Management	500	512	525	538
Illawarra Main Road	1 380	....	....	....
Infrastructure Development	6 793	1 120	4 413	126
Infrastructure Maintenance	58 946	60 294	61 447	55 655
Kingston Bypass	580	....	....	....
North East Freight Roads	7 930	15 300	14 020	....
Port Sorell Main Road	1 000	3 000	....	....
Road Safety and Traffic Management	10 907	13 594	15 278	12 816
Tarkine Drive	1 500	10 000	7 655	....
West Coast Roads	820	5 110	9 850	4 455

Flinders Island Port Infrastructure

This initiative provides funding of \$1.6 million over two years for critical infrastructure upgrades at the Lady Barren Port. It is estimated that \$1.0 million will be spent in 2011-12.

Forestry Transition Project

The Tasmanian forestry sector is an important contributor to the economic prosperity of Tasmania and is critical to many communities around the State.

The Government recognises that market driven changes are occurring which are likely to require further restructuring to the regulatory and structural arrangements that support the industry. Changes will be required to enhance the capabilities of relevant Government entities to ensure they can support a rapidly changing external environment. It will also be critical to ensure that the policy and regulatory capability of Government is sufficient and complements any changes made.

The Government will provide \$3.2 million will ensure that the Government has the capacity to support a transition of the industry to ensure it remains innovative, sustainable and modern.

Geotrail Feasibility

In 2011-12, the Government will provide \$50 000 for a feasibility study into establishing a Geotrail in the North West to highlight and potentially exploit the unique geological features, scenery and landforms in the area.

Light Rail Business Case

To be completed in 2011-12, this initiative provides funding of \$80 000 in 2011-12 for a feasibility study into the establishment of a light rail service in Hobart, with a particular focus on use of the existing rail corridor.

Metro Tasmania Pty Ltd Capital Contribution and 'Park and Ride' Facilities

This initiative provides additional funding to Metro Tasmania Pty Ltd for the Company to pursue a range of important priorities, including \$650 000 per annum to implement 'Park and Ride' facilities in major urban areas.

Passenger Transport Innovation Program

This initiative provides funding of \$4.7 million in 2011-12 for the continued implementation of programs consistent with the directions set under the *Tasmanian Urban Passenger Transport Framework*.

Work has commenced in each of the priority areas identified in the Framework. These priority areas include:

- improved services on urban fringe and regional bus routes;
- targeted improvement in off-bus infrastructure on urban fringe bus routes, in partnership with local government;
- identification and development of active transport networks for walking and cycling;
- WiFi services being trialled on inter-regional and urban fringe bus routes;
- a pilot workplace program to effect travel behaviour change;

- planning of transit corridor strategies for key urban public transport corridors;
- development of a Greater Launceston Metropolitan Transport Plan; and
- creation of an urban travel demand model to better forecast the impact of passenger transport proposals.

Renewable Energy Fund – King and Flinders Islands

Commencing in 2010-11, this initiative provides funding of \$1.0 million over four years to encourage small scale renewable energy innovation on the Bass Strait Islands.

Road Planning Allocation

Commencing in 2010-11, this initiative provides funding of \$1.5 million per annum to accelerate planning work for future road projects, including as a priority, planning work for the Government's Community Roads Package. The total allocation of \$2.5 million in 2011-12 will be allocated to the Planning for the Midlands Highway Improvements project.

Road Safety Initiatives

This initiative provides funding of \$1.6 million in 2011-12, and \$1.2 million per annum thereafter for targeted road safety programs, including the implementation and administration of point-to-point speed enforcement.

Tasmanian Railway Pty Ltd Equity Contribution

In 2011-12, the Government will provide \$13.5 million as an equity contribution to Tasmanian Railway Pty Ltd for the critical upgrade of the Tasmanian rail network infrastructure and the Company's rolling stock assets. A further \$31.0 million will also be contributed by the Australian Government in 2011-12 for this purpose.

In accordance with the Government's new equity transfer policy, a further \$100.0 million will be provided over five years to Tasmanian Railway Pty Ltd. This equity requirement will be met from within the Government business portfolio and, consequently, no funding will be required from the Budget sector.

Tasmanian Railway Pty Ltd Maintenance and Administration

In 2011-12, the Government will provide \$18.8 million in grant contributions to the Tasmanian Railway Pty Ltd for administration and maintenance costs.

West Coast Geosciences Project

This initiative provides funding of \$1.5 million over three years to undertake further collection of geoscientific data to enhance the existing Tasmanian Information on Geosciences and Exploration Resources (TIGER) system and stimulate mineral exploration in the region.

The initiative will centre on extending the work of the TasExplore project in the North East to western Tasmania and King Island to substantially upgrade the 3-D model of the region. This work will have two main goals:

- to enhance the prospectivity for tin, tungsten and copper; and
- to increase the potential for zinc, lead and gold resources in the Mount Read Volcanic region through improved age dating and rock correlations.

Infrastructure Projects

In 2011-12, the Department will progress commitments by the State and Australian Governments on a range of road projects. Details of these projects are provided in the Capital Investment Program section of this chapter and in Budget Paper No 1 *The Budget*, Chapter 8 Infrastructure Investment.

Community Roads Package

The Department will progress, as a priority, the 16 projects under the Community Roads Package.

The Community Roads Package will include improvements to the:

- Arthur Highway between Taranna and Port Arthur, and from Dunalley to Murdunna;
- Bass Highway junction with Mersey Main Road upgrade;
- Bass Highway junction with Stanley Highway upgrade;
- Bell Bay Main Road improved port access near George Town;
- Esk Main Road upgrading;
- Ferry Road at Kettering upgrade and Ferry Main Road Waste Water Treatment Plant and associated works;
- Highland Lakes Road sealing between Breona and Brandum Creek;
- Huon Highway upgrade including overtaking lanes and safety improvements;
- Mudwalls Road pavement improvement at the northern end;
- Richmond Heavy Vehicle Link Road;
- Ridgley Main Road pavement upgrade;
- Rokeby Main Road upgrading access south of Howrah;
- Tasman Highway junction with Coles Bay Road upgrade;
- Tasman Highway upgrading between Scottsdale and Launceston;
- West Tamar Highway junction with Cormiston Road traffic signals; and
- West Tamar Highway upgrading between Waldhorn Drive and Brady's Lookout.

West Coast Roads

The Department will also progress upgrades of the Murchison Highway which will deliver significant safety benefits and will ensure the highway is strengthened to adequately cater for forecast growth in freight. Projects are:

- Murchison Highway at Mount Black; and
- Murchison Highway upgrades between the Anthony Main Road and Cradle Mountain Drive.

North East Freight Roads

This initiative will deliver improved transport efficiency together with a focus on public safety by minimising interaction between passenger vehicles and heavy vehicles on key passenger and tourist routes in the North East.

OTHER INITIATIVES

Tasmanian Infrastructure Strategy

The Tasmanian Infrastructure Strategy is an integrated long-term strategy to guide future infrastructure priorities and decision making. The Strategy will be a key to infrastructure investment over the next ten years and beyond.

The Tasmanian Infrastructure Strategy coordinates the Department's efforts across the major economic sectors of transport, water, energy and digital. While the Strategy focuses on these sectors, many of the initiatives will have relevance across all infrastructure sectors. In addition, the Tasmanian Infrastructure Strategy complements the Tasmanian Innovation Strategy and Tasmanian Skills Strategy to provide a foundation to support sustained economic outcomes.

The Tasmanian Infrastructure Council has been established as the peak body to advise Government on key issues relating to Tasmania's economic infrastructure. The Council comprises membership from economic infrastructure sectors and related peak bodies.

Under the Infrastructure Strategy a central focus will be on improving coordination between infrastructure and land use planning. Other areas of focus include enhancing infrastructure decision making processes, ensuring maximum use of existing infrastructure and the achievement of coordination across all infrastructure sectors. A long-term strategic approach will be taken for the identification of infrastructure projects. There will also be effective interaction with Infrastructure Australia and other Australian Government funding programs.

The Tasmanian Infrastructure Strategy is a web-based initiative which will be continually updated to reflect emerging issues, new priorities, and emerging technologies. Further information on the Strategy is provided at <http://www.infrastructure.tas.gov.au>.

AGENCY SAVINGS STRATEGIES

In accordance with the Government's objective to return the Budget to a sustainable position, the Department is implementing a number of saving strategies to achieve savings of \$4.1 million in 2011-12 increasing to \$6.6 million in 2014-15. Savings strategies will include:

- re-scoping some Government commitments;
- reviewing a range of whole-of-department processes to support organisational improvement;
- reviewing business support structures in specific program areas; and
- continuing to maximise revenue collections by the better use of technology and reviewing the Mineral Royalties regime.

The impact of these strategies is reflected in the financial information provided in this chapter.

OUTPUT RESTRUCTURE

A major restructure of Output Group 6: Transport and Subsidies Concessions has occurred since the 2010-11 Budget. The restructure has resulted in the creation and realignment of the following Outputs:

- Output 6.4: Metropolitan General Access Regular Passenger Transport Services; and
- Output 6.6: Non-Metropolitan General Access Regular Passenger Transport Services.

The new Output structure reflects the new contracting structure for regular passenger bus transport services implemented following adoption of the recommendations of the Core Passenger Services Review undertaken in accordance with the requirements of Regulation 8 and Regulation 9 of the *Passenger Transport (Transitional) Regulations 2000*.

New funding models for rural and special needs bus services, student-only fare charging services, metropolitan and non-metropolitan services were developed in consultation with industry. Payments are now linked to vehicle compliance with standards associated with specific service types, service levels (such as school day or year-round operation), and whether the services are purchased on a vehicle capacity, revenue/kilometre, or a passenger/kilometre basis. No distinction is made between services purchased from Government-owned entities (such as Metro Tasmania Pty Ltd), not-for-profit organisations, or commercial operators.

The new Output structure better reflects the contracting structure and the different services types as opposed to individual client groups.

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 6.2 provides an Output Group Expense Summary for the Department.

Table 6.2: Output Group Expense Summary

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Infrastructure					
Output Group 1 – Infrastructure¹					
1.1 Infrastructure Strategy ²	4 517	5 456	3 428	3 431	2 025
1.2 Rail Safety	522	549	546	540	573
1.3 Road Safety ³	8 000	8 970	9 568	8 449	8 530
1.4 Registration and Licensing ⁴	12 190	13 725	13 766	13 896	14 118
1.5 Vehicle Operations ⁵	3 568	4 640	4 699	4 740	4 826
1.6 Traffic Management and Engineering Services ⁶	7 586	7 391	6 063	5 998	6 093
	36 383	40 731	38 070	37 054	36 165
Output Group 6 - Transport Subsidies and Concessions					
6.1 Bruny Island Ferry Service	640	640	640	640	659
6.2 Furneaux Shipping Contract	274	279	286	288	288
6.3 King Island Shipping	49	49	49	49	49
6.7 Construction of Streets in Towns	52	52	52	52	52
	1 015	1 020	1 027	1 029	1 048
Grants and Subsidies⁷	22 554	21 315	18 830	18 846	18 846
Capital Investment Program¹	133 022	136 258	142 255	148 069	140 980
Special Capital Investment Funds⁸	4 531	....	....	....	....
Minister for Racing					
Output Group 5 - Racing Policy and Regulation					
5.1 Racing Regulation	3 485	3 691	3 657	3 668	3 728
5.2 Racing Policy	108	115	118	122	121
	3 593	3 806	3 775	3 790	3 849
Grants and Subsidies	27 203	27 339	27 612	27 888	28 167

Table 6.2 Output Group Expense Summary (continued)

	2010-11	2011-12	2012-13	2013-14	2014-15
	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 ⁹	1 746	2 056	1 741	1 749	1 526
	1 746	2 056	1 741	1 749	1 526
Output Group 3 - Mineral Resources Management and Administration					
3.1 Minerals Exploration and Land Management ¹⁰	3 189	3 661	3 725	3 618	2 978
3.2 Tenement Management of the Exploration and Minerals Industry	3 113	3 298	3 205	3 129	3 178
	6 302	6 959	6 930	6 747	6 156
Output Group 4 - Support for the Minister					
4.1 Support for the Minister ¹¹	3 362	3 783	666	668	679
	3 362	3 783	666	668	679
Grants and Subsidies	4 261	4 324	4 415	4 477	4 549
Minister for Sustainable Transport					
Output Group 1 – Infrastructure¹					
1.7 Passenger Transport ¹²	3 850	3 682	2 888	2 907	2 953
1.8 Passenger Transport Innovation ¹³	3 500	4 650	....	....	....
	7 350	8 332	2 888	2 907	2 953
Output Group 6 - Transport Subsidies and Concessions¹⁴					
6.4 Metropolitan General Access Regular Passenger Transport Services ¹⁵	34 859	36 574	37 726	38 869	39 956
6.5 Rural and Special Needs School Bus Services	17 540	18 491	19 494	21 707	22 358
6.6 Non-Metropolitan General Access Regular Passenger Transport Services ¹⁵	....	7 818	8 117	7 452	7 626
	52 399	62 883	65 337	68 028	69 940
Grants and Subsidies¹⁴	33 323	26 466	27 805	29 820	30 332
TOTAL	337 044	345 272	341 351	351 072	345 190

Notes:

1. The Outputs in these Output Groups have been subject to decreases due to the impact of the Budget Savings Strategies.
2. The increase in the Infrastructure Strategy Output in 2011-12 primarily reflects additional funding provided for Road Planning and Flinders Island Port Infrastructure. The decrease in 2012-13 reflects the completion of the Flinders Island Port Infrastructure project. The decrease in 2014-15 reflects completion of funding for the Road Planning initiative.
3. The increase in the Road Safety Output until 2012-13 reflects an increase in the Road Safety Levy from \$20 to \$25 and the continuation of the Levy from December 2012. The decrease in 2013-14 reflects a larger component of the Levy being spent on Infrastructure Projects. The budget for this component of the Road Safety Levy is reflected in the Road Safety and Traffic Management Output within the Capital Investment Program.
4. The increase in the Registration and Licensing Output in 2011-12 reflects the transfer of Motor Registry System amortisation to this Output.
5. The increase in the Vehicle Operations Output reflects a review of Output estimates by the Department.
6. The decrease in the Traffic Management and Engineering Services Output primarily reflects the completion of the Extra Low Voltage/Light Emitting Diode Traffic Signal initiative.
7. The decrease in Grants and Subsidies reflects a decrease in grant payments to Tasmanian Railways Pty Ltd and the completion of funding provided to Marine *and* Safety Tasmania for an upgrade of the Swansea Jetty and the Bicheno Jetty and Landing Stage.
8. The decrease in Special Capital Investment Funds reflects the completion of projects previously funded from the Urban Renewal and Heritage Fund, the Better Roads Fund and the Infrastructure Tasmania Fund.
9. The increase in the Energy Policy and Advice Output in 2011-12 primarily reflects the carry forward of funds from 2010-11 for the Renewable Energy Fund – King and Flinders Island, and funding provided by the Australian Government for the Remote Renewable Power Generation Program.
10. The increase in the Minerals Exploration and Land Management Output primarily reflects funding provided for the Forestry Transition Project. The decrease in 2013-14 reflects completion of the West Coast - Mine Marketing initiative. The decrease in 2014-15 reflects completion of the West Coast Geosciences Project.
11. The increase in the Support for the Minister Output is primarily due to the carry forward of funds from 2010-11 for the Promotion of Tasmanian Timber and Tasmanian Forest Industry Plan initiatives. The decrease from 2012-13 reflects the completion of this initiative.
12. The decrease in the Passenger Transport Output primarily reflects the completion of the Core Passenger Services Review, completion of a Business Case for Light Rail and completion of an Oil Price Vulnerability Study.
13. The increase in the Passenger Transport Innovation Output reflects the carry forward of funds from 2010-11 for this initiative. The decrease in 2012-13 reflects completion of the initiative.
14. The variations in the Transport Subsidies and Concessions and Grants Output Group and Grants and Subsidies reflects a restructure of Outputs within these items.
15. The movement in this Output reflects the impact of the Output Restructure which occurred during 2010-11.

Output Group 1: Infrastructure

Table 6.3 provides 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

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Infrastructure¹					
Expenses by Output					
1.1 Infrastructure Strategy ²	4 517	5 456	3 428	3 431	2 025
1.2 Rail Safety	522	549	546	540	573
1.3 Road Safety ³	8 000	8 970	9 568	8 449	8 530
1.4 Registration and Licensing ⁴	12 190	13 725	13 766	13 896	14 118
1.5 Vehicle Operations ⁵	3 568	4 640	4 699	4 740	4 826
1.6 Traffic Management and Engineering Services ⁶	7 586	7 391	6 063	5 998	6 093
1.7 Passenger Transport ⁷	3 850	3 682	2 888	2 907	2 953
1.8 Passenger Transport Innovation ⁸	3 500	4 650	....	....	....
	43 733	49 063	40 958	39 961	39 118
Retained Revenue	5 435	6 771	7 696	6 566	6 581
Net Cost of Output Group	38 298	42 292	33 262	33 395	32 537
Appropriation	106 744	84 500	61 378	50 982	30 259

Notes:

1. The Outputs in this Output Group have been subject to decreases due to the impact of the Budget Savings Strategies.
2. The increase in the Infrastructure Strategy Output in 2011-12 primarily reflects additional funding provided for Road Planning and Flinders Island Port Infrastructure. The decrease in 2012-13 reflects completion of the Flinders Island Port Infrastructure project. The decrease in 2014-15 reflects completion of funding for the Road Planning initiative.
3. The increase in the Road Safety Output until 2012-13 reflects an increase in the Road Safety Levy from \$20 to \$25 and the continuation of the Levy from December 2012. The decrease in 2013-14 reflects a larger component of the Levy being spent on Infrastructure Projects. The budget for this component of the Road Safety Levy is reflected in the Road Safety and Traffic Management Output within the Capital Investment Program.
4. The increase in the Registration and Licensing Output in 2011-12 reflects the transfer of Motor Registry System amortisation to this Output.
5. The increase in the Vehicle Operations Output reflects a review of Output estimates by the Department.
6. The decrease in the Traffic Management and Engineering Services Output primarily reflects the completion of the Extra Low Voltage/Light Emitting Diode Traffic Signal initiative.
7. The decrease in the Passenger Transport Output primarily reflects the completion of the Core Passenger Services Review, completion of a Business Case for Light Rail and completion of an Oil Price Vulnerability Study.
8. The increase in the Passenger Transport Innovation Output reflects the carry forward of funds from 2010-11 for this initiative. The decrease in 2012-13 reflects completion of the initiative.

1.1 Infrastructure Strategy

This Output delivers effective strategic policy and planning frameworks for the safe and efficient movement of people and freight, with a focus on:

- supporting the implementation and ongoing development of the *Tasmanian Infrastructure Strategy*;
- coordinating participation in the development of strategic infrastructure solutions across all levels of government; and
- developing transport infrastructure strategic policy and planning frameworks.

1.2 Rail Safety

This Output delivers Tasmania's rail safety regulatory regime. It aims to continuously improve rail safety through accreditation, auditing, safety investigation and enforcement.

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:

- developing, implementing and monitoring *Action Plan* initiatives under the *Tasmanian Road Safety Strategy 2007-2016*; and
- ongoing delivery of the Community Road Safety Partnerships (CRSP) program.

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.

1.5 Vehicle Operations

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

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 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; 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;
- administering contracts for the delivery of regular passenger transport services in metropolitan, urban fringe, regional and rural areas;
- implementing park and ride facilities in major urban areas, including implementation studies for Hobart and Launceston;
- undertaking a feasibility study into the establishment of a light rail service in Hobart, with a particular focus on use of the existing rail corridor; and
- a study into the vulnerability of the Tasmanian economy and community to sudden, severe or cumulative increases in the real price of petroleum products.

1.8 Passenger Transport Innovation

This Output is for the implementation of programs including those arising from the *Tasmanian Urban Passenger Transport Framework*.

Table 6.4: Performance Information - Output Group 1

Performance Measure¹	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Tasmanian Infrastructure Strategy goals achieved within published timeframe ²	%	na	na	100	100
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) ³	%	65	65	na	na
Nominated teachers attending Professional Development for the 9 and 10 Road Risk Reduction resource ³	%	100	90	na	na
Increasing the number of Local Government Community Road Safety Partnerships ⁴	Number	25	25	26	29
Motor Registry System availability	%	98	99	99	99

Table 6.4 Performance Information - Output Group 1 (continued)

Performance Measure ¹	Unit of Measure	2008 -09 Actual	2009 -10 Actual	2010 -11 Target	2011 -12 Target
Transport Enquiry Service – percentage of calls answered	%	83	89	95	95
Vehicles found to be unregistered of those checked ⁵	%	0.78	0.92	0.50 -0.75	0.50 -0.75
Heavy vehicles found overweight	%	4.77	4.8	7.0	5.0
Linemarking program achieved by the end of the financial year	%	100	100	100	100
Blackspot interventions in accordance with the program	%	100	86	100	100
ELV/LED technology integrated into the existing traffic signals system ⁶	%	2	2	40	47
Wheelchair accessible taxis (WATS) licensed	Number	46	57	55	66
Bus contracts qualifying for a capital payment	%	80.4	82.5	85.0	87.5

Notes:

1. 'na' indicates that data is not available or measurement has not yet commenced.
2. This is a new performance measure resulting from the release of the *Tasmanian Infrastructure Strategy* in February 2010.
3. The Government allocated \$180 000 over four years (2006-2010) for the development and implementation of a road safety education resource. This program has now been completed and transferred to the Department of Education for delivery.
4. There are 29 local government authorities in Tasmania.
5. 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).
6. This is a ten-year program, with 70 per cent to be completed in the first four 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.

Output Group 2: Energy Advisory and Regulatory Services

Table 6.5 provides financial information for the single Output under Output Group 2. A description of the Output follows the table.

Table 6.5: Summary Financial Information - Output Group 2

	2010 -11	2011 -12	2012 -13	2013 -14	2014 -15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Energy Advisory and Regulatory Services¹					
Expenses by Output					
2.1 Energy Policy and Advice ²	1 746	2 056	1 741	1 749	1 526
	1 746	2 056	1 741	1 749	1 526
Retained Revenue	466	476	476	476	476
Net Cost of Output Group	1 280	1 580	1 265	1 273	1 050
Appropriation	1 278	1 578	1 263	1 271	1 048

Notes:

1. The Output in this Output Group has been subject to decreases due to the impact of the Budget Savings Strategies.
2. The increase in the Energy Policy and Advice Output in 2011-12 primarily reflects the carry forward of funds from 2010-11 for the Renewable Energy Fund – King and Flinders Island, and funding provided by the Australian Government for the Remote Renewable Power Generation Program.

2.1 Energy Policy and Advice

This Output provides strategic advice and support to Ministers on matters affecting energy in Tasmania. The aim is to maintain an efficient and effective regulatory structure for the Tasmanian energy sector, with a focus on:

- advancing Tasmania's interests in National Energy Market reforms and developments;
- advancing Tasmania's interests in national energy policy developments;
- issues affecting the adequacy or security of Tasmanian supplies of electricity and gas;
- risk management and response preparedness for any large scale disruptions to energy supplies, including petroleum products;
- promoting increased efficiency in the supply and use of energy in Tasmania; and
- helping Tasmania to gain economic, social and environmental benefits from its advantages in renewable energy.

Table 6.6: Performance Information - Output Group 2

Performance Measure ¹	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Policy Advice					
Provision of effective support to the Government by providing information and advice to enable informed decision making	Satisfaction	4	4	≥4	≥4
National Energy Market Development					
Promote and protect Tasmanian interests in national energy market developments and reforms	Outcomes	4	4	≥4	≥4
Emergency Preparedness					
Maintain adequate frameworks to deal with major emergencies in electricity, gas or oil	Adequacy	4	4	≥4	≥4

Note:

1. Satisfaction is measured by feedback from the Minister's Office and the Director of Energy and Planning using a five-point scale where four is rated 'good'.

Output Group 3: Mineral Resources Management and Administration

Table 6.7 provides 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

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Mineral Resources Management and Administration¹					
Expenses by Output					
3.1 Minerals Exploration and Land Management ²	3 189	3 661	3 725	3 618	2 978
3.2 Tenement Management of the Exploration and Minerals Industry	3 113	3 298	3 205	3 129	3 178
	6 302	6 959	6 930	6 747	6 156
Retained Revenue	776	776	776	776	776
Net Cost of Output Group	5 526	6 183	6 154	5 971	5 380
Appropriation	5 823	6 478	6 436	6 244	5 653

Notes:

1. The Outputs in this Output Group have been subject to decreases due to the impact of the Budget Savings Strategies.
2. The increase in the Minerals Exploration and Land Management Output primarily reflects funding provided for the West Coast Geosciences Project and the Geotrail Feasibility initiative. The decrease in 2013-14 reflects completion of the West Coast - Mine Marketing initiative. The decrease in 2014-15 reflects completion of the West Coast Geosciences Project.

3.1 Minerals Exploration and Land Management

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

- improving the quality and quantity of geoscience information, essential to the encouragement of mineral exploration and responsible land management, including the continued development of a comprehensive three dimensional geological model of the State;
- promoting Tasmania nationally and internationally as being highly prospective for mineral exploration and mining through targeted and strategic marketing; and
- providing information for sustainable land use planning and infrastructure development decisions.

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 a resource of metallic and nonmetallic minerals, petroleum or geothermal energy is developed. This is achieved by focusing on:

- administering legal titles for mineral tenements; and
- managing the royalty regime, and collecting fees and rentals.

Table 6.8: Performance Information - Output Group 3

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Area covered by modern remote sensing data with subsequent 1:25 000 geological mapping coverage ¹	%	45.1	49.0	53.6	59.3
Programmed abandoned mining lands rehabilitation projects completed	%	97	80	100	100

Note:

1. The area covered by remote sensing data and subsequent geological mapping has increased due to the TasExplore program. The percentages are based on the present coverage of modern remote sensing data and reflect the quality and currency of the published geological mapping.

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

Table 6.9 provides 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

	2010-11	2011-12	2012-13	2013-14	2014-15
	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 ¹	3 362	3 783	666	668	679
	3 362	3 783	666	668	679
Net Cost of Output Group	3 362	3 783	666	668	679
Appropriation	3 357	3 778	661	663	674

Note:

1. The increase in the Support for the Minister Output is primarily due to the carry forward of funds from 2010-11 for the Promotion of Tasmanian Timber and Tasmanian Forest Industry Plan initiatives. The decrease from 2012-13 reflects the completion of this initiative.

4.1 Support for the Minister

This Output provides high-level support on forest 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 implementation of the Regional Forest Agreement and the Tasmanian Community Forest Agreement, and building support for the Tasmanian forest industry brand in international markets.

Table 6.10: Performance Information - Output Group 4

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
User Satisfaction Survey¹					
Set and maintain high standards in administrative process and policy development that meet the needs of the end -user:					
Minister	Satisfaction	Satisfied	Satisfied	Satisfaction	Satisfaction
Agency – Secretary / Deputy Secretary	Satisfaction	Satisfied	Satisfied	Satisfaction	Satisfaction

Note:

1. 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 6.11 provides financial information for each Output under Output Group 5. A description of the Outputs follows the table.

Table 6.11: Summary Financial Information - Output Group 5

	2010-11 Budget \$'000	2011-12 Budget \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Racing Policy and Regulation					
Expenses by Output					
5.1 Racing Regulation	3 485	3 691	3 657	3 668	3 728
5.2 Racing Policy	108	115	118	122	121
	3 593	3 806	3 775	3 790	3 849
Retained Revenue	536	536	536	536	536
Net Cost of Output Group	3 057	3 270	3 239	3 254	3 313
Appropriation	3 035	3 248	3 217	3 232	3 291

5.1 Racing Regulation

This Output delivers probity and integrity services to the Tasmanian racing industry. This is achieved by:

- registering race clubs;
- registering and licensing industry participants and racing animals;
- providing handicapping and grading services;
- providing stipendiary stewards;
- enforcing national and local rules of racing for each racing code;
- registering and regulating bookmakers and their agents;
- setting the integrity conditions applicable to all Tasmanian race field information publication approvals;
- providing administrative support to the Tasmanian Racing Appeal Board and the Integrity Assurance Board;
- representing the State and the local industry on national bodies and in national forums in terms of racing integrity and related matters; and
- ensuring compliance with the requirements of the *Racing Regulation Act 2004*.

5.2 Racing Policy

This Output delivers high-level research, analysis and policy advice to the Director of 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 6.12: Performance Information - Output Group 5

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Swabs taken by stewards	Number	2 910	3 512	3 600	3 700
Positive swabs to swabs taken	%	0.30	0.23	0.28	0.32
Suspensions, disqualifications and fines imposed by stewards on licensed persons	Number	452	395	410	410
Suspensions, disqualifications and fines appealed to the Tasmanian Racing Appeal Board	Number	29	25	10	12
Appeals to the Tasmanian Racing Appeal Board where conviction quashed	Number	2	6	2	2
Licence applications received	Number	1 652	1 632	1 650	1 650

Table 6.12 Performance Information - Output Group 5 (continued)

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Licence applications not referred to Licensing Panel approved within 14 days ¹	%	98	98	100	100
Appeals to the Integrity Assurance Board ²	Number	1	4	2	2
Races handicapped ³	Number	740	729	720	720
Races handicapped requiring a redraw due to errors	Number	2	....	1	....
Races graded ³	Number	1 537	1 569	1 570	1 570
Races graded requiring a redraw due to errors	Number	....	....	1	....

Notes:

1. Until 31 December 2008, interviews were conducted by Regulatory Panels. Following an industry restructure, interviews are now conducted by Racing Services Tasmania Licensing Panel.
2. The Integrity Assurance board was established on 1 January 2009.
3. The number of races conducted is determined by Tasracing.

Output Group 6: Transport Subsidies and Concessions

Table 6.13 provides financial information for each Output under Output Group 6. A description of the Outputs follows the table.

Table 6.13: Summary Financial Information - Output Group 6

	2010-11	2011-12	2012-13	2013-14	2014-15
	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	640	640	640	640	659
6.2 Furneaux Shipping Contract	274	279	286	288	288
6.3 King Island Shipping	49	49	49	49	49
6.4 Metropolitan General Access Regular Passenger Transport Services ¹	34 859	36 574	37 726	38 869	39 956
6.5 Rural and Special Needs School Bus Services	17 540	18 491	19 494	21 707	22 358
6.6 Non-Metropolitan General Access Regular Passenger Transport Services ¹	....	7 818	8 117	7 452	7 626
6.7 Construction of Streets in Towns	52	52	52	52	52
	53 414	63 903	66 364	69 057	70 988
Net Cost of Output Group	53 414	63 903	66 364	69 057	70 988
Appropriation	53 414	63 903	66 364	69 057	70 988

Note:

1. The movement in this Output reflects the impact of the Output Restructure which occurred during 2010-11.

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 arrangements for the provision of a shipping service to the Furneaux Group of Islands.

6.3 King Island Shipping

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

6.4 Metropolitan General Access Regular Passenger Transport Services

This Output relates to the contract funding provided to suppliers of public bus services, including school day only services in the metropolitan areas of Hobart, Launceston, Devonport and Burnie. Included in this Output is funding to Metro Tasmania of \$3.3 million per annum outside of the contract for service delivery for the Company to pursue a range of priorities including:

- improvements to off-bus infrastructure on major corridors; and
- undertaking research and marketing initiatives.

6.5 Rural and Special Needs School Bus Services

This Output relates to contract payments to operators of rural and special needs school buses during the school year.

6.6 Non-Metropolitan General Access Regular Passenger Transport Services

This Output relates to contract funding provided to suppliers of public bus services outside of the metropolitan areas of Hobart, Launceston, Devonport and Burnie but includes services to, from and between the metropolitan areas.

6.7 Construction of Streets in Towns

This Output contributes to the construction of streets as provided under the *Local Government (Highways) Act 1982* and the *Local Government Act 1993*.

CAPITAL INVESTMENT PROGRAM

Table 6.14 provides financial information for the Department's Capital Investment Program. Further information on the Capital Investment Program is provided in Chapter 8 Budget Paper No 1 *The Budget*.

Table 6.14: Capital Investment Program

	Estimated Total Cost	2011-12 Budget	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Infrastructure					
Arthur Highway upgrading between Taranna and Port Arthur, and Dunalley and Murdunna	18 000	1 470	6 815	5 900	3 000
Asset Management	Ongoing	5 125	5 257	5 375	5 505
Bagdad Bypass ¹	160	....	....	160	....
Bass Highway junction with Mersey Main Road upgrade	2 500	560	1 830	....	....
Bass Highway junction with Stanley Highway upgrade	1 500	160	1 250	....	....
Bell Bay Intermodal Terminal	9 120	6 920	2 200	....	....
Bell Bay Main Road improved port access near George Town	1 000	195	805	....	....
Brighton Bypass	188 700	19 000	13 540	....	....
Brighton Transport Hub	77 400	5 574	....	....	....
Brooker Highway	10 000	2 704	3 893	....	....
Environmental Management	Ongoing	500	512	525	538
Esk Main Road upgrading	5 000	750	1 910	1 760	....
Ferry Main Road at Kettering upgrade and Ferry Main Road Waste Water Treatment Plant and associated works	8 000	1 450	3 100	2 770	....
Highland Lakes Road sealing between Breona and Brandum Creek	2 500	1 900	550	....	....
Huon Highway upgrade including overtaking lanes and safety improvements	8 000	3 200	4 250	....	....
Illawarra Main Road	6 200	1 380	....	....	....
Infrastructure Development ²	Ongoing	6 793	1 120	4 413	126
Infrastructure Maintenance	Ongoing	58 946	60 294	61 447	55 655
Kingston Bypass	38 000	580	....	....	....
Mudwalls Road pavement improvement at the northern end	8 000	2 350	3 850	....	....

Table 6.14 Capital Investment Program (continued)

	Estimated Total Cost	2011 -12 Budget	2012 -13 Forward Estimate	2013 -14 Forward Estimate	2014 -15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Murchison Highway Upgrade	21 000	820	5 110	9 850	4 455
NBESP Heavy Vehicle Program	....	200	....	....	....
North East Freight Roads	42 500	7 930	15 300	14 020	....
Port Sorell Main Road	1 000	1 000	3 000	....	....
Program Management	Ongoing	2 406	2 317	2 218	2 280
Richmond Heavy Vehicle Link Road	6 000	660	3 250	1 880	....
Ridgley Main Road pavement upgrade	4 000	1 600	1 500	....	....
Road Safety and Traffic Management	Ongoing	10 907	13 594	15 278	12 816
Rokeby Main Road upgrading to improve access south of Howrah	10 000	40	930	8 450	....
Strategic Planning and Policy	Ongoing	2 584	2 640	2 693	2 753
Tarkine Drive	19 200	1 500	10 000	7 655	....
Tasman Highway junction with Coles Bay Road upgrade	300	300	....	....	....
Tasman Highway upgrading between Scottsdale and Launceston	4 000	760	420	2 820	....
West Tamar Highway junction with Corminston Road traffic signals	300	300	....	....	....
West Tamar Highway upgrading between Waldhorn Drive and Brady's Lookout	9 000	420	900	7 680	....
Total CIP Allocations		150 984	170 137	154 894	87 128

Notes:

1. The Bagdad Bypass allocation in 2013-14 is provided for project planning.
2. The Infrastructure Development allocation primarily reflects investment in the East Tamar Highway project. The decrease in funding in 2014-15 reflects the completion the existing five-year agreement with the Australian Government. Negotiations are underway for a new agreement between the State and the Australian Government.

Roads Program

The Roads Program directly contributes to the achievement of the Departmental outcome of a safe, sustainable and efficient transport system that enhances economic and social development. Major Roads Program activities funded from the Capital Investment Program during 2011-12 include:

- Brighton Transport Projects;
- completion of the Dilston Bypass on the East Tamar Highway;
- completion of the Kingston Bypass;
- the Tarkine Drive;
- the Community Roads Package;
- West Coast Roads; and
- ongoing bridge maintenance.

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

- Bell Bay Intermodal Terminal; and
- North East Freight Roads.

DETAILED BUDGET STATEMENTS

Table 6.15: Income Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	362 863	303 665	302 401	278 743	191 441
Fines and Regulatory Fees ²	9 984	11 294	13 755	13 155	13 155
Interest Revenue	75	....	....	....	....
Grants ³	11 670	1 069	1 069	1 069	1 069
Sales of Goods and Services	618	654	669	684	699
Other Revenue	1 046	1 046	1 046	1 046	1 046
	386 256	317 728	318 940	294 697	207 410
Less Expenses					
Employee Entitlements	33 691	35 878	36 902	36 591	36 398
Superannuation	3 965	3 912	3 968	3 911	3 951
Depreciation and Amortisation	95 429	99 969	104 731	109 492	109 492
Grants and Transfer Payments ⁴	65 290	71 677	67 094	69 768	71 689
Supplies and Consumables ⁵	47 580	51 739	47 727	47 872	39 376
Other Expenses ⁶	3 748	2 653	2 267	2 407	2 390
	249 703	265 828	262 689	270 041	263 296
Plus Gains/(Losses)					
Gain/(Loss) on Sale of Non-Financial Assets	4	4	4	4	4
	4	4	4	4	4
Equals OPERATING RESULT	136 557	51 904	56 255	24 660	(55 882)
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	131 387	132 674	134 198	136 211	136 211
Other Non-Owner Movements in Equity ⁷	(68 750)	(44 496)	(30 401)	(19 880)	....
	62 637	88 178	103 797	116 331	136 211
Equals COMPREHENSIVE INCOME	199 194	140 082	160 052	140 991	80 329

Notes:

1. The decrease in Revenue from Appropriation primarily reflects a reduction in Capital Investment Program expenditure and Australian Government contributions to Tasmanian Railway Pty Ltd.
2. The increase in Fines and Regulatory Fees primarily reflects an increase in the Road Safety Levy from \$20 to \$25 and continuation of the Levy from December 2012.
3. The decrease in Grants primarily reflects the completion of Special Capital Investment Fund projects.

4. The increase in Grants and Transfer Payments primarily reflects expenditure on the Passenger Transport Innovation initiative.
5. The increase in Supplies and Consumables in 2011-12 reflects additional funding provided for road planning and a transfer between expenditure classifications following a review of expenditure items.
6. The decrease in Other Expenses from 2011-12 reflects a transfer between expenditure classifications following a review of expenditure items.
7. The decrease in Other Non-Owner Movements relates to Equity contributions to Tasmanian Railway Pty Ltd.

Table 6.16: Revenue from Appropriation

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent	173 599	163 433	139 267	131 397	111 861
Works and Services	189 212	140 180	163 082	147 294	79 528
	362 811	303 613	302 349	278 691	191 389
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
Total Revenue from Appropriation	362 863	303 665	302 401	278 743	191 441

Table 6.17: Income Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	85 775	77 878	77 096	79 465	80 328
Taxation ²	30 033	33 970	34 762	35 694	36 738
Fines and Regulatory Fees	10 802	11 047	11 366	11 627	11 894
Grants	417	417	417	417	417
Sales of Goods and Services ³	41 299	53 121	57 563	57 646	57 731
Other Revenue	33	33	33	33	33
	168 359	176 466	181 237	184 882	187 141
Less Expenses					
Employee Entitlements	875	874	873	873	874
Superannuation	108	108	108	108	108
Depreciation and Amortisation	1	1	1	1	1
Grants and Transfer Payments ¹	85 639	77 743	76 962	79 331	80 193
Supplies and Consumables	639	639	639	639	639
Transfer to the Consolidated Fund ³	81 139	97 143	102 696	103 972	105 368
Other Expenses	79	79	79	79	79
	168 480	176 587	181 358	185 003	187 262
Plus Gains/(Losses)					
Gain/(Loss) on Sale of Non-Financial Assets	1	1	1	1	1
	1	1	1	1	1
Equals OPERATING RESULT	(120)	(120)	(120)	(120)	(120)
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	....	....	....	....	....
Other Non-Owner Movements in Equity	....	....	....	....	....
Equals COMPREHENSIVE INCOME	(120)	(120)	(120)	(120)	(120)

Notes:

1. The decrease in Revenue from Appropriation and Grants and Transfer Payments reflects a reclassification of expenditures as a result of a restructure of Outputs within the Transport Subsidies and Concessions Output and Grants and Subsidies.
2. The increase in Taxation primarily reflects an increase in Motor Vehicles Taxes and Fees and relates to an increase in the vehicle fleet and the continuing implementation of Automatic Number Plate Recognition technology.
3. The increase in Sales Goods and Services and Transfer to the Consolidated Fund primarily reflects an estimated increase in Mineral Royalties and a revised Royalty Regime.

Table 6.18: Administered Revenue

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue Collected on Behalf of the Consolidated					
Fund					
Commonwealth Capital Grants	262	262	262	262	262
Drivers Licences	7 809	8 008	8 275	8 482	8 694
Fines	12	12	12	12	12
MAIB Commission	2 125	2 178	2 231	2 287	2 344
Motor Vehicle Taxes and Fees ¹	30 033	33 970	34 762	35 694	36 738
Other Revenue	8	8	8	8	8
Other Sales of Services	1 365	1 381	1 398	1 415	1 433
Personalised and Custom Plates	317	330	402	412	422
Photo Licence Fees	1 583	1 623	1 668	1 709	1 751
Regulatory Fees	1 342	1 347	1 353	1 365	1 377
Royalty Income ²	36 210	47 950	52 250	52 250	52 250
Sales of Goods	33	33	33	33	33
Vehicle Inspection Services Fees	40	41	42	43	44
	81 139	97 143	102 696	103 972	105 368
Revenue from Appropriation					
Annual Appropriation	85 775	77 878	77 096	79 465	80 328
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	168 359	176 466	181 237	184 882	187 141

Notes:

1. The increase in Motor Vehicles Taxes and Fees reflects an increase in the vehicle fleet and the continuing implementation of Automatic Number Plate Recognition technology.
2. The increase in Royalty Income reflects an estimated increase in Mineral Royalties and a revised Royalty Regime.

Table 6.19: Administered Expenses

	2010-11	2011-12	2012-13	2013-14	2014-15
	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	1 589	1 040	1 042	1 042	1 042
Conveyance Allowance	1 449	1 500	1 552	1 630	1 630
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	2 868	2 916	2 951	2 975	3 004
Pensioner Air Travel Subsidy	9	10	10	10	10
Pensioner, Aged and Unemployed Concessions					
(Private Operators) ²	1 155	....	....	....	....
Private Forests Tasmania	1 393	1 408	1 464	1 502	1 545
Student-Only Passenger Based Regular Passenger					
Transport Services ²	26 440	20 564	21 725	23 662	24 174
Tasmanian Racing Assistance	27 203	27 339	27 612	27 888	28 167
Tasmanian Railway Pty Ltd ³	19 465	18 775	16 288	16 304	16 304
Transport Access Scheme	4 270	4 392	4 518	4 518	4 518
	87 341	79 444	78 662	81 031	81 894
Transfer to the Consolidated Fund	81 139	97 143	102 696	103 972	105 368
Total Administered Expenses	168 480	176 587	181 358	185 003	187 262

Notes:

1. The decrease in the Contribution to Marine *and* Safety Tasmania reflects the completion of an upgrade to the Swansea Jetty and the Bicheno Jetty and Landing Stage.
2. The changes in these Outputs in 2011-12 primarily reflect a restructure of Outputs the Transport Subsidies and Concessions Output and Grants and Subsidies.
3. The movement in payments to Tasmanian Railways Pty Ltd reflects Grants contributions by the Government for rail maintenance and administration.

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 of students who do not have access to government subsidised public passenger transport services for travel to and from school. It is intended to assist with the cost of providing private transport to the nearest bus stop, or school. Allowances are also paid to 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 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.

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 Northern Tasmania. The subsidy is a 50 per cent concession on one return airfare from their Island residence to Northern Tasmania each financial year.

Private Forests Tasmania

This payment represents the Government's contribution to Private Forests Tasmania (PFT). The objective of the PFT 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.

Student-Only Passenger Based Regular Passenger Transport Services

In accordance with Government policy, provision is made for payments to operators of contracted fare charging student-only bus services for the difference between the fare paid by students, set by Government policy, and that which would be charged if the services were operating on a commercial basis.

Tasmanian Racing Assistance

The Government will separately fund the Tasmanian Racing Industry under a legally binding deed, which will provide secure funding and create certainty for the industry. The annual funding allocation of \$27.0 million (indexed from 2009-10) will allow the Tasmanian Racing Board to facilitate key administration roles and functions, including the responsibility for the corporate governance, strategic direction and funding of the Tasmanian Racing Industry, as well as ratification of national rules, the making of local rules and the setting of licence standards and criteria.

Tasmanian Railway Pty Ltd

This payment represents the Government's Grant contributions to Tasmanian Railway Pty Ltd. The payment will allow Tasmanian Railway Pty Ltd to manage, maintain and operate the Tasmanian rail network on a sustainable basis and it also provides for critical annual maintenance of the Company's rolling stock assets.

Transport Access Scheme

Payments made to operators of taxis and wheelchair accessible taxis to support fare concessions and subsidies made available to eligible persons with permanent disabilities or medical conditions that significantly restrict their personal mobility.

Table 6.20: Balance Sheet as at 30 June

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	12 915	6 589	7 285	7 996	8 722
Receivables ²	2 116	1 242	1 242	1 242	1 242
Other Financial Assets ³	7 719	9 260	9 261	9 262	9 263
	22 750	17 091	17 788	18 500	19 227
Non-Financial Assets					
Land and Buildings ⁴	25 968	72 661	72 366	72 071	71 776
Infrastructure	5 032 576	5 119 209	5 281 989	5 425 722	5 508 778
Plant and Equipment ⁵	11 316	22 452	21 583	20 685	19 787
Intangibles ⁶	12 801	10 948	8 928	6 908	4 888
	5 082 661	5 225 270	5 384 866	5 525 386	5 605 229
Total Assets	5 105 411	5 242 361	5 402 654	5 543 886	5 624 456
Liabilities					
Employee Entitlements	11 496	11 286	11 527	11 768	12 009
Payables ⁷	7 742	16 216	16 216	16 216	16 216
Other Liabilities	2 450	2 219	2 219	2 219	2 219
Total Liabilities	21 688	29 721	29 962	30 203	30 444
NET ASSETS	5 083 723	5 212 640	5 372 692	5 513 683	5 594 012
Equity					
Accumulated Funds	2 830 871	2 869 017	2 894 871	2 899 651	2 843 769
Asset Revaluation Reserve	2 252 852	2 343 623	2 477 821	2 614 032	2 750 243
Total Equity	5 083 723	5 212 640	5 372 692	5 513 683	5 594 012

Notes:

1. The decrease in Cash and Deposits primarily reflects expenditure of funds held by the Department for the contribution of the East Tamar Highway and the Road Safety Levy program.
2. The decrease in Receivables reflects a more accurate estimate of these items based on 2009-10 actual results.
3. The increase in Other Financial Assets primarily reflects an expected increase in taxation reimbursements.
4. The increase in Land and Buildings reflects the addition of the rail corridor land asset valued at \$46.7 million.
5. The increase in Plant and Equipment reflects the reclassification of traffic signals assets from Infrastructure to Plant and Equipment.
6. The decrease in Intangibles reflects the amortisation of the Motor Registry System.
7. The increase in Payables reflects more accurate estimate of these items based on 2009-10 actual results.

Table 6.21: Balance Sheet as at 30 June – Administered

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	2 395	1 248	1 143	1 038	933
Investments	201	....	....	....	....
Receivables ²	721	264	264	264	264
Other Financial Assets	524	420	420	420	420
	3 841	1 932	1 827	1 722	1 617
Non-Financial Assets					
Plant and Equipment	46	48	48	48	48
	46	48	48	48	48
Total Assets	3 887	1 980	1 875	1 770	1 665
Liabilities					
Employee Entitlements	420	450	465	480	495
Payables	99	70	70	70	70
Other Liabilities ³	1 447	....	....	....	....
Total Liabilities	1 966	520	535	550	565
NET ASSETS	1 921	1 460	1 340	1 220	1 100
Equity					
Accumulated Funds	1 921	1 460	1 340	1 220	1 100
Total Equity	1 921	1 460	1 340	1 220	1 100

Notes:

1. The decrease in Cash and Deposits reflects more accurate estimates of these items based on 2009-10 actual results.
2. The decrease in Receivables reflects a more accurate projection of these items based on 2009-10 actual results.
3. The decrease in Other Liabilities reflects a more accurate estimate of these items based on 2009-10 actual results.

Table 6.22: Cash Flow Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	362 811	303 613	302 349	278 691	191 389
Reserved by Law	52	52	52	52	52
Fines and Regulatory Fees ²	9 984	11 294	13 755	13 155	13 155
Interest Received	75	....	....	....	....
Grants ³	11 670	1 069	1 069	1 069	1 069
Sales of Goods and Services	618	654	669	684	699
GST Receipts	10 398	10 398	10 398	10 398	10 398
Other Receipts	1 046	1 046	1 046	1 046	1 046
	396 654	328 126	329 338	305 095	217 808
Cash Paid					
Employee Entitlements	(33 450)	(35 637)	(36 661)	(36 350)	(36 157)
Superannuation	(3 965)	(3 912)	(3 968)	(3 911)	(3 951)
Grants and Transfer Payments ⁴	(65 290)	(71 677)	(67 094)	(69 768)	(71 689)
Supplies and Consumables ⁵	(47 580)	(51 739)	(47 727)	(47 872)	(39 376)
GST Payments	(10 399)	(10 399)	(10 399)	(10 399)	(10 399)
Other Payments	(3 748)	(2 653)	(2 267)	(2 407)	(2 390)
	(164 432)	(176 017)	(168 116)	(170 707)	(163 962)
Net Cash Flows from Operating Activities	232 222	152 109	161 222	134 388	53 846
Cash Flows from Investing Activities					
Sale of Fixed Assets	4	4	4	4	4
Purchase of Fixed Assets ⁶	(184 057)	(112 236)	(130 129)	(113 801)	(53 124)
Net Purchase of Investments ⁷	(68 750)	(44 496)	(30 401)	(19 880)	....
Net Cash Flows from Investing Activities	(252 803)	(156 728)	(160 526)	(133 677)	(53 120)
Net Increase/(Decrease) in Cash Held	(20 581)	(4 619)	696	711	726
Cash at the Beginning of the Year	33 496	11 208	6 589	7 285	7 996
Cash at the End of the Year	12 915	6 589	7 285	7 996	8 722

Notes:

1. The decrease in Revenue from Appropriation primarily reflects a reduction in Capital Investment Program expenditure and Australian Government contributions to Tasmanian Railway Pty Ltd.
2. The increase in Fines and Regulatory Fees primarily reflects an increase in the Road Safety Levy from \$20 to \$25 and continuation of the Levy from December 2012.
3. The decrease in Grants primarily reflects the completion of Special Capital Investment Fund projects.

4. The increase in Grants and Transfer Payments primarily reflects expenditure on the Passenger Transport Innovation initiative.
5. The increase in Supplies and Consumables in 2011-12 reflects additional funding provided for road planning and a transfer between expenditure classifications following a review of expenditure items.
6. The decrease in Purchase of Fixed Assets reflects a decrease in funding provided by the Australian Government for Infrastructure Projects and the completion of Special Capital Investment Fund projects.
7. The decrease in Net Purchase of Investments reflects Equity contributions by the Australian Government.

Table 6.23: Cash Flow Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	85 775	77 878	77 096	79 465	80 328
Taxation ²	30 033	33 970	34 762	35 694	36 738
Fines and Regulatory Fees	10 802	11 047	11 366	11 627	11 894
Grants	417	417	417	417	417
Sales of Goods and Services ³	41 299	53 121	57 563	57 646	57 731
Other Receipts	33	33	33	33	33
	168 359	176 466	181 237	184 882	187 141
Cash Paid					
Employee Entitlements	(860)	(859)	(858)	(858)	(859)
Superannuation	(108)	(108)	(108)	(108)	(108)
Grants and Transfer Payments ⁴	(85 639)	(77 743)	(76 962)	(79 331)	(80 193)
Supplies and Consumables	(639)	(639)	(639)	(639)	(639)
Transfers to the Consolidated Fund	(81 139)	(97 143)	(102 696)	(103 972)	(105 368)
Other Payments	(79)	(79)	(79)	(79)	(79)
	(168 464)	(176 571)	(181 342)	(184 987)	(187 246)
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 Cash Flows From Investing Activities	....	....	....	....	....
Net Increase/(Decrease) In Cash Held	(105)	(105)	(105)	(105)	(105)
Cash at the Beginning of the Year	2 500	1 353	1 248	1 143	1 038
Cash at the End of the Year	2 395	1 248	1 143	1 038	933

Notes:

1. The decrease in Appropriation and Grants and Transfer Payments reflects a reclassification of expenditures as a result of a restructure of Outputs within Transport Subsidies and Concessions Output and Grants and Subsidies.
2. The increase in Taxation reflects an increase in Motor Vehicles Taxes and Fees and relates to an increase in the vehicle fleet and the continuing implementation of Automatic Number Plate Recognition technology.
3. The increase in Sales Goods and Services and Transfer to the Consolidated Fund primarily reflects an estimated increase in Mineral Royalties and a revised Royalty Regime.
4. The decrease in Grants and Transfer Payments reflects a reclassification of expenditures as a result of a restructure of Outputs within the Transport Subsidies and Concessions Outputs and Grants and Subsidies.

7 DEPARTMENT OF JUSTICE

AGENCY OUTLINE

The Department of Justice provides services that maintain and promote rights and responsibilities, resolve disputes, and contribute to the aim of a safer and more inclusive society to benefit the Tasmanian community as a whole.

The Department is responsible to the Attorney-General and Minister for Justice, Brian Wightman MP; the Minister for Corrections and Consumer Protection, Hon Nick McKim MP; the Minister for Workplace Relations, Hon David O'Byrne MP; and the Minister for Planning, Hon Bryan Green MP.

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

The Department comprises: Corrective Services; Crown Law; the Office of Consumer Affairs and Fair Trading; the Registry of Births, Deaths and Marriages; Workplace Standards Tasmania; Monetary Penalties Enforcement Service; Victims Support Services; Legislation Development and Review; Strategic Policies and Projects; Corporate Services; Office of the Secretary; Industrial Relations (Private Sector); and the State Architect.

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

- increase safety in the Tasmanian community;
- enhance the rights and responsibilities of the Tasmanian community;
- improve the effectiveness of services delivered to the Tasmanian community; and
- enhance Tasmania's regulatory frameworks.

This chapter provides the Department's financial information for 2011-12 and over the Forward Estimates period (2012-13 to 2014-15). Further information on the Department is available at <http://www.justice.tas.gov.au>.

MAJOR INITIATIVES

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

Table 7.1: Major Initiatives Statement

	2011-12	2012-13	2013-14	2014-15
	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000
Monetary Penalties Enforcement Service	1 200	....	....	....
Planning Reform Initiative	1 455	1 610	1 500	1 500
Prisons Infrastructure Redevelopment Program Stage D	3 500	13 400	3 170	....
Unions Tasmania - Worker Assist Initiative	100	....	....	....

Monetary Penalties Enforcement Service

Additional funding has been provided to the Monetary Penalties Enforcement Service to assist with increased activity with the enforcement and collection of fines.

Planning Reform Initiative

This initiative is to establish a single integrated planning system for Tasmania. The changes are to deliver microeconomic reform, improved planning services for the community and support sustainable development and economic growth.

The reforms aim to strengthen the role of state-wide and regional strategic planning by integrating land use, infrastructure, environmental, social and economic development plans and implementing relevant components through new, consistent and contemporary planning schemes (currently being prepared by councils in accordance with the new Planning Scheme Template for Tasmania - Planning Directive No.1).

Additional funding has been provided for the implementation of the next stage of the Government's planning reforms. The additional funding has been provided to:

- complete implementation of the final stages of the Regional Planning Initiative including assessment of new council planning schemes prepared in accordance with the Planning Scheme Template;
- use evidence and place based monitoring to evaluate performance of state-wide and regional strategies and new Planning Schemes;
- establish effective governance arrangements for State Government, councils, stakeholders and the community to work together to progress ongoing regional planning and planning reform;
- facilitate the use of contemporary technology and communication programs to simplify and demystify planning processes for the users of the system, the community and stakeholders; and
- participate in the national planning reform agenda.

Prisons Infrastructure Redevelopment Program Stage D

Preliminary planning for Stage D of the Prisons Infrastructure Redevelopment Program commenced during 2010-11. Stage D of the Program builds on the major capital improvements implemented on the Risdon site in Stage C. The funding allocations for Stage D have been brought forward by one year to maintain project momentum and advance Goal 2 of *Breaking the Cycle: A Strategic Plan for Tasmanian Corrections 2011-2020*.

Unions Tasmania - Worker Assist Initiative

Funding of \$100 000 is provided in 2011-12 to Unions Tasmania to assist in the development of a pilot Worker Assist scheme to assist workers in pursuing workers' compensation claims. The pilot for the scheme is intended to provide a flexible, timely and cost effective service for Tasmanian workers injured either through workplace accidents or exposure to asbestos in the workplace.

AGENCY SAVINGS STRATEGIES

In accordance with the Government's objective to return the Budget to a sustainable position, the Department of Justice will achieve savings of \$2.9 million in 2011-12, increasing to \$4.1 million in 2014-15. Savings strategies will include:

- reviewing the role of the Tasmanian Industrial Commission;
- increased recovery of award payments under the Victims of Crime Assistance scheme from convicted offenders;
- the wind-up of the Sullivans Cove Waterfront Authority and the return of planning responsibilities to the Hobart City Council;
- reviewing the Department's procurement activities and travel costs; and
- gaining efficiencies across the Department's administrative activities.

The impact of these strategies is reflected in the financial information provided in this chapter.

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 Services.

Table 7.2 provides an Output Group Expense Summary for the Department.

Table 7.2: Output Group Expense Summary

	2010-11	2011-12	2012-13	2013-14	2014-15
	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	9 467	10 031	10 318	10 558	10 749
1.2 Magisterial Court Services	12 970	12 761	13 154	13 488	13 745
1.3 Enforcement of Monetary Penalties ¹	4 601	5 863	4 766	4 854	4 952
1.4 Support and Compensation for Victims of Crime and Others ²	9 285	7 970	8 103	8 272	8 403
1.5 Legal Aid	11 238	11 530	11 822	12 059	12 244
1.6 Protective Jurisdictions ³	1 791	1 811	1 864	1 898	1 940
	49 352	49 966	50 027	51 129	52 033
Output Group 2 - Legal Services					
2.1 Crown Law	3 242	3 261	3 214	3 250	3 270
2.2 Legislation Development and Review	599	602	615	625	638
	3 841	3 863	3 829	3 875	3 908
Output Group 3 - Registration Services					
3.1 Births Deaths and Marriages	1 281	1 336	1 360	1 379	1 401
Output Group 4 - Review Services					
4.1 Anti-Discrimination Commission	1 172	1 191	1 216	1 235	1 257
Output Group 5 - Electoral Services					
5.1 Elections and Referendums ⁴	2 028	2 954	2 103	5 523	3 734
Output Group 7 - Other Services					
7.1 Supervision of Poppy and Hemp Crops	673	689	691	691	691
Minister for Planning					
Output Group 10 - Resource Planning					
10.1 State Architect ⁵	331	260	260	267	271
10.2 Tasmanian Planning Commission ⁶	2 836	4 278	4 545	4 513	4 612
10.3 Resource Management Planning Appeals Tribunal ⁵	1 460	1 272	1 317	1 342	1 374
	4 627	5 810	6 122	6 122	6 257

Table 7.2 Output Group Expense Summary (continued)

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Minister for Planning (continued)					
Grants and Subsidies ⁷	1 755	335	....	....	....
Special Capital Investment Funds ⁸	250	....	....	....	....
Minister for Corrections and Consumer Protection					
Output Group 6 - Corrective Services					
6.1 Prison Services	50 693	51 992	53 146	53 712	54 769
6.2 Community Corrective Services ²	5 955	7 517	7 725	7 883	8 069
	56 648	59 509	60 871	61 595	62 838
Output Group 8 - Consumer Services					
8.1 Fair, Safe and Equitable Marketplace	4 304	4 266	4 445	4 629	4 698
Minister for Workplace Relations					
Output Group 9 - Industrial Relations Services					
9.1 Services of the Tasmanian Industrial Commission ⁹	2 259	1 506	1 285	1 308	1 334
9.2 Workers Rehabilitation and Compensation Tribunal Decisions	1 179	1 156	1 157	1 158	1 159
9.3 Industrial Relations Policy and Advocacy Services ¹⁰	298	186	186	186	186
	3 736	2 848	2 628	2 652	2 679
Output Group 11 - Workplace Services					
11.1 Workplace Standards	15 947	15 401	15 652	15 921	16 183
Grants and Subsidies	5 375	5 853	5 995	6 137	6 277
TOTAL	150 989	154 021	154 939	160 888	161 956

Notes:

1. The increase in the Enforcement of Monetary Penalties Output in 2011-12 primarily reflects additional funding provided to the Monetary Penalties Enforcement Service for increased activity in the collection of outstanding fines.
2. The decrease in the Support and Compensation for the Victims of Crime Output (Output 1.4) and the increase in the Community Corrective Services Output (Output 6.2), primarily reflects the transfer in responsibility of the Australian Government funded Court Mandated Diversion (CMD) program to Community Corrective Services.
3. The Protective Jurisdictions Output was previously entitled Mental Health Review and Guardianship Board Decisions.

4. The increase in the Elections and Referendums Output in 2011-12 reflects the timing of local government elections overseen by the Tasmanian Electoral Commission. The increase in 2013-14 reflects the anticipated timing of the next House of Assembly election. The funding for parliamentary elections is a Reserved by Law item.
5. The decrease in the State Architect Output and the Resource Management Planning Appeals Tribunal Output are primarily due to a rebasing of corporate overhead expenses across the Department during 2010-11.
6. The increase in the Tasmanian Planning Commission Output primarily reflects additional funding provided for the next stage of the regional planning reform agenda.
7. The decrease in Grants and Subsidies in 2011-12 and the ceasing of funding from 2012-13 reflects the winding up of the Sullivans Cove Waterfront Authority during 2011-12.
8. The decrease in Special Capital Investment Funds reflects the completion of the Franklin Wharf Redevelopment project during 2010-11.
9. The decrease in the Services of the Tasmanian Industrial Commission Output primarily reflects the changes to support services and lease costs for services provided.
10. The decrease in the Industrial Relations Policy and Advocacy Services primarily reflects a reduction in the level of resources required to deliver these services.

Output Group 1: Administration of Justice

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

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Administration of Justice					
Expenses by Output					
1.1 Supreme Court Services	9 467	10 031	10 318	10 558	10 749
1.2 Magisterial Court Services	12 970	12 761	13 154	13 488	13 745
1.3 Enforcement of Monetary Penalties ¹	4 601	5 863	4 766	4 854	4 952
1.4 Support and Compensation for Victims of Crime and Others ²	9 285	7 970	8 103	8 272	8 403
1.5 Legal Aid	11 238	11 530	11 822	12 059	12 244
1.6 Protective Jurisdictions ³	1 791	1 811	1 864	1 898	1 940
	49 352	49 966	50 027	51 129	52 033
Retained Revenue	1 348	1 359	1 377	1 395	1 409
Net Cost of Output Group	48 004	48 607	48 650	49 734	50 624
Appropriation	46 689	47 291	47 352	48 454	49 358

Notes:

1. The increase in the Enforcement of Monetary Penalties Output in 2011-12 primarily reflects additional funding provided to the Monetary Penalties Enforcement Service for increased activity in the collection of outstanding fines.
2. The decrease in the Support and Compensation for the Victims of Crime Output primarily reflects the transfer in responsibility of the Australian Government funded Court Mandated Diversion (CMD) program to Community Corrective Services.

3. The Protective Jurisdictions Output was previously entitled Mental Health Review and Guardianship Board Decisions.

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 and a range of other decision making bodies.

1.2 Magisterial Court Services

This Output facilitates the operation of Tasmania's Magistrates Courts in the Hobart, Launceston, Devonport and Burnie registries and several country courts in which Magistrates sit 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 manages services provided by the Department 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 advice and education and legal representation on a means tested basis. It operates under State legislation with joint State and Australian Government funding and provides services in accordance with an Australian Government-State Government agreement.

1.6 Protective Jurisdictions

This Output includes:

- the Guardianship and Administration Board, which determines applications and performs functions under the *Guardianship and Administration Act 1995*, the *Mental Health Act 1996*, the *Wills Act 2008* and the *Powers of Attorney Act 2000*. These functions primarily relate to appointing guardians and administrators for persons with disabilities, registering and reviewing appointments of enduring guardians, reviewing enduring powers of attorney for persons with a disability under the *Powers of Attorney Act 2000* and creating statutory wills;
- the Public Guardian, who when appointed by the Guardianship and Administration Board, acts as the guardian or administrator for persons with decision making disabilities, promotes and protects their interests, and provides education on the operation of the *Guardianship and Administration Act 1995*;
- the Mental Health Tribunal, which conducts hearings to determine whether it is necessary for a person who has been placed on an involuntary order under the *Mental Health Act 1996* to continue to be treated as an involuntary patient; and

- the Forensic Tribunal, which determines the appropriateness of a patient remaining the subject of a restriction or supervision order, the treatment that the person can be subjected to without their consent and the restrictions that can be placed upon their freedoms, in accordance with the *Criminal Justice (Mental Impairment) Act 1999*.

Table 7.4: Performance Information - Output Group 1

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Supreme Court – Criminal Jurisdiction					
Pending cases older than 12 months	%	9.6	12.1	10.0	10.0
Real net recurrent expenditure per finalisation ¹	\$	7 761	9 921	8 400	9 900
Supreme Court – Civil Jurisdiction					
Pending cases older than 12 months	%	33.6	38.4	37.0	35.0
Real net recurrent expenditure per finalisation ¹	\$	3 010	3 179	3 300	3 300
Magistrates Court – Criminal Jurisdiction					
Pending cases older than six months	%	36.6	33.1	30.0	30.0
Real net recurrent expenditure per finalisation ¹	\$	288	354	380	380
Magistrates Court – Youth Justice Division					
Pending cases older than six months	%	27.0	27.9	20.0	20.0
Real net recurrent expenditure per finalisation ¹	\$	295	292	400	400
Magistrates Court – Civil Division					
Pending cases older than six months ²	%	40.4	41.8	30.0	30.0
Real net recurrent expenditure per finalisation ¹	\$	94	87	90	90
Magistrates Court – Coronial Division					
Pending cases older than 12 months	%	23.4	29.6	20.0	20.0
Real net recurrent expenditure per finalisation ¹	\$	1 607	1 034	1 900	1 900
Enforcement of Monetary Penalties					
Fine Collection Rate	%	84	90	87	94
Protective Jurisdictions - Guardianship and Administration Board					
Matters determined within statutory time frame ³	%	98.5	90.0	97.0	100.0
Number of hearings per sitting ³	Number	3.7	4.6	4.0	4.0
Protective Jurisdictions – Mental Health Tribunal					
Matters determined within statutory time frame ³	%	94.0	92.0	99.0	99.0
Matters listed for hearing but discharged prior to hearing ³	%	46.0	52.0	55.0	55.0

Notes:

1. Actual 2008-09 amounts have changed from actual amounts published in the 2010-11 Budget to reflect the amounts in 2009-10 dollars, as published in the Productivity Commission's *Report on Government Services 2011*.
2. Actual 2008-09 Magistrates Court – Civil Division proportion of cases older than six months has been changed from the figures published in the 2010-11 Budget to reflect a revision of the data made possible by the introduction of a new computer system in the Magistrates Court.
3. This is a new performance measure for the 2011-12 Budget.

Performance Information Comments

Table 7.4 reports actual and target data for efficiency and effectiveness indicators for the Administration of Justice Output Group. Indicators for court services are taken from Chapter 7 (Court Administration) of the Productivity Commission's *Report on Government Services 2011*. The indicators are:

- Backlog indicator or Pending cases older than a given time period is an indicator of the timeliness of case processing. It is derived by comparing the age (in elapsed time) of a court's pending caseload against time standards. The indicator recognises that case processing must take some time and that this time does not necessarily equal delay. Timeliness is often affected by delays caused by factors outside the direct control of the court such as the preparedness and availability of the parties, prosecutors, legal representatives and witnesses;
- Cost per finalisation or real net recurrent expenditure per finalisation is an indicator of efficiency. This indicator is not a measure of the actual cost per case. It is derived by dividing the total net recurrent expenditure (Net expenditure refers to expenditure minus income, where income is derived from court fees and other revenue but excludes revenue from fines) within each court for the financial year by the total number of finalisations for the same period; and
- Fine Collection Rate – an indicator of the effectiveness of the fines collection and enforcement process. It shows the value of penalties collected or satisfied during the period as a proportion of the net value (ie penalties imposed less penalties withdrawn) of penalties imposed.

Supreme Court – Criminal Jurisdiction

The Court continues to aim to better the national standard of no more than 10 per cent of pending cases being older than 12 months. However, it should be noted that a relatively small number of cases can have a significant impact on Court indicators.

Supreme Court – Civil Jurisdiction

The age of pending cases is partially due to the Court's active case management process which focuses on ensuring cases are ready for trial. Once cases are ready for trial, there is a minimal delay in listing them before a judge. However, it should be noted that a relatively small number of cases can have a significant impact on Court indicators.

Magistrates Court – Criminal Jurisdiction and Youth Justice Division

The Magistrates Court is continuing to implement a number of initiatives aimed at reducing the proportion of cases older than 12 months old. It is anticipated these initiatives will lead to a modest improvement in pending cases indicator. The Youth Justice Division deals with young offenders under the *Youth Justice Act 1997*.

Magistrates Court – Coronial Division

The net recurrent expenditure per finalisation in the Coronial Division is particularly sensitive to the number of significant coronial hearings held in a year. The target for 2009-10 reflects expenditure per finalisation, which is below the state and territory average for coronial jurisdictions.

Enforcement of Monetary Penalties

The fine collection rate is an indicator of the effectiveness of the enforcement of monetary penalties. The commencement of the *Monetary Penalties Enforcement Act 2005* in April 2008 provided a wider range of tools for enforcing monetary penalties and consequently improving the fine collection rate.

The actual collection rate achieved for 2008-09 (84 per cent) significantly exceeded the target published in the 2008-09 Budget paper (67 per cent). The Department expects that the collection rate for 2010-11 will again exceed the published target. The target for 2011-12 has been set to reflect a continuation of this improved performance.

Protective Jurisdictions

The protective jurisdictions are responsible for reviewing orders and hearing applications relating to rights of, and protections for, persons with decision making disabilities. Because of the nature of the decisions, there are statutory requirements to perform the functions within a defined timeframe.

The percentage of matters determined within the statutory timeframe is an indicator of the effectiveness of the jurisdictions in managing their caseloads within the defined timeframe.

One of the significant costs of these jurisdictions is the payment of Board and Tribunal members to preside over hearings. The number of hearings per sitting (or session) is an indicator of the efficiency of the hearing processes adopted by the Guardianship and Administration Board. However, too many hearings per sitting (ie less time for consideration) may undermine the quality of decision making by Board members.

The Mental Health Tribunal, unlike the Guardianship and Administration Board and the Forensic Tribunal, does not make orders, it reviews orders made by approved psychiatrists who have the power to discharge the order prior to the hearing of the matter. The Tribunal's workload includes preparation for hearings of many matters that are discharged prior to the hearing. These discharges are considered a measure of the effectiveness of the Tribunal processes. The sending out of the hearing notice prompts a review of the patient's status and patients who no longer fit the criteria under the Act are discharged by the treating team. Whilst on each hearing day an average of six hearings will be listed, approximately half of these will be discharged prior to hearing.

Output Group 2: Legal Services

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

Table 7.5: Summary Financial Information - Output Group 2

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Legal Services</i>					
Expenses by Output					
2.1 Crown Law	3 242	3 261	3 214	3 250	3 270
2.2 Legislation Development and Review	599	602	615	625	638
	3 841	3 863	3 829	3 875	3 908
Retained Revenue	2 012	2 032	2 047	2 062	2 077
Net Cost of Output Group	1 829	1 831	1 782	1 813	1 831
Appropriation	1 719	1 714	1 674	1 713	1 746

2.1 Crown Law

This Output aims to protect the interests of the Crown by providing legal services and advice.

2.2 Legislation Development and Review

This Output provides research services and advice to assist the Attorney-General with the formation of new policies and legislation. It provides support to the Attorney-General in the discharge of parliamentary, legal and ministerial duties and participation in a range of ministerial councils. It also aims to ensure that laws meet contemporary needs and provides some services to other agencies relating to the legislative process.

Table 7.6: Performance Information - Output Group 2

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Crown Law					
Chargeable Time – Office of the Crown Solicitor	%	63	65	60	60

Performance Information Comments

The performance indicator for this Output Group focuses on the demand for the services provided and the effective use of legal practitioners' time. The target of 60 per cent of practitioners' time being chargeable is based on the normal expectation in private practice.

Output Group 3: Registration Services

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

Table 7.7: Summary Financial Information - Output Group 3

	2010-11 Budget \$'000	2011-12 Budget \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Registration Services					
Expenses by Output					
3.1 Births Deaths and Marriages	1 281	1 336	1 360	1 379	1 401
	1 281	1 336	1 360	1 379	1 401
Retained Revenue	319	326	330	334	340
Net Cost of Output Group	962	1 010	1 030	1 045	1 061
Appropriation	956	1 004	1 028	1 047	1 069

3.1 Births Deaths and Marriages

This Output provides services involving the registration of a range of life events which legislation requires or enables to be registered. By the provision of these services, it aims to preserve the rights of individuals including the right to a unique identity.

Table 7.8: Performance Information - Output Group 3

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Unit Cost per Transaction	\$	11.87	12.06	11.95	12.00
Registration within 3 days of receipt	%	85	80	90	80
Certificates within 3 days of receipt ¹	%	60	60	90	60

Note:

1. Priority certificates are issued on same day of receipt of the application.

Performance Information Comments

The performance assessment for this Output Group focuses on efficiency and timeliness of this Output Group's service delivery.

Unit cost per transaction represents the aggregation of a wide range of transaction types. These transaction types include: the registration and provision of certificates for births, deaths and marriages; changes of name; paternity acknowledgment; legitimations; 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 sensitive to variations in demand, as the Output Group has a high proportion of fixed costs.

Output Group 4: Review Services

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

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Review Services					
Expenses by Output					
4.1 Anti-Discrimination Commissioner	1 172	1 191	1 216	1 235	1 257
	1 172	1 191	1 216	1 235	1 257
Retained Revenue	137	152	154	156	158
Net Cost of Output Group	1 035	1 039	1 062	1 079	1 099
Appropriation	1 029	1 033	1 058	1 077	1 099

4.1 Anti-Discrimination Commissioner

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 7.10: Performance Information - Output Group 4

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Accepted complaints to the Tasmanian Anti-Discrimination Commissioner (TT) ^{1,2}	Number of Complaints	315	171	171	171

Notes:

1. The performance measure for this Output has been changed from '% Reduction from 2005' to 'Number of Complaints' to more closely represent its presentation in the Tasmania *Together* progress report.
2. (TT) denotes that this Performance Information is linked directly to a Tasmania *Together* benchmark.

Performance Information Comments

This indicator comes under Goal 5 of Tasmania *Together*. 'Vibrant; inclusive and growing communities where people feel valued and connected'. The rationale for the indicator is that a reduction in the number of accepted complaints can reflect greater tolerance and respect in our society. The Tasmania *Together* target is for a yearly 5 per cent compounding reduction in accepted complaints from a baseline level of 99 recorded for the year ending 30 June 2004.

The data recorded since 30 June 2004 has shown marked volatility for this indicator. The year on year variation has averaged over plus or minus 40 per cent.

It is likely that the yearly variation does not reflect changes in tolerance and respect in our society. It is more likely to reflect increasing awareness of the Commissioner's role and random fluctuations in the data.

Output Group 5: Electoral Services

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

Table 7.11: Summary Financial Information - Output Group 5

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Electoral Services					
Expenses by Output					
5.1 Elections and Referendums ¹	2 028	2 954	2 103	5 523	3 734
	2 028	2 954	2 103	5 523	3 734
Retained Revenue²	200	1 200	200	1 200	200
Net Cost of Output Group	1 828	1 754	1 903	4 323	3 534
Appropriation³	1 816	1 742	1 891	4 311	2 522

Notes:

1. The increase in the Elections and Referendums Output in 2011-12 reflects the timing of local government elections overseen by the Tasmanian Electoral Commission. The increase in 2013-14 reflects the anticipated timing of the next House of Assembly election. The funding for parliamentary elections is a Reserved by Law item.
2. The movements in Retained Revenue primarily reflect the timing of local government elections conducted by the Tasmanian Electoral Commission and the associated recovery of costs.
3. The increase in the Appropriation in 2013-14 reflects the anticipated timing of the next House of Assembly election.

5.1 Elections and Referendums

This Output Group is responsible 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 and systems, and the implementation of electoral boundary redistributions.

Table 7.12: Performance Information - Output Group 5

Performance Measure	Unit of Measure	2002 Actual	2006 Actual	2010 Actual	2014 Target
House of Assembly Elections					
House of Assembly Election Participation Rate	%	93.7	94.9	93.9	95.0
House of Assembly Rate of Informal Votes	%	4.9	4.4	4.4	4.0
<hr/>					
Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Legislative Council Elections					
Legislative Council Election Participation Rate	%	82.9	83.0	85.0	85.0
Legislative Council Rate of Informal Votes	%	3.5	3.8	4.0	3.5
Legislative Council – Election Cost Per Enrolled Elector	\$	5.86	4.93	6.20	6.30
Roll Maintenance Cost per Elector	\$	0.63	0.67	0.67	0.70

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 Commission breaks down effective votes by election (House of Assembly and Legislative Council) and reports separately on participation rate (ie proportion of enrolled voters who lodged a formal vote), and whether voters cast their votes correctly (ie informal votes as a proportion of the total votes cast).

Output Group 6: Corrective Services

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

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Corrective Services					
Expenses by Output					
6.1 Prison Services	50 693	51 992	53 146	53 712	54 769
6.2 Community Corrective Services ¹	5 955	7 517	7 725	7 883	8 069
	56 648	59 509	60 871	61 595	62 838
Retained Revenue	3 560	3 609	3 662	3 715	3 771
Net Cost of Output Group	53 088	55 900	57 209	57 880	59 067
Appropriation	49 872	52 675	54 037	54 761	56 004

Note:

1. The increase in the Community Corrective Services Output primarily reflects the transfer in responsibility of the Australian Government funded Court Mandated Diversion (CMD) program to Community Corrective Services.

6.1 Prison Services

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 facilities that provide care and custody, at various levels of security, for inmates and persons detained in custody. It also provides safe, secure transport between prison and courts.

6.2 Community Corrective Services

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, and 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 7.14: Performance Information - Output Group 6

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Proportion of adult offenders convicted again within two years (TT) ^{1,2}	%	23.2	24.4	23.0	23.0
Prison Escape Rate – Secure Perimeter	Number per 100 prisoner years	0.0	0.0	0.0	0.0
Prison Escape Rate – Open Perimeter	Number per 100 prisoner years	0.0	0.0	<2.0	<2.0
Completion rate for community supervision orders	%	86.5	88.5	90.0	90.0
Cost per Prisoner Day ³	\$	266	308	282	300
Cost per Community Supervised Offender per day ³	\$	12.16	10.07	12.00	12.00

Notes:

1. The indicator relates to offenders who completed their justice order two years before the reference period.
2. (TT) denotes that this Performance Information is linked directly to a Tasmania *Together* benchmark.
3. Actual 2008-09 amounts have been changed from actual amounts published in the 2009-10 Budget to reflect the amounts in 2009-10 dollars, as published in the Productivity Commission's *Report on Government Services 2011*.

Performance Information Comments

Table 7.14 reports actual and target data for efficiency and effectiveness indicators as reported for Tasmania *Together* and annually in Chapter 8 (Corrective Services) of the Productivity Commission's *Report on Government Services*. The indicators are:

- the effectiveness of the Output Group in reducing recidivism. The indicator shows the number of adults who 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 as a proportion of all adults who completed a period of sentenced imprisonment or community supervision in the same period. The indicator only includes those adults who have completed their first period of sentenced imprisonment or supervision 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 is indicator 1.6 under Goal 2 Tasmania *Together*. 'Confident, friendly and safe communities'. It should be noted that this indicator uses different counting rules from the four 'rate of return' indicators reported in the *Report on Government Services 2011*;
- 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 corrections system.

Output Group 7: Other Services

Table 7.15 provides financial information for the single Output under Output Group 7. A description of the Output follows the table.

Table 7.15: Summary Financial Information - Output Group 7

	2010-11	2011-12	2012-13	2013-14	2014-15
	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	673	689	691	691	691
	673	689	691	691	691
Retained Revenue¹	....	....	650	650	650
Net Cost of Output Group	673	689	41	41	41
Appropriation¹	669	685	37	37	37

Note:

1. The movements in Retained Revenue and Appropriation from 2012-13 reflects increased cost recovery for the cost of the Poppy Advisory and Control Board.

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 stakeholder bodies.

Table 7.16: Performance Information - Output Group 7

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Cost of Poppy Advisory Control Board per Hectare sown	\$	33	30	33	33

Performance Information Comments

The performance indicator for this Output Group focuses on the efficiency of the Poppy Advisory and Control Board's supervision and protection activities. As a high proportion of the Board's costs are fixed the cost per hectare varies mostly in accordance with the extent of sowing in each year.

Output Group 8: Consumer Services

Table 7.17 provides financial information for the single Output under Output Group 8. A description of the Output follows the table.

Table 7.17: Summary Financial Information - Output Group 8

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Consumer Services					
Expenses by Output					
8.1 Fair, Safe and Equitable Marketplace	4 304	4 266	4 445	4 629	4 698
	4 304	4 266	4 445	4 629	4 698
Retained Revenue¹	990	1 200	1 420	1 520	1 591
Net Cost of Output Group	3 314	3 066	3 025	3 109	3 107
Appropriation	3 066	2 941	3 016	3 074	3 143

Note:

1. The increase in Retained Revenue primarily reflects the increase of interest earned on residential tenancy bonds due to the increasing number and value of bonds being held by the Residential Deposits Authority.

8.1 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 advice to the Government and provides advice, information and business registration procedures to the public. It also enforces product safety standards and promotes compliance with legislation and the move to national uniformity in a number of policy areas.

Table 7.18: Performance Information - Output Group 8

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Cost per Compliance Action	\$	16.98	14.95	15.00	15.00

Performance Information Comments

The performance measure for this Output Group focuses on the cost effectiveness of its compliance activities.

Output Group 9: Industrial Relations Services

Table 7.19 provides financial information for each Output under Output Group 9. A description of the Outputs follows the table.

Table 7.19: Summary Financial Information - Output Group 9

	2010-11	2011-12	2012-13	2013-14	2014-15
	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 ¹	2 259	1 506	1 285	1 308	1 334
9.2 Workers Rehabilitation and Compensation Tribunal Decisions	1 179	1 156	1 157	1 158	1 159
9.3 Industrial Relations Policy and Advocacy Services ²	298	186	186	186	186
	3 736	2 848	2 628	2 652	2 679
Retained Revenue	1 150	1 185	1 202	1 220	1 258
Net Cost of Output Group	2 586	1 663	1 426	1 432	1 421
Appropriation	2 560	1 637	1 417	1 441	1 468

Notes:

1. The decrease in the Services of the Tasmanian Industrial Commission Output primarily reflects the changes to support services and lease costs for services provided.
2. The decrease in the Industrial Relations Policy and Advocacy Services Output is primarily due to a reduction in the level of resources required to deliver these services.

9.1 Services of the Tasmanian Industrial Commission

The Commission is an independent tribunal established under the *Industrial Relations Act 1984*. From 1 January 2010, all private sector employees and employers in Tasmania moved to the national workplace relations system.

The Commission continues to exercise jurisdiction over the Tasmanian State Service for which it is to:

- conciliate and arbitrate to resolve industrial disputes, including claims of unfair dismissal;

- fix wages rates and set terms and conditions of employment by making industrial awards; and
- approve enterprise and industrial agreements.

9.2 Workers' Rehabilitation and Compensation Tribunal Decisions

This Output provides support and makes decisions on matters regarding workers' compensation disputes brought before the Workers' Rehabilitation and Compensation Tribunal by employers and employees.

9.3 Industrial Relations Policy and Advocacy Services

This Output provides policy advice to the Minister for Workplace Relations regarding Private Sector Industrial Relations.

Table 7.20: Performance Information - Output Group 9

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Clearance Rate ¹	%	77	77	100	100
Proportion of matters finalised within three months	%	76	74	76	75

Note:

1. The Clearance Rate is the number of applications finalised during a reporting period expressed as a percentage of those lodged during the same period.

Performance Information Comments

The clearance rate is a measure of the efficiency of the Tasmanian Industrial Commission. A figure of 100 per cent indicates the Commission is keeping up with its work load, a figure of less than 100 per cent indicates that the Commission is falling behind.

The proportion of matters finalised within three months is an indicator of timeliness of resolution of disputes. Performance against this indicator is a measure of the effectiveness of the Commission's case management together with the preparation of the parties to the dispute. In the majority of cases where matters take longer than three months to settle, the delay is at the instigation of the parties.

Output Group 10: Resource Planning

Table 7.21 provides financial information for each Output under Output Group 10. A description of the Outputs follows the table.

Table 7.21: Summary Financial Information - Output Group 10

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Resource Planning					
Expenses by Output					
10.1 State Architect ¹	331	260	260	267	271
10.2 Tasmanian Planning Commission ²	2 836	4 278	4 545	4 513	4 612
10.3 Resource Management Planning Appeal Tribunal ¹	1 460	1 272	1 317	1 342	1 374
	4 627	5 810	6 122	6 122	6 257
Net Cost of Output Group	4 627	5 810	6 122	6 122	6 257
Appropriation	4 615	5 798	6 110	6 110	6 245

Notes:

1. The decrease in the State Architect Output and the Resource Management Planning Appeal Tribunal Output are primarily due to a rebasing of corporate overhead expenses across the Department during 2010-11.
2. The increase in the Tasmanian Planning Commission Output primarily reflects additional funding provided for the next stage of the regional planning reform agenda.

10.1 State Architect

This Output comprises the State Architect who provides strategic and independent advice to the Tasmanian Government on a range of matters including planning, urban design and building architecture.

10.2 Tasmanian Planning Commission

This Output has a range of statutory responsibilities including:

- assessments of council planning schemes and planning scheme amendments, projects of regional significant and draft planning directives under the *Land Use Planning and Approvals Act 1993*;
- assessments of projects of State or regional significance and draft State Policies under the *State Policies and Projects Act 1993*;
- preparation of the Tasmanian State of the Environment report under the *State Policies and Projects Act 1993*; and
- conduct of inquiries into public land use under the *Public Land (Administration and Forests) Act 1991*.

This Output also provides advice to the Minister for Planning on land use planning in Tasmania, plans for the coordinated provision of transport and infrastructure, and advises local government in relation to planning schemes under the *Land Use Planning and Approvals Act 1993*.

10.3 Resource Management and 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 7.22: Performance Information - Output Group 10

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Proportion of substantive decisions of Resource Management Planning Appeal Tribunal resolved by mediation (consent)	%	77.6	70.3	78	78

Performance Information Comments

The settlement of disputes through mediation (consent) provides a fair and cost effective way of resolving disputes. The 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 Services

Table 7.23 provides financial information for each Output under Output Group 11. A description of the Outputs follows the table.

Table 7.23: Summary Financial Information - Output Group 11

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Workplace Services					
Expenses by Output					
11.1 Workplace Standards	15 947	15 401	15 652	15 921	16 183
	15 947	15 401	15 652	15 921	16 183
Retained Revenue	3 756	3 783	3 810	3 838	3 861
Net Cost of Output Group	12 191	11 618	11 842	12 083	12 322
Appropriation	11 800	11 207	11 409	11 627	11 889

11.1 Workplace Standards

This Output aims to improve or administer:

- health and safety at work;
- the safety with which dangerous goods are transported, handled and stored;
- Tasmania's workers' compensation scheme; and
- legislation, standards, codes of practice, licensing, registration and accreditation procedures to ensure an appropriate level of regulation.

This Output also provides strategic policy advice to the Minister for Workplace Relations, and the WorkCover Tasmania Board.

Table 7.24: Performance Information - Output Group 11

Performance Measure	Unit of Measure	2008-09 Actual	2009-10 Actual	2010-11 Target	2011-12 Target
Safety of Workers – rates of serious injury ¹	Claims per 1 000 employees	14.4	na	10.4	9.7
All Claims Frequency Rate – all industries ²	Rate	29.2	29.0	28.0	28.0

Notes:

1. The Safety of Workers measure reflects the incidence rates of serious compensated injury and musculoskeletal claims per 1 000 employees. Serious claims include accepted workers' compensation claims for temporary incapacity involving one or more weeks of compensation, plus claims for fatality and permanent incapacity. The nationally agreed target for Tasmania is 9.84 by 2012.
2. 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 over a particular period by the number of hours worked by employees exposed to risk during the same period, multiplied by one million.

Performance Information Comments

Workplace Standards Tasmania aims to reduce the rate of claims for serious injury through its administration of a range of legislation which aims to protect the safety of workers and other persons.

Workplace Standards conducts accident and incident investigations, undertakes audits for compliance with legislation, delivers awareness and educational programs and assesses and processes licences and permits for key occupations.

CAPITAL INVESTMENT PROGRAM

Table 7.25 provides financial information for the Department's Capital Investment Program. Further information on the Capital Investment Program is provided in Chapter 8 of Budget Paper No 1 *The Budget*.

Table 7.25: Capital Investment Program

	Estimated Total Cost \$'000	2011-12 Budget \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Minister for Corrections and Consumer Protection					
Prisons Infrastructure Redevelopment Program	20 170	3 500	13 400	3 170	....
Total CIP Allocations		3 500	13 400	3 170	....

Prisons Infrastructure Redevelopment Program – Stage D

Planning for Stage D of the Prisons Infrastructure Redevelopment Program commenced in 2010-11. The five year \$20.2 million redevelopment involves the construction of additional facilities at the Risdon Prison Complex.

DETAILED BUDGET STATEMENTS

Table 7.26: Income Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation	124 891	131 227	142 429	136 822	134 580
Fines and Regulatory Fees ¹	4 658	4 685	5 372	5 410	5 443
Interest Revenue ²	490	700	920	1 020	1 091
Grants ³	250	....	....	....	....
Sales of Goods and Services	5 413	5 479	5 551	5 623	5 696
Other Revenue ⁴	2 911	3 982	3 009	4 037	3 085
	138 613	146 073	157 281	152 912	149 895
Less Expenses					
Employee Entitlements	74 169	75 136	76 688	80 007	80 018
Superannuation	7 269	7 507	7 668	8 008	8 019
Depreciation and Amortisation	4 364	4 364	4 364	4 364	4 364
Grants and Transfer Payments	11 648	11 865	11 939	12 176	12 361
Supplies and Consumables	27 687	30 046	29 072	30 653	31 134
Other Expenses	18 722	18 915	19 213	19 543	19 783
	143 859	147 833	148 944	154 751	155 679
Equals OPERATING RESULT	(5 246)	(1 760)	8 337	(1 839)	(5 784)
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	....	....	....	....	....
Other Non-Owner Movements in Equity ⁵	(920)	....	....	....	....
	(920)	....	....	....	....
Equals COMPREHENSIVE INCOME	(6 166)	(1 760)	8 337	(1 839)	(5 784)

Notes:

1. The increase in Fines and Regulatory Fees from 2012-13 reflects increased cost recovery for the cost of the Poppy Advisory and Control Board.
2. The increase in Interest Revenue primarily reflects the increase of interest earned on residential tenancy bonds due to the increasing number and value of bonds being held by the Residential Deposits Authority.
3. The decrease in Grants reflects the completion of the Franklin Wharf Redevelopment project during 2010-11.
4. The movements in Other Revenue primarily reflect the timing of local government elections conducted by the Tasmanian Electoral Commission and the associated recovery of costs.
5. This amount reflects the transfer of funds associated with the Confiscation of Profits account to the Office of the Director of Public Prosecutions as a result of the establishment of the Office as a separate agency from 1 July 2010.

Table 7.27: Revenue from Appropriation

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Annual Appropriation					
Recurrent	112 866	115 581	116 380	118 261	120 837
Works and Services ¹	100	3 500	13 400	3 170	....
	112 966	119 081	129 780	121 431	120 837
Reserved by Law					
Expenses of Aboriginal Land Council of Tasmania Elections (<i>Aboriginal Lands Act 1995</i> , section 17) ²	5	25	5	25	5
Expenses of Parliamentary Elections and Referendums (<i>Electoral Act 2004</i> and <i>Referendum Procedures Act 2004</i>) ³	984	885	1 033	3 418	1 630
Expenses under the <i>Legislative Council Electoral Boundaries Act 1995</i>	5	5	5	5	5
Salaries of Judges (<i>Supreme Court Act 1887</i>)	2 879	2 981	3 107	3 220	3 274
Salaries of Magistrates (<i>Magistrates Court Act 1987</i>)	4 729	4 898	5 104	5 295	5 385
Salary and Travelling Allowance, Associate Judge of the Supreme Court (<i>Supreme Court Act 1959</i>)	377	390	406	421	428
Salary, Solicitor-General (<i>Solicitor-General Act 1983</i>)	446	462	489	507	516
<i>Victims of Crime Assistance Act 1976</i>	2 500	2 500	2 500	2 500	2 500
	11 925	12 146	12 649	15 391	13 743
Total Revenue from Appropriation	124 891	131 227	142 429	136 822	134 580

Notes:

1. The increase in Works and Services over the Budget and Forward Estimates period represents the timing of cash flows for the continuation of Stage D of the Prison Infrastructure Redevelopment Program.
2. The movement in Expenses of Aboriginal Land Council of Tasmania Elections reflects the anticipated timing of Aboriginal Land Council of Tasmania elections.
3. The increase in Expenses of Parliamentary Elections and Referendums in 2013-14 reflects the anticipated timing of the next House of Assembly election.

Table 7.28: Income Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Appropriation ¹	1 755	335	....	....	....
Fines and Regulatory Fees ²	31 694	26 704	27 454	27 993	28 546
Interest Revenue	81	82	83	84	84
Sales of Goods and Services	6 857	7 018	7 182	7 351	7 524
Other Revenue	5 176	5 331	5 491	5 655	5 823
	45 563	39 470	40 210	41 083	41 977
Less Expenses					
Employee Entitlements	963	995	1 027	1 059	1 090
Superannuation	96	100	104	108	111
Grants and Transfer Payments ¹	2 555	1 135	800	800	800
Supplies and Consumables ³	1 285	1 661	1 701	1 741	1 781
Transfer to the Consolidated Fund	32 551	32 030	33 279	35 344	36 070
Other Expenses	2 231	2 297	2 363	2 429	2 495
	39 681	38 218	39 274	41 481	42 347
Equals OPERATING RESULT	5 882	1 252	936	(398)	(370)
Plus Other Movements in Equity					
Revaluations of Non-Financial Assets	....	....	....	....	....
Other Non-Owner Movements in Equity	....	....	....	....	....
Equals COMPREHENSIVE INCOME	5 882	1 252	936	(398)	(370)

Notes:

1. The decrease in Revenue from Appropriation and Grants and Transfer Payments in 2011-12 reflects the wind up of the Sullivans Cove Waterfront Authority during 2011-12.
2. The decrease in Fines and Regulatory Fees reflects an adjustment of the estimated revenue based on recent trends, which indicate that fewer fines and infringements are being imposed.
3. The increase in Supplies and Consumables primarily reflects WorkCover purchasing additional services from Workplace Standards associated with asbestos and Occupational Health and Safety activities from 2011-12.

Table 7.29: Administered Revenue

	2010-11	2011-12	2012-13	2013-14	2014-15
	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
Consumer Affairs Office Fees and Recoveries	2 623	2 689	2 756	2 825	2 896
Fines	25 370	24 688	25 773	27 669	28 222
Magisterial Courts Fees and Recoveries	810	830	851	872	894
Other Sales of Services	739	747	755	763	771
Registrar-General Fees and Recoveries	2 048	2 099	2 151	2 205	2 260
Regulatory Fees	172	172	172	172	172
Supreme Court Fees and Recoveries	637	653	669	686	703
	32 551	32 030	33 279	35 344	36 070
Revenue from Appropriation					
Annual Appropriation ¹	1 755	335	....	....	....
Other Revenue					
Fines ²	6 000	1 692	1 357	....	....
Interest income	81	82	83	84	84
Other Revenue	5 176	5 331	5 491	5 655	5 823
	11 257	7 105	6 931	5 739	5 907
Total Administered Revenue	45 563	39 470	40 210	41 083	41 977

Notes:

1. The decrease in Annual Appropriation in 2011-12 and the ceasing of funding from 2012-13 reflects the winding up of the Sullivans Cove Waterfront Authority during 2011-12.
2. This accrual relates to the value of fines imposed during the financial year which are not collected within the same period. The decrease in Fines reflects a change in the accounting treatment of this revenue item.

Table 7.30: Administered Expenses

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies					
Sullivans Cove Waterfront Authority	1 755	335	....	....	....
WorkCover Tasmania Board ¹	5 375	5 853	5 995	6 137	6 277
	7 130	6 188	5 995	6 137	6 277
Transfer to the Consolidated Fund	32 551	32 030	33 279	35 344	36 070
Total Administered Expenses	39 681	38 218	39 274	41 481	42 347

Note:

1. The decrease in Sullivans Cove Waterfront Authority in 2011-12 and the cessation of funding from 2012-13, reflects the wind up of the Sullivans Cove Waterfront Authority during 2011-12.

Sullivans Cove Waterfront Authority

The Sullivans Cove Waterfront Authority is the planning authority responsible for protecting, enhancing and developing Sullivans Cove and surrounding areas. During 2011-12, it is planned that the Sullivans Cove Waterfront Authority be wound up. As part of this process a Memorandum of Understanding will be developed to return planning responsibility for Sullivans Cove to the Hobart City Council.

WorkCover Tasmania Board

The WorkCover Tasmania Board oversees, promotes, reviews, and ensures the efficient operation of workers' rehabilitation and compensation procedures in accordance with the *Workers Rehabilitation and Compensation Act 1988*. Integral to this role is advising the Minister on matters relating to workers' rehabilitation and compensation in this State. Other major functions include reviewing the performance of licensed insurers and self-insurers and the operation of the Nominal Insurer, and managing the Workers' Rehabilitation and Compensation Fund.

Table 7.31: Balance Sheet as at 30 June

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits	11 708	12 298	12 025	11 806	10 812
Receivables ¹	2 919	2 482	2 610	2 738	2 866
Other Financial Assets	419	434	434	434	434
	15 046	15 214	15 069	14 978	14 112
Non-Financial Assets					
Land and Buildings	137 747	139 639	149 223	148 577	144 761
Plant and Equipment ¹	4 014	2 758	2 560	2 362	2 164
Intangibles	3 500	3 107	2 757	2 407	2 057
Other Non-Financial Assets	1 821	1 762	1 762	1 762	1 762
	147 082	147 266	156 302	155 108	150 744
Total Assets	162 128	162 480	171 371	170 086	164 856
Liabilities					
Employee Entitlements	20 647	19 461	19 878	20 295	20 712
Payables ¹	1 588	1 884	1 984	2 084	2 184
Other Liabilities ¹	1 945	1 741	1 778	1 815	1 852
Total Liabilities	24 180	23 086	23 640	24 194	24 748
NET ASSETS	137 948	139 394	147 731	145 892	140 108
Equity					
Accumulated Funds	97 124	98 570	106 907	105 068	99 284
Asset Revaluation Reserve	40 824	40 824	40 824	40 824	40 824
Total Equity	137 948	139 394	147 731	145 892	140 108

Note:

1. The movement in Receivables, Plant and Equipment, Payables and Other Liabilities in 2012 more accurately reflects the balance of these items based on the Department's 2009-10 financial statements.

Table 7.32: Balance Sheet as at 30 June – Administered

	2011	2012	2013	2014	2015
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Financial Assets					
Cash and Deposits ¹	2 859	2 276	1 865	1 477	1 117
Receivables ²	46 811	55 269	56 626	56 626	56 626
	49 670	57 545	58 491	58 103	57 743
Non-Financial Assets					
Plant and Equipment	....	9	9	9	9
	....	9	9	9	9
Total Assets	49 670	57 554	58 500	58 112	57 752
Liabilities					
Employee Entitlements	471	442	448	454	460
Payables ³	45	854	857	860	863
Other Liabilities ³	75	90	91	92	93
Total Liabilities	591	1 386	1 396	1 406	1 416
NET ASSETS	49 079	56 168	57 104	56 706	56 336
Equity					
Accumulated Funds ²	49 079	56 168	57 104	56 706	56 336
Total Equity	49 079	56 168	57 104	56 706	56 336

Notes:

1. The decrease in Cash and Deposits in 2012 more accurately reflects the balance of this item based on the WorkCover Board's 2009-10 financial statements, and the Board purchasing additional services from Workplace Standards associated with asbestos and Occupational Health and Safety activities from 2011-12.
2. The increase in Receivables and Accumulated Funds is primarily due to a reassessment downwards of the level of impaired debt for fines and infringements. The decrease in the impairment reflects greatly improved collection rates in older debt being collected by the Monetary Penalties Enforcement Service.
3. The movement in Payables and Other Liabilities in 2012 more accurately reflects the balance of these items based on the WorkCover Board's 2009-10 financial statements.

Table 7.33: Cash Flow Statement

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation	112 966	119 081	129 780	121 431	120 837
Reserved by Law	11 925	12 146	12 649	15 391	13 743
Fines and Regulatory Fees ¹	4 658	4 685	5 372	5 410	5 443
Interest Received ²	490	700	920	1 020	1 091
Grants ³	250	....	....	....	....
Sales of Goods and Services	5 285	5 351	5 423	5 495	5 568
GST Receipts	5 700	5 700	5 700	5 700	5 700
Other Receipts ⁴	2 911	3 982	3 009	4 037	3 085
	144 185	151 645	162 853	158 484	155 467
Cash Paid					
Employee Entitlements	(73 725)	(74 682)	(76 234)	(79 553)	(79 564)
Superannuation	(7 269)	(7 507)	(7 668)	(8 008)	(8 019)
Grants and Transfer Payments	(11 648)	(11 865)	(11 939)	(12 176)	(12 361)
Supplies and Consumables	(27 587)	(29 946)	(28 972)	(30 553)	(31 034)
GST Payments	(5 700)	(5 700)	(5 700)	(5 700)	(5 700)
Other Payments	(18 722)	(18 915)	(19 213)	(19 543)	(19 783)
	(144 651)	(148 615)	(149 726)	(155 533)	(156 461)
Net Cash Flows from Operating Activities	(466)	3 030	13 127	2 951	(994)
Cash Flows from Investing Activities					
Purchase of Fixed Assets ⁵	(100)	(3 500)	(13 400)	(3 170)	....
Net Purchase of Investments ⁶	(920)	....	....	....	....
Net Cash Flows from Investing Activities	(1 020)	(3 500)	(13 400)	(3 170)	....
Net Increase/(Decrease) in Cash Held	(1 486)	(470)	(273)	(219)	(994)
Cash at the Beginning of the Year	13 194	12 768	12 298	12 025	11 806
Cash at the End of the Year	11 708	12 298	12 025	11 806	10 812

Notes:

1. The increase in Fines and Regulatory Fees from 2012-13, reflects the proposal to transition most of the cost of funding the Poppy Advisory and Control Board to industry.
2. The increase in Interest Received primarily reflects the increase of interest earned on residential tenancy bonds due to the increasing number and value of bonds being held by the Residential Deposits Authority.
3. The decrease in Grants reflects the completion of the Franklin Wharf Redevelopment project during 2010-11.
4. The movements in Other Receipts primarily reflect the timing of local government elections conducted by the Tasmanian Electoral Commission and the associated recovery of costs.

5. The increase in Purchase of Fixed Assets over the Budget and Forward Estimates period represents the timing of cash flows for the continuation of Stage D of the Prison Infrastructure Redevelopment Program.
6. This amount reflects the transfer of funds associated with the Confiscation of Profits account to the Office of the Director of Public Prosecutions as a result of the establishment of the Office as a separate Budget agency from 1 July 2010.

Table 7.34: Cash Flow Statement – Administered

	2010-11	2011-12	2012-13	2013-14	2014-15
	Budget	Budget	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Cash Received					
Appropriation ¹	1 755	335	....	....	....
Fines and Regulatory Fees	25 694	25 012	26 097	27 993	28 546
Interest Received	81	82	83	84	84
Sales of Goods and Services	6 857	7 018	7 182	7 351	7 524
Other Receipts	5 176	5 331	5 491	5 655	5 823
	39 563	37 778	38 853	41 083	41 977
Cash Paid					
Employee Entitlements	(958)	(990)	(1 022)	(1 054)	(1 085)
Superannuation	(95)	(99)	(103)	(107)	(110)
Grants and Transfer Payments ¹	(2 555)	(1 135)	(800)	(800)	(800)
Supplies and Consumables ²	(1 282)	(1 658)	(1 698)	(1 738)	(1 778)
Transfers to the Consolidated Fund	(32 551)	(32 030)	(33 279)	(35 344)	(36 070)
Other Payments	(2 230)	(2 296)	(2 362)	(2 428)	(2 494)
	(39 671)	(38 208)	(39 264)	(41 471)	(42 337)
Net Cash Flows From Operating Activities	(108)	(430)	(411)	(388)	(360)
Net Increase/(Decrease) In Cash Held	(108)	(430)	(411)	(388)	(360)
Cash at the Beginning of the Year	2 967	2 706	2 276	1 865	1 477
Cash at the End of the Year	2 859	2 276	1 865	1 477	1 117

Notes:

1. The decrease in Appropriation and Grants and Transfer Payments in 2011-12 reflects the winding up of the Sullivans Cove Waterfront Authority during 2011-12.
2. The increase in Supplies and Consumables primarily reflects WorkCover purchasing additional services from Workplace Standards associated with asbestos and Occupational Health and Safety activities from 2011-12.